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THIS AGREEMENT MADE AS OF THIS 6th DAY OF JULY 2007

BETWEEN:

**PLH AVIATION SERVICES INC.
Calgary, Alberta
(hereinafter called the "Company")
OF THE FIRST PART,**

AND:

**GENERAL TEAMSTERS, LOCAL UNION NO. 362
affiliated with the
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
(hereinafter called the "Union")
OF THE SECOND PART.**

09235(04)

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WHEREAS, it is the intention and purpose of the Company and the Union to promote and foster harmonious industrial relations between the Company and its employees,

NOW THEREFORE, the Parties have agreed at a meeting held in Calgary, Alberta to amend Labour Agreement expiring on the 2nd day of May, 2001 as follows:

ARTICLE NO. 1 - INTERPRETATION AND EXTENT

Interpretation

- 1.01 In the event that any word, phrase, sentence, Section or Article of this Agreement, is declared invalid by any Court of competent jurisdiction only such word, phrase, sentence, Section or Article shall be affected and this Agreement shall be otherwise unaffected and shall continue in full force and effect.

ARTICLE NO. 2 - UNION SECURITY

Coverage

- 2.01 The Company recognizes the Union as the sole Bargaining Agent for the employees covered by this certification and working at the classified occupations listed in Appendix "A" and for such other employees as may be assigned to new classification coming under the Union's certification.

Membership

- 2.02 The Union shall have the exclusive right to determine who is a member in good standing.
- 2.03 Any employee who does not remain a member in good standing shall not be retained in the employment of the Company, subject to the Canada Labour Code.
- 2.04 Any employee who has been laid off for any reason and who does not retain their membership in the Union will not retain their seniority with the Company.
- 2.05 All employees covered by this Agreement must be members in good standing of the Union.
- 2.06 New employees shall be required to sign authorization cards for deduction of Initiation Fees, dues and assessments as required by the Bylaws of the Union. Such deductions shall be forwarded to the Union not later than the last day of the month in which the deductions were made. The Company's liability under this Article shall be limited only to correcting any improper or inaccurate deductions of remittances.

Picket Lines

- 2.07 It shall not be a violation of this Agreement or cause for discharge of any employee, in the performance of their duties, to refuse to cross a legal airline picket line recognized by the Union. In the event the Company provides alternate means of entering the work place without crossing the picket lines, employees will continue to perform their duties in a normal manner.

Strike and Lockout

- 2.08 The Company and the Union agree to abide by all the procedures provided by this Agreement and the Canada Labour Code, Part 5 for the purpose of peaceful settlements of disputes. This Code provides that employees may legally strike and the Company may lock-out following the

completion of the bargaining and conciliation process at the termination of an Agreement. However, in view of the orderly procedure established by this Agreement, as required by the Code for settling of disputes, the Union agrees that during the life of this Agreement, there shall be no strike or stoppage of work, either complete or partial and the Company agrees that there shall be no lock-out either complete or partial. Any employee violating this Section may be subject to immediate dismissal and such dismissal shall be subject to the Grievance Procedure as set forth in this Agreement.

Business Representative

- 2.09 The Business Representative of the Union shall be permitted access to the Company to attend to Union matters concerning employees in such departments, providing that such visits do not interfere with the operation of these departments. The Union representative will check with the office before making such visits.

Shop Stewards

- 2.10 The Union shall appoint or elect Shop Stewards from Regular Employees who have completed their probationary period and shall notify the Company in writing of the appointment or election. The Company shall only recognize such Shop Stewards when notified in writing by the Union and shall not discriminate against them for lawful Union activity.

Shop Stewards will suffer no loss of regular pay when processing grievances under Steps 1 and 2 of the Grievance Procedure.

- 2.11 The Company shall allow time off without pay to any employee who is serving on a Union Committee or as a delegate providing all requests for time off are reasonable and do not interfere with the proper operations of the business and provided forty-eight (48) hours written notice is given to the Company by the Union specifying the length of time off.

ARTICLE NO. 3 - HIRING

- 3.01 In the event that a person not a member of the Union shall be taken into employment by the Company, such person shall join the Union within fourteen (14) days of their hiring or be replaced. Joining the Union means filling out an application card.
- 3.02 The Employer shall furnish to the Union, a list of new employees taken into employment by the Company by adding the names and Social Insurance Numbers of said employees to the monthly check-off list.

Contract & Hired Trucking

- 3.03 The Company agrees not to sub-contract the fueling of aircraft to any other Company except in the case of emergency situations created by mechanical breakdown of Company equipment, or fuel related issues, such as supply or quality, provided no employee suffers a loss of pay or overtime opportunity. Under normal circumstances it shall fuel all aircraft, and any other equipment, with its own employees.

Contract Work

- 3.04 The Company agrees not to sub-contract mechanical work unless the Company does not have the facilities, or skills, to perform the work, or for warranty work. If there is a reduction of mechanical staff it will not be a result of the contracting out of mechanical work.

ARTICLE NO. 4 - NEW CLASSIFICATIONS

- 4.01 If the Company desires to place new classifications of work under this Agreement the Parties agree to negotiate immediately the wages and benefits for such new classification and these wages and benefits shall be retroactive to the date of commencement of the new classification.

ARTICLE NO. 5 - DISCHARGE OF EMPLOYEES

- 5.01 The Company has the right to discharge any employee for just cause. Employees shall be notified in writing, the reason for their dismissal. A copy shall also be forwarded to the Union.

ARTICLE NO. 6 - MANAGEMENT RIGHTS

- 6.01 The Union recognizes the exclusive right of the Company to manage and direct the Company's business in all respects and in accordance with its commitments, and to alter from time to time rules and regulations to be observed by employees, which rules and regulations shall not be inconsistent with this Agreement.
- 6.02 The Company shall always have the right to hire and to discipline, demote or discharge employees for proper cause.

ARTICLE NO. 7 -WAGES and WAGE STATEMENTS

Wages

- 7.01 The Company shall pay wages to every employee covered by this Agreement at the hourly rates contained in Appendix "A" for the various classifications listed therein. Appendix "A" shall be deemed to be contained in and form part of this Agreement.

Statement

- 7.02 The Company shall provide every employee covered by this Agreement with a separate detachable written or printed itemized statement in respect of all payments made to such employee of the Company. Such statement shall show the hours worked, the total overtime hours worked, the gross amount of wages, vacation pay and pay for Statutory Holidays and all deductions made therefrom.
- 7.03 Employees shall be paid on Thursday of each week. Employees shall receive their pay by direct deposit into the employee's bank account. Documentation authorizing the Company to make direct bank deposits must be on file with the Company in advance of such implementation.
- 7.04 Vacation pay shall be paid by direct deposit, prior to start of vacations, upon written request of the employee, two weeks prior to the applicable vacation period.
- 7.05 If an employee terminates on their own accord they will be paid on the next scheduled pay day of the following week.
- 7.06 In the event an error of eight (8) hours pay or more is made to an employees pay it shall be promptly corrected by issuing a separate cheque to cover any such error.
- 7.07 The Company shall deduct the total monthly deductions for Union Dues, Initiation, and Health & Welfare on any evenly split weekly basis.

- 7.08 The Company will indicate the amount deducted for Union Dues in the appropriate box on the Employee's T-4 Slip.

ARTICLE NO. 8 - HOURS of WORK and OVERTIME

Hours of Work

- 8.01 The work week for all Full-time Employees covered by this Agreement shall be five (5) consecutive days of eight (8) hours duration each, with two (2) consecutive days off. Sunday followed by Saturday shall be considered consecutive days off. All Full-time Employees shall work eight (8) straight hours per day which will include a thirty (30) minute lunch period.

The Company may establish a work week consisting of four (4), ten (10) hour days. Such agreement shall take the form of an Addendum attached to, and forming part of, this Collective Agreement.

- 8.02 a) Shift Premium - regular day shift hours for full-time, and full-time/part-time, employees shall be between 08:00 - 15:59 hours. Forty cents (\$0.40) shall be paid for all hours worked between the hours of 16:00 - 23:59.
- b) A shift premium of fifty-five cents (\$0.55) per hour shall be paid for all hours worked between the hours of 00:01 - 08:00 for all full-time, and full-time/part-time employees.
- c) Shifts commencing between 06:00 a.m. and 08:00 a.m. will not be entitled to the midnight shift premium.

- 8.03 When a full-time employee reports for duty on their regular scheduled work day, the employee shall be guaranteed a minimum of eight (8) hours work and/or pay from their regular scheduled starting time, unless the employee leaves of their own volition.

- 8.04 When full-time employees report for duty on a call-back basis, inconsistent with their regular scheduled work day or shift they shall be guaranteed a minimum of four (4) hours work. However, should the employee choose to leave of their own volition, after completion of the duties they were called in for, and with the consent of Management, the employee will be paid a minimum of two (2) hours pay at the applicable overtime rates.

- 8.05 When an employee completes a continuous period of work of a duration which would not allow eight (8) hours off duty, before the start of the next scheduled shift, the Employer shall have the option of granting the necessary time off with pay, or granting the employee the opportunity to work such hours at the rate of one and one-half (1½) times the employee's base rate of pay.

- 8.06 All shifts will be bid on to coincide with Airline Schedules. These shifts will be posted within thirty (30) days of the airline schedule effective date and posted for seven (7) days for bidding purposes. The shifts shall be effective seven (7) days after the bidding process has been completed. Seniority by classification will prevail for purpose of bidding.

The Company shall have the right to revise shift schedules at any time to meet airline scheduling changes. Revised shifts will be posted and bid as noted above.

- 8.07 All new jobs or vacancies will be posted within and for ninety-six (96) hours for bids. Classification Seniority, as described in Article 9.05, shall prevail for shift preferential, new jobs or vacancies provided the employee is qualified. There shall be no job bumping privileges except in the case of senior employees being displaced on their shift by a layoff or shift discontinuance.

The senior employees may exercise their seniority over junior employees in the same classification and be placed on a shift of their choice. The senior employees may only exercise their preference once in each case of layoff or shift discontinuance.

Voluntary Overtime

- 8.08 a) Any shift of four **(4)** hours or more, will be first offered to part-time employees who have not been scheduled forty (40) hours, provided such shift will not exceed their forty (40) hours, then by seniority to those full-time employees on their day off, full-time employees prior to or after their scheduled shift, and finally to everyone else, on the basis of classification seniority and availability.
- ti) Shift overtime shall be allotted wherever possible on the basis of classification seniority, in a voluntary manner, provided the employee is capable of doing the **job**.

Mandatory Overtime

- c) Upon reaching the bottom of the list with respect to classification seniority, the junior employee on shift shall be required to work the overtime. For the purpose of this Article, the junior employee shall be the employee with the least classification seniority. The Company shall use its best efforts to ensure any employee forced to work overtime shall be relieved with a voluntary replacement as soon as possible.
- d) No employee shall be required to work overtime in excess of eight **(8)** hours per week.
- 8.09 a) All time worked immediately prior to and/or immediately following the employee's regularly established shift, and which is in excess of eight (8) hours per day, shall be considered overtime and paid at the established overtime rate of time and one-half ($1\frac{1}{2}x$) for all overtime hours worked.
- b) All hours worked on a call-out or call-back basis, on an employee's designated day(s) of rest, which are in excess of forty **(40)** straight time hours, will be deemed overtime. The employee performing such work shall be paid time and one-half ($1\frac{1}{2}$) the base rate of pay for all hours worked.
- c) An employee working overtime in excess of two (2) hours, shall be allowed a thirty (30) minute meal period with pay, at the overtime rate, between the tenth (10th) and twelfth (12th) hours, for lunch. This meal period will be taken prior to punching out. If circumstances permit, the Supervisor will allow the employee to leave early without **loss** of pay.
- d) Any full-time employee on designated days of rest who works on a call-out or call-back basis on a General Holiday, shall be paid at the rate of time and one-half ($1\frac{1}{2}$) the base rate of pay for all hours worked. Additionally, said employee shall receive one-half ($\frac{1}{2}x$) time the base rate for all hours worked to a maximum of eight **(8)** hours.

ARTICLE NO. 9 - SENIORITY

- 9.01 a) Seniority of each employee covered by this Agreement shall be established after a probationary period of one hundred and twenty (120) calendar days. All time off for injury, disability, illness, authorized leave of absence, etc. shall be added to the probationary period. If the employee is retained in the service of the Company beyond that date, their seniority will date from the day the employee was last hired. During the probationary period full-time employees will be covered by and entitled to, unless

specifically excluded, all of the terms and conditions of this Agreement, except that they may be displaced or discharged. The purpose of the probationary period is to determine, in the opinion of the Employer, the suitability of the employee for continued employment. Reasons for discharge shall be forwarded to the Union upon request. Such discharge shall be deemed to be at the sole and full discretion of the Employer.

- b) Company Seniority shall be based upon date of hire and is applicable to:
 - amount of annual vacation entitlement
 - in the event of lay-off, bumping privileges from their existing classification to any other classification for which they are deemed to be qualified.
- c) Classification Seniority shall be based upon their commencement date within the classification, and is applicable to:
 - shift bidding purposes
 - annual vacation bidding purposes
 - general holiday bidding purposes
 - overtime
 - layoff / rehire

Seniority List and Classification

9.02 The Company shall keep on its premises an up-to-date list of all employees showing the date when each commenced their employment and classification. The Company will forward a copy of this list to the Union, at least once every three (3) months, and shall be forwarded with the check-off list.

Layoff and Rehire

9.03 a) Employees shall receive seventy-two (72) hours notice of layoff except as follows:

- Where any labour dispute disrupts the movement of aircraft at the Calgary International Airport.

b) The Company when laying off employees shall lay them off in reverse order of their seniority of employment within their classification.

9.04 When vacancies occur, the Company shall rehire laid off employees according to their seniority within their classification.

9.05 There shall be three (3) classifications of seniority:

- a) Facility
- b) Fuellers
- c) Utility

Any employee wishing to transfer from one classification, will make application to the Company in writing, and will be given preference over a new applicant, provided the employee can meet the Company's qualifications for said classification.

When an employee transfers from one classification to another classification, they may retain their seniority in their former classification for a maximum of ninety (90) calendar days. The Company will make all attempts to assist employees through their qualifying period in new classifications. However, during the ninety (90) day qualifying period, should the Company determine the employee is not suitable in the new position, the employee will be moved back to their original position without **loss** of seniority.

In the event of a shortage of work in a classification, employees may revert to any position according to their Company seniority, and providing they are qualified.

Loss of Seniority

9.06 Seniority will not be retained by any employee who is laid off for lack of work and who is not recalled within a period of twelve (**12**) months from the date of layoff.

9.07 An employee laid off due to a reduction of forces shall, when laid off, file their address with the Company, and thereafter keep the Company informed of their current address.

In rehiring after layoff, the Company agrees to recall employees by job classification in the reverse order in which they were laid off (last one out, first one back), provided that the period of layoff does not exceed twelve (**12**) months. Notice of recall shall be sent by courier to the last address filed with the Company. Failure to respond within seven (7) days of the courier being sent, automatically closes out the employee's record. Further, if the employee refuses to return for the work assignment specified by the Company, the Company shall consider the employee to have resigned and close out the employee's record.

9.08 Employees who are promoted out of the bargaining unit into a permanent position shall continue to retain and accrue seniority under this Agreement for a period of six (6) months. If the employee continues to perform in such job past the six (6) month period, their name will be removed from the Seniority List.

ARTICLE NO. 10 - GENERAL HOLIDAYS

Entitlement

10.01 a) Regular hourly rated employees will receive eight (8) hours pay at their regular hourly work time job classification rate for the General Holidays listed. The following General Holidays shall be observed:

- | | |
|--------------------|------------------|
| New Year's Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Canada Day | Christmas Day |
| Civic Day (August) | Boxing Day |

If the Federal Government declares an official General Holiday, it will be observed and paid for as such.

- b) Due to the continuous nature of the operation, it may be necessary for employees to work on a General Holiday. In such cases, the employee will be given an alternate day off with pay, in lieu of the General Holiday. The General Holiday schedule shall be made up of two blocks of five (5) days, and will be given at a time mutually agreed upon with the employee, provided that two (2) weeks written notice is given to the Employer. Such time may be in conjunction with annual vacation so long as it does not interfere with another employee's annual vacation.

The Employee will receive pay at one and one-half (1 1/2) times the applicable rate of pay for all hours worked on a General Holiday.

- c) Employees are eligible for a General Holiday provided that the employee is entitled to wages for at least fifteen (15) days during the thirty (30) calendar days immediately preceding the General Holiday.

Employees shall not lose entitlement for absence caused by a Workers' Compensation claim that has been accepted.

- d) In the event of a General Holiday falling on an employee's day off, the employee will receive another day off with pay in lieu of that General Holiday.
- e) In the event of a General Holiday falling during an employee's vacation, the Holiday shall be taken as per the entitlement under Article 10:01 (d).

10.02 If an employee is laid off within thirty (30) days of any General Holiday(s) and then rehired within thirty (30) days of that Holiday, the employee shall receive Statutory Holiday(s) credit, i.e. extra day's pay or day off with pay for each General Holiday falling within that period.

ARTICLE NO. 11 - ANNUAL VACATIONS

11.01 Vacations will be granted on the basis of calendar years of service with the Company. A calendar year will be from January 1 to December 31 of each year.

- i) Employees commencing employment with the Company between the dates of January 1 and June 30 will have January 1, in the year in which employment commenced, as their anniversary date for accumulating calendar years of service for vacation entitlement purposes only.
- ii) Employees commencing employment with the Company between the dates of July 1 and December 31 will have January 1, in the year following commencement of employment, for their anniversary date for accumulating calendar years of service for vacation entitlement purposes only.
- iii) In the first year of employment, employees will be credited with one (1) day of vacation for each month of employment, to a maximum of ten (10) days during that calendar year. Such vacation is to be taken in the period between January 1st and December 31st in the calendar year following the commencement of employment. Vacation pay will be four percent (4%) of the gross wages paid that employee in the portion of the year worked.

All employees shall receive:

- a) Two (2) weeks vacation with pay after the completion of each calendar year of service with the Company. Payment for such vacation shall be in the amount equal to four percent (4%) of the gross wages paid that employee during the year in which the employee qualifies for such vacation, or
 - b) All employees who have completed five (5) years of continuous service with the Company, shall receive in the next succeeding year of employment and each succeeding year thereafter, three (3) weeks vacation, with pay in an amount equal to six percent (6%) of the gross wages paid that employee during the year in which they qualified for such vacation, or
 - c) Employees who have completed ten (10) years of continuous service with the Company, shall receive in the next succeeding year of employment, and each succeeding year thereafter, four (4) weeks vacation, with pay in an amount equal to eight percent (8%) of the gross wages paid that employee during the year in which they qualified for such vacation.
 - d) Employees who have completed twenty (20) years of continuous service with the Company, shall receive in the next succeeding year of employment, and each succeeding year thereafter, five (5) weeks vacation, with pay in an amount equal to ten percent (10%) of the gross wages paid that employee during the year in which they qualified for such vacation.
- 11.02 Employees will not be called out to work during their scheduled week(s) of vacation. The vacation week shall be considered seven (7) consecutive days commencing 00:01 hours Sunday and ending 23:59 hours Saturday.
- 11.03 Should a General Holiday occur while an employee is on annual vacation, the employee shall receive another day off with pay, in lieu of said General Holiday.
- 11.04 It is understood that employees will be given access to the full year (January 1 to December 31) for vacation purposes.
- 11.05 a) To preclude the **loss** of vacation time during the year in which it is to be taken, vacation lists will be posted on November 15th of the year immediately preceding the year in which it is to be taken. Employees shall designate their choice of vacation time prior to January 1st of the year in which the vacation is to be taken. To ensure that overlapping of vacations does not occur, vacations shall be taken from Sunday through Saturday, regardless of the employee's days off. If no overlapping occurs, the employee will be allowed to take vacation between scheduled days off. In the event an employee fails to designate their choice of vacation on such listing while posted, vacation time for said employee shall be allocated at the discretion of the Company. The Company shall post the completed vacation schedule by January 15th, and it shall remain posted for the balance of the year.

- b) Based on the number of employees actually working within each classification, the total number of employees in each classification who may be allowed to be off on vacation at any one time shall be determined pursuant to the following formula:

<u>Total # of Employees actually working in classification</u>	<u>Total # of Employees in the classification who may be off on vacation at one time</u>
1 - 9 employees	1 employee off
10 - 18 employees	2 employees off
19 - 27 employees	3 employees off
28 - 36 employees	4 employees off
37 - 45 employees	5 employees off
blocks of 9 thereafter	

- c) Annual vacation shall be allotted before General Holidays, and classification seniority shall prevail.

11.06 Employees shall take their annual vacation within the calendar year they are entitled to the said vacation.

ARTICLE NO. 12 - GENERAL WORKING CONDITIONS AND RULES

- 12.01 a) The meal break shall not commence before three (3) hours from the employee's starting time, or commence later than five and one-half (5%) hours from the employee's starting time. Employees not receiving a meal between the designated times will be compensated at one-half ($\frac{1}{2}$) hour at time and one-half (1%) their rate of pay. Employees not receiving any meal period time will receive one-half ($\frac{1}{2}$) hour at time and one-half (1%) their base rate of pay.
- b) If the employee's lunch is interrupted, it is agreed that all attempts will be made to ensure the employee will be given thirty (30) minutes between three (3) hours and five and one-half (5%) hours. If this cannot be done, the employee will receive pay in accordance with Article 12.01 (a).

Safety

12.02 In keeping with the regulations of Canada Labour Standards, a Safety Committee shall be established, consisting of one (1) member from within the bargaining unit and one (1) member of management. The Committee shall meet every month, or earlier if required, to discuss and recommend on safety matters and to promote a co-operative interest in the safety of the work force. Copies of the minutes of said meetings shall be forwarded to the Union, and posted on the Bulletin Board.

In conjunction with the Safety Meetings, the Company and the Union will conduct joint industrial relations meetings on a quarterly basis, to deal with operational issues not addressed by the Collective Agreement. This is not intended to preclude either Party from processing grievances/issues on a timely basis as required, and these meetings are not part of the Grievance Procedure.

Safety Equipment

- 12.03 Whenever the Company or the Canada Labour Standards regulations require equipment to be worn on the job, such equipment shall be provided by the Company at no cost to the employee. The employee shall wear such equipment while in performance of their duties, and shall be held responsible for such equipment and shall be charged for any damage or **loss** for which the employee can reasonably be held responsible.
- 12.04 a) It is to the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in safe operating condition. No employee will be required to operate equipment that is not in compliance with the appropriate safety requirements for mobile equipment. Additionally, employees will not be required to operate equipment in an unsupervised manner until they have been provided training by the Company on such equipment.
- b) It shall be the duty of the employee to report in writing on the appropriate forms of the Company promptly but not later than the end of the shift, all safety and/or mechanical defects on the equipment which they have operated during that shift.
- c) Should an unsafe condition, which could cause bodily harm, develop with a piece of equipment and it appears to be unsafe to operate, the supervisor shall investigate the alleged unsafe condition and the Company will make every effort to replace or repair such equipment, if at all possible, in order to prevent an employee from becoming injured. Such equipment will not be used in the interim period by bargaining unit employees.
- d) It shall be the obligation of the Company to direct the repair as necessary to conform with the safe and efficient operation of the equipment.
- 12.05 When split hoses are required, a second employee will be assigned to the pulling and hooking up of the hoses. The Parties agree to refer any misuse of this provision to the Shop Committee for resolve.
- Definition: - Fuelling an aircraft with one vehicle using two (2) hoses, one on each side of the aircraft.
- 12.06 It shall not be reason for discharge or suspension if any employee refuses to work in any area involving bomb scares or hijackings. If recognized airport authorities or those in charge decide any other area is unsafe, such area shall be included under this clause.
- 12.07 The Company shall provide First Aid provisions in accordance with the Workers' Compensation Act.
- 12.08 When an employee meets with a personal injury while on duty, which prevents them from completing their shift and the injury requires medical care, the employee shall be compensated for the full shift on that day.

Jury Duty

- 12.09 A full-time employee having attained seniority who is required to perform Jury Service or Jury Duty on a day on which they would normally have been scheduled to work, will be reimbursed by the Company for the difference between the pay received for Jury Service or Jury Duty and the straight time hourly rate of pay for their regularly scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of eight (8) per day or forty (40) per week, less pay received for Jury Service or Jury Duty. The employees will be required to furnish proof of Jury service and Jury Duty pay received.

Further, should an employee be summoned as a witness to event(s) which occurred while said employee was performing duties on behalf of the Company, the Company shall continue to pay the employee for regularly scheduled hours during such absence. Provided, however that all sums received by the employee by way of payment for attending as a witness shall be payable to the Company, to the end that no employee shall receive both their regular applicable rate from the Company and payment from other sources for the same period.

- 12.10 It is agreed that employees must make themselves available for work when not required to be in attendance as Jurors.

Bereavement Leave

- 12.11 Full time employees who have attained seniority shall have bereavement leave entitlement as follows;

- a) The Company agrees that in the event of bereavement in the immediate family of an employee, as indicated below, to allow the said employee five (5), eight (8) hour working days off with pay to attend the funeral and look after legal requirements of the estate, should the need arise:

Wife (includes common-law and same-sex)	Five (5) working days
Husband (includes common-law and same-sex)	Five (5) working days
Son (includes step-son)	Five (5) working days
Daughter (includes step-daughter)	Five (5) working days

- b) The Company agrees that in the event of bereavement in the family of an employee, as indicated below, to allow the said employee, upon request, such time off as is necessary to attend the funeral, not to exceed the specified calendar days in succession, and to pay for the days which they would otherwise have worked at their regular scheduled hours and regular hourly rate:

Father	Four (4) calendar days
Mother	Four (4) calendar days
Sister	Four (4) calendar days
Brother	Four (4) calendar days
Mother-in-Law	Four (4) calendar days
Father-in-Law	Four (4) calendar days
Grandparents	Four (4) calendar days
Spouse's Grandparents	Four (4) calendar days
Grandchildren	Four (4) calendar days

Any other persons covered by the Canada Labour Code, not covered in item (a) above, will be added to item (b) and will not exceed four (4) calendar days in succession.

In addition to (a) & (b) above, should additional time off be required for travel arrangement, etc., upon request by the employee, an additional five (5) days off may be granted without pay.

- 12.12 Leaves of absence shall be granted at the discretion of the Company. All applications for leaves of absence must be made in writing, all applications will be replied to in writing within three (3) working days and a copy of such will be remitted to the Union. Employees seniority protection shall be in accordance with the Labour Agreement.

Any employee hereunder on leave of absence engaged in gainful employment without prior permission from the Company and Union shall forfeit their seniority and their name will be stricken from the Seniority List and they will no longer be considered as an employee of the Company.

Medical Examinations

- 12.13 The Company shall pay employees, who are requested by the Company to take a physical examination. The examination shall be during working hours. If, following a Company requested medical examination, any employee is deemed to be physically incapable of carrying out their regularly assigned duties, the following procedure shall be applied:

In the event it is claimed that the employee is totally incapacitated, the Company shall notify the Union of the medical findings in respect of the employee. Should the Union or the employee disagree with the said findings, the employee at their own expense, shall have the right to be examined by their personal physician. Where there is no agreement between the two physicians on the condition of the employee, the two physicians shall select a Medical Consultant to examine the employee with respect to the dispute.

The findings of the consultant shall be final and binding. The remuneration of the consultant shall be borne by the Company and the Union on an equal basis.

Should the consultant deem the employee to be capable of carrying out their regularly assigned duties, then the employee shall not suffer any **loss** of earnings caused by their having been removed from or temporarily suspended from their regularly assigned duties.

- 12.14 Employees who have completed one (1) or more years of employment with the Company, and who are required to take Government Physical/Medical Examinations for the purpose of their Vehicle Operator's License, will upon receipt of their doctor's report make it available to the Company for copying. The Company will then reimburse the employee the cost of such physical examination upon the presentation of a receipt showing the employee has paid for such examination.

Higher Classification

- 12.15 If an employee starts their days work, they shall not be paid less than their regular posted rate for the day. If work is to be made available at a lower classification the employee shall be notified the day previous.

- 12.16 If an employee works at a classification of a higher rate for more than two (2) hours, they shall be paid a minimum of four (4) hours at the higher rate and if the employee works at a classification of a higher rate for more than four (4) hours, said employee shall be paid the higher rate for the whole shift. If possible, this work will be offered to full-time employees ahead of part-time employees.

Protective Clothing

- 12.17 a) Protective clothing shall be supplied by the Company consisting of raincoats, rain pants and noise suppressors. Such clothing is to be returned after use in good condition. Four (4) pairs of leather gloves will be issued in spring for summer use; and three (3) pairs of leather mitts with liners will be issued in the fall for winter use.
- b) Five (5) pairs of pants and seven (7) shirts for Fueling Personnel and eight (8) sets of work clothing, either pants and shirts or coveralls or a combination thereof for Facility Personnel will be supplied at no cost to the employee. Between October 15 and April 15 fuellers requesting coveralls will be issued with three (3) pairs in addition to normal issue. Employees will be responsible for all issued clothing. They are expected to be worn on the job only and will be replaced when worn out issued clothing is turned in. Abuse of issued clothing will render the employees liable for the cost of same.

Should the Company require the employees to wear any uniform, the Company will supply and maintain such uniform at no cost to the employees.

The Company will supply a spring/fall type jacket replaced every thirty-six (36) months.

A mutually acceptable winter parka will be fully paid for by the Company and replaced every twenty-four (24) months. Should the employee choose to purchase insulated coveralls rather than the winter parka, the Company will reimburse the employee for the cost of such purchase up to the Company's purchase price of the parkas in that year. The employee shall provide an acceptable proof-of-purchase to the Company for reimbursement. The Company will bear the cost of dry cleaning parkas used at work up to three (3) times per year.

- c) If any of the above items are lost or subjected to needless wear and tear, the employee will be required to replace them themselves. Any employee leaving the employ of the Company must return all of the above items in their possession at the time their employment ceases.

Employee Parking

- d) In those cases where the Company is unable to provide parking facilities for the employees, employee parking fees at the Airport Authority parking facilities will be paid by the Company.
- e) Proper washing facilities shall include hot and cold water, hand cleaner, towels, and wash basins. These shall be made available by the Company. In addition, there shall be provided adequate lunchrooms, which shall be kept clean and tidy.
- f) Areas of suitable size shall be provided by the Company for protection of the employee's clothes and personal belongings.

- g) Full-time employees who have completed one (1) year of service, but less than three (3) years of service will receive within fifteen (15) days of their first anniversary date, a footwear subsidy of one hundred and ten dollars (\$110.00) which will be paid for approved footwear, summer or winter, acceptable to the Company. In subsequent years of employment, the Company shall pay the footwear subsidy on May 3rd of each year.

Employees who have completed three (3) years of service, but less than five (5) years of service will receive a footwear subsidy of one hundred and twenty dollars (\$120.00) for approved footwear, summer or winter, acceptable to the Company. The Company shall pay the footwear subsidy on May 3rd of each year.

Employees who have completed five (5) years of service, but less than ten (10) years of service will receive a footwear subsidy of one hundred and thirty dollars (\$130.00) for approved footwear, summer or winter, acceptable to the Company. The Company shall pay the footwear subsidy on May 3rd of each year.

Employees who have completed ten (10) years of service, or more, will receive a footwear subsidy of one hundred and forty dollars (\$140.00) for approved footwear, summer or winter, acceptable to the Company. The Company shall pay the footwear subsidy on May 3rd of each year.

Part-time employees must complete two thousand and eighty (2080) hours of service to be eligible for an initial footwear subsidy in the amount noted above. Part-time employees will receive subsequent footwear subsidies (as per the above years of service) for each additional two thousand and eighty (2080) hours worked with a limit of one footwear subsidy per calendar year.

- 12.18 The Employer agrees to provide space that is readily accessible for Union notices of direct interest to the employees.
- 12.19 a) Under normal operating conditions, supervisors will not perform work covered under this Agreement except for training purposes. Any misuse of this provision will be referred to the Shop Steward for resolve.
- b) Employees will be allowed a ten (10) minute wash up period prior to termination of their shift.
- 12.20 When employees are required to use their own vehicles to provide transportation while on Company business, or to provide transportation to or from work at locations other than Calgary International Airport, they will receive a travelling allowance of thirty-five cents (\$.35) including GST, per kilometer.

The Company agrees to pay for the cost of parking for employees' automobile if and when it is required.

ARTICLE NO. 13 -GRIEVANCE PROCEDURE

All questions, disputes and controversies arising under this Agreement or any supplement hereto shall be adjusted and settled within the terms and conditions as set forth in this Agreement in the manner provided by this Article, unless otherwise expressly provided in this Agreement, the procedure for such adjustment and settlement shall be as follows:

STEP 1: - Any grievance of an employee shall first be taken up between such employee and the Company Supervisor.

Time limit to institute grievance:

- a) Termination or layoff - five (5) days.
- b) All others - ten (10) days.

However, such employee will be entitled to representation by a Shop Steward or a Union representative.

STEP 2: - Failing settlement under Step 1 such Grievance shall be reduced in writing and taken up between a representative of the Local Union or Shop Steward and the Resident Manager. Step 2 must be completed within five (5) working days from the completion of Step 1.

STEP 3: - Failing settlement under Step 2, such Grievance and any question, dispute or controversy that is not of a kind that is subject to Steps 1 and 2, the grieving Party shall reduce the Grievance in writing and it will be referred to and taken up between the Secretary or other bargaining representative of the Union and the Manager authorized by the President of the Company. Such referral must take place within five (5) working days from the completion of Step 2.

STEP 4: - Failing settlement under the above Steps the matter will be referred to an agreed upon neutral person to act as an Arbitrator who will meet with the Parties to hear both sides of the case. Failing to agree upon a neutral person, the Department of Labour will be requested to appoint a neutral Arbitrator.

The Arbitrator will be required to hand down their decision within fourteen (14) calendar days following the completion of the hearing and their decision shall be final and binding on the two Parties to the dispute.

The Arbitrator shall not have the authority or power to add to, or delete from or amend any term of this Agreement.

The cost of an Arbitrator will be borne equally by the Company and the Union.

The Company and the Union may mutually agree to waive any of the above steps and/or time limits in the Grievance Procedure.

ARTICLE NO. 14 - HEALTH and WELFARE PROTECTION

14.01 The Company will institute the Prairie Teamsters Health and Welfare Plan.

14.02 When an employee goes off work ill, or on compensation, the Company shall continue to pay both their Health and Welfare premiums and Union Dues so that the employee shall be protected to the utmost, provided;

- a) the employee reimburses the Company for such contributions normally paid by said employee and is at no time more than three (3) months in arrears, and
- b) the period of such coverage shall exceed six (6) months only by mutual agreement by the two Parties.

When the employee returns to work, the Company shall deduct from their earnings any monies the Company has paid out in respect to their contributions.

In the event an employee does not return to work and the employee refuses or neglects on demand at their last known address to make restitution for such monies paid out, the Union shall then reimburse the Company for said amount.

Banked Overtime

- 14.03 All employees shall be entitled to accumulate overtime to create a bank of funds which may be taken at their discretion at a later date. The process shall include;
- a) a written request from the employee will be provided to the Company for the pay period in which they wish overtime to be accrued to their bank
 - b) overtime to be allocated to the bank will be dollar for dollar at the established overtime rate as per Article 8.09 (i.e. one hour of overtime worked, one hour at one and one-half (1½) times base rates credited to the bank. No partial payments such as half (½) time on pay cheque and straight time banked.)
 - c) the maximum amount which may be banked will be the equivalent of two (2) weeks pay
 - d) the bank will be recorded in a dollar value, and not in time owed. The Company will produce a statement of banked amounts owing upon request of the employee.
 - e) Banked Overtime is intended for use during periods of illness, accident or injury. The Company will use its best efforts to allow employees to utilize the Banked Overtime in the event of family emergencies, or for extended Bereavement Leave.
 - f) the employee will submit a written request to receive payment from their banked pay. Amounts requested cannot exceed the amount of contributions made by the employee, and payment will be made to the employee on the next scheduled payroll.
 - g) banked amounts may be carried from one year to the next. However, the total maximum amount which may be contained in the bank remains at the equivalent of two (2) weeks pay as noted in item "c" above.

ARTICLE NO. 15 - TECHNOLOGICAL CHANGE

- 15.01 Notwithstanding the provisions of Article No. 4, the Company shall notify the Union at least one (1) month in advance of any technological change which would affect the terms and conditions or security of employment of the employees to whom this Collective Agreement applies.
- 15.02 Should automation or technological change cause jobs to disappear, the employee shall have the opportunity to work (providing the employee is qualified and work is available) in another classification. Should training be required, the employee shall be allowed up to twenty-one (21) working days without any **loss** of pay.

ARTICLE NO. 16 - SAVING CLAUSE

No employee who, prior to the date of this Collective Agreement, was receiving more than the rate of wages of this schedule, or working fewer hours than stipulated in this Agreement shall suffer a reduction in wages, special benefits or increase in hours because of the adoption of this Agreement, nor shall the employer suffer any **loss** of flexibility, utilization of employees, or past practice as a result of the adoption of this Agreement, unless specifically dealt with in the terms and conditions of this Agreement.

ARTICLE NO. 17 - DURATION

- 17.01 This Agreement shall be for the period from and including the third (3rd) day of May 2007 to and including the second (2nd) day of May 2012, and from year to year thereafter, subject to the right of either Party to the Agreement, within ninety (90) days immediately preceding the date of expiry of this Agreement, which is the second (2nd) day of May 2012, by written notice to require the other Party to the Agreement to commence collective bargaining.
- 17.02 The Collective Agreement shall be effective May 3, 2007 unless otherwise specified.
- 17.03 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall strike or the employer shall lock-out or the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

ARTICLE NO. 18 - SUCCESSOR RIGHTS

- 18.01 The purchase, transfer alienation by another in whole or in part of this undertaking shall not invalidate any certificate issued by the Canada Labour Relations Board, any collective agreement or any preceding for the securing of a certificate, or for the making or carrying out of a Collective Agreement.
- 18.02 The new Employer, notwithstanding the purchase, transfer division, amalgamation or changed legal structure of the undertaking, shall be bound by the certificate or collective agreements as if the employee was named therein, and shall become ipso facto, a party to the proceedings relating thereto in place and instead of the former employer.

ARTICLE NO. 19 - SEVERANCE PAY

- 19.01 In the event the Company should cease or suspend any operations, all affected employees shall receive severance pay as per Canada Labour Code.

SIGNED THIS _____ DAY OF _____, 200_____

ON BEHALF OF THE COMPANY:
PLH Aviation Service Inc.

ON BEHALF OF THE UNION:
General Teamsters, Local Union No. 362

Dave Matthew, President

David Frost, Business Agent

APPENDIX "A"

INCENTIVE PREMIUMS FUELLERS

- 1) Incentive Premium accrual period will be from January 1st to December 31st (inclusive) of each year.
- 2) Payment of Incentive Premiums will commence May 1st of the following year (coinciding with the Collective Agreement).
- 3) Timing allows four months to reconcile each employees position, review entitlements with each employee, perform a secondary review at Corporate Office, and implement applicable rate changes to the payroll system.
- 4) Each category provided an entitlement as follows:

Fuellers (one to five years of service)

- Eighteen point three (18.3) cents - total of five categories - potential total \$2.75

Fuellers (five to ten years of service) -

- ten (10) cents - total of five categories - potential total \$1.50

Fuellers (ten years of service or more) \$0.00

Facility (one to five years of service) -

- sixteen point six (16.6) cents - total of four categories - potential total \$2.00

Facility (five to ten years of service)

- eight point three (8.3) cents - total of four categories - potential total \$1.00

Facility (ten years of service or more) \$0.00

Utility (one to five years of service) -

- sixteen point six (16.6) cents - total of four categories- potential total \$2.00

Utility (five to ten years of service)

- twelve point five (12.5) cents - total of four categories - potential total \$1.50

Utility (ten years of service or more) \$0.00

There are also increases in the Incentive Premium Rates at May 3/08 and May 3/09.

Full entitlement is based on the preceding three (3) fiscal years. Effectively provides employees with a total potential premium entitlement ranging between \$1.50 and \$2.75 (dependent upon classification / years of service) per hour to be paid for each regular hour worked in the next twelve months, commencing May 1st.

- 5) Eligibility for the Incentive Premiums will be based on 0 - 1040, and 1041 - 2080 hours worked per year. (i.e. 0 - 1040 hours worked provides 50% of the Incentive Premium eligibility, 1041 - 2080 hours worked provides 100% of the Incentive Premium eligibility.)

- 6) To preclude any employee from losing wages twice, (i.e. both pay and incentive points) resulting from a suspension from work for cause, which impacts incentive point credits, the Company agrees to reimburse lost wages at straight time without shift premium to any employee who was suspended for cause between January 1 and December 31 of any given year. Such repayment will be made on May 1st of the following year..

Categories

Incentive Premiums will be deducted for incidents attributable to the employee in the following categories:

- a) Accidents - where after investigation, the fault is attributable to an employee
 - 1. Any accident involving an aircraft regardless of repair costs
 - 2. Any vehicle accident with repair costs in excess of \$1,000.00
 - 3. Cumulative accidents with repair costs exceeding \$1,000.00 (i.e. 2 accidents valued at \$425.00 each and one accident valued at \$151.00)
- b) Spills -where after investigation, fault is attributable to an employee
 - 1. Gasoline, diesel - any human error spill which exceeds two and one-half (2%) feet in any direction, or in excess of two (2) litres, or which enters any form of drain, or has the potential of causing environmental damage.
 - 2. Jet fuel - any human error spill which exceeds five (5) feet in any direction, or in excess of twenty-five (25) litres, or which enters any form of drain, or has the potential of causing environmental damage.
 - 3. Hazardous shop materials (Oils, AIA, Glycol, Antifreeze, Battery Acid, etc.) - any human error spill which exceeds two(2) feet in any direction, or in excess of two (2) litres, or which enters any form of drain, or has the potential of causing environmental damage.
- c) Delays - any human error delay regardless of time involved, where after investigation, fault is attributable to an employee.
- d) Tardiness -
 - 1. Any accumulation of four lates or (multiples of four lates) per year.
 - 2. Being late for reasons of extreme weather conditions will be reviewed on a case by case basis, to determine whether they should apply.
- e) Disciplinary Actions
 - 1. Disciplinary actions related to Accidents, Spills, Delays, Tardiness are excluded from this category to prevent the employees being deducted twice for the same incident.

NOTE: Deductions will be based on a per Occurrence basis with the exception of:

- i. Vehicle accidents under \$1,000.00 which requires an accumulation in excess of the \$1,000.00 limit
- ii. Tardiness which allows four (4) late's in any given fiscal year
- iii. Individual infractions - discipline actions commence on minor offenses, with an accumulation of three (3) infractions (i.e. not wiping nozzles).

EXAMPLES:

1. At January 1, 2007 an employee has worked for three years without incident in any of the categories. They are therefore entitled to the full amount of \$2.75 Incentive Premium for each regular hour worked effective May 1, 2007

In the subsequent accrual year (2007) they incur one delay. Their Incentive Premium entitlement will be reduced by eighteen point three (18.3)cents to \$2. 56 Incentive Premium for each regular hour worked effective May 1, 2008.

2. At January 1, 2007 an employee has worked for one year (2006) without incident in any of the categories. They are therefore entitled to the amount of \$0.916 Incentive Premium for each regular hour worked effective May 1, 2007.

In the subsequent accrual year (2007) they incur two delays. Their Incentive Premium entitlement will be reduced by thirty-six point six (36.6) cents, and they will receive \$1.464 Incentive Premium for each regular hour worked effective May 1, 2008

Incentive Categories are applicable to the employee classifications as follows;

	<u>Facility</u>	<u>Fuel</u>	<u>Utility</u>
Accidents	yes	yes	yes
Spills	yes	yes	yes
Delays	no	yes	no
Disciplinary Actions	yes	yes	yes
Tardiness	yes	yes	yes

Wages - Fuellers (Class 3)

CLASSIFICATION	MAY 3/07	MAY 3/08	MAY 3/09	MAY 3/10	MAY 3/11
Hire Rate	\$13.50	\$13.85	\$14.21	\$14.50	\$14.79
After Red Pass	\$14.00	\$14.35	\$14.71	\$15.00	\$15.29
After Probation	\$14.50	\$14.85	\$15.21	\$15.50	\$15.79
Upon Completion of 1 Year	\$14.75	\$15.10	\$15.46	\$16.00	\$16.29
Upon Completion of 3 Years	\$15.00	\$15.35	\$15.71	\$16.25	\$16.79
Upon Completion of 5 Years	\$16.25	\$16.70	\$17.21	\$17.75	\$18.29
Upon Completion of 10 Years	\$18.25	\$18.85	\$19.46	\$20.00	\$20.54
Upon Completion of 15 Years	\$18.75	\$19.35	\$19.96	\$20.50	\$21.04
Upon Completion of 20 Years	\$19.25	\$19.85	\$20.46	\$21.00	\$21.54
Incentive Premiums (less than 5 years)	\$2.75	\$3.00	\$3.25	\$3.25	\$3.25
Incentive Premiums (more than 5 years)	\$1.50	\$1.65	\$1.75	\$1.75	\$1.75
Incentive Premiums (more than 10 years)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Fuellers - Class 1 requirement - If the Company requires any member of the fueling staff to utilize a Class 1 Driver Licence during the course of their daily duties, the Company will add an additional one dollar (\$1.00) per hour to the base rate of any such fueling employee who produces a valid Alberta Provincial Class 1 Drivers' Licence, which includes an airbrake endorsement.

Fuellers Class 3Q requirement - If the Company requires the fueling staff to utilize a Class 3Q Driver License during the course of their daily duties, the Company will add an additional twenty-five cents (\$0.25) per hour to the base rate of any such fueling employee who produces a valid Alberta Provincial Class 3Q Drivers' License, which includes an airbrake endorsement.

Wages - Facility

CLASSIFICATION	MAY 3/07	MAY 3/08	MAY 3/09	MAY 3/10	MAY 3/11
Hire Rate	\$16.00	\$16.39	\$16.78	\$17.11	\$17.46
After Red Pass	\$16.50	\$16.89	\$17.28	\$17.61	\$17.96
After Probation	\$17.00	\$17.39	\$17.78	\$18.11	\$18.46
Upon Completion of 1 Year	\$17.25	\$17.64	\$18.03	\$18.61	\$18.96
Upon Completion of 3 Years	\$17.50	\$17.89	\$18.28	\$18.86	\$19.46
Upon Completion of 5 Years	\$18.50	\$19.14	\$19.78	\$20.36	\$20.96
Upon Completion of 10 Years	\$20.00	\$20.64	\$21.28	\$21.86	\$22.46
Upon Completion of 15 Years	\$20.50	\$21.14	\$21.78	\$22.36	\$22.96
Upon Completion of 20 Years	\$21.00	\$21.64	\$22.28	\$22.86	\$23.46
Incentive Premiums (less than 5 years)	\$2.00	\$2.25	\$2.50	\$2.50	\$2.50
Incentive Premiums (more than 5 years)	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Incentive Premiums (more than 10 years)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Automotive Maintenance Certificate Holder - A facility person who can evidence they have successfully completed training in automotive repair, and possess a certificate acceptable to the Company, will receive a premium of one dollar (\$1.00) per hour for all hours worked.

Automotive Maintenance Apprentice - Completed First Year - A facility person who can evidence they have successfully completed one (1) year of an automotive maintenance apprenticeship program, which is acceptable to the Company, will receive a premium of twenty-five cents (\$0.25) per hour for all hours worked.

Automotive Maintenance Apprentice - Completed Second Year - A facility person who can evidence they have successfully completed two (2) years of an automotive maintenance apprenticeship program, which is acceptable to the Company, will receive a premium of fifty cents (\$0.50) per hour for all hours worked.

Automotive maintenance Apprentice - Completed Third Year - A facility person who can evidence they have successfully completed three (3) years of an automotive maintenance apprenticeship program, which is acceptable to the Company, will receive a premium of seventy-five cents (\$0.75) per hour for all hours worked.

It must be noted that the Company is not able to provide any guarantee that appropriately certified automotive mechanics will be on staff to allow an automotive apprenticeship program to be conducted at our facility.

Heavy Duty Maintenance Certificate Holder Premium - A facility person who can evidence they have successfully completed training in heavy duty maintenance, and possess a certificate acceptable to the Company, will receive a premium of one dollar and fifty cents (\$1.50) per hour for all hours worked.

Heavy Duty Maintenance Apprentice - Completed First Year - A facility person who can evidence they have successfully completed one (1) year of a heavy duty maintenance apprenticeship program, which is acceptable to the Company, will receive a premium of fifty cents (\$0.50) per hour for all hours worked.

Heavy Duty Maintenance Apprentice - Completed Second Year - A facility person who can evidence they have successfully completed two (2) years of a heavy duty maintenance apprenticeship program which is acceptable to the Company, will receive a premium of seventy-five cents (\$0.75) per hour for all hours worked.

Heavy Duty Maintenance Apprentice - Completed Third Year - A facility person who can evidence they have successfully completed three (3) years of a heavy duty maintenance apprenticeship program, which is acceptable to the Company, will receive a premium of one dollar and twenty-five cents (\$1.25) per hour for all hours worked.

It must be noted that the Company is not able to provide any guarantee that appropriately certified heavy duty mechanics will be on staff to allow an automotive apprenticeship program to be conducted at our facility.

Wages - Utility

CLASSIFICATION	MAY 3/07	MAY 3/08	MAY 3/09	MAY 3/10	MAY 3/11
Hire Rate	\$12.00	\$12.39	\$12.78	\$13.10	\$13.43
After Red Pass	\$12.50	\$12.89	\$13.28	\$13.60	\$13.93
After Probation	\$13.00	\$13.39	\$13.78	\$14.10	\$14.43
Upon Completion of 1 Year	\$13.25	\$13.64	\$14.03	\$14.60	\$14.93
Upon Completion of 3 Years	\$13.50	\$13.89	\$14.28	\$14.85	\$15.43
Upon Completion of 5 Years	\$14.00	\$14.64	\$15.28	\$15.85	\$16.43
Upon Completion of 10 Years	\$16.00	\$16.64	\$17.28	\$17.85	\$18.43
Upon Completion of 15 Years	\$16.50	\$17.14	\$17.78	\$18.35	\$18.93
Upon Completion of 20 Years	\$17.00	\$17.64	\$18.28	\$18.85	\$19.43
Incentive Premiums (less than 5 years)	\$2.00	\$2.25	\$2.50	\$2.50	\$2.50
Incentive Premiums (more than 5 years)	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Incentive Premiums (more than 10 years)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Utility Air Brake Endorsement Requirement- If the Company requires any member of the utility staff to utilize an Air Brake endorsement during the course of their daily duties, the Company will add an additional twenty-five cents (\$0.25) per hour to the base rate of any such utility employee who produces a valid Provincial Air Brake Endorsement.

Overtime - All overtime will be paid at one and one-half (1%) times the base rate of pay. Base rate does not include Incentive Premiums.

Trainer Premium - It is understood that approved training instructors, while actively training another employee, will be paid a premium of one dollar and twenty-five cents (**\$1.25**) per hour above their base rate of pay.

Lead Hand

- a) shall be defined as a person who performs regular classification duties and directs the work of others.
- b) shall not have the authority to hire, fire, suspend, or otherwise discipline other employees, and the employee shall be a member of the Union.
- c) It is understood that the Lead Hand will be paid a premium of one dollar and seventy-five cents (**\$1.75**) per hour above their base rate of pay.
- d) shifts will be bid upon in conjunction with shift bidding as defined in Article No. 8.06 of this Collective Agreement. Only Company-certified Lead Hands will be eligible to bid such shifts.
- e) The Company will use its best efforts to train and certify employees who wish to become future Lead Hands.
- f) The Company reserves the right to use Management staff for Lead Hand duties in the event the Company is unable to fill vacancies with qualified Union personnel.

Facility Personnel- employed to maintain Company equipment, and may be used as a fueller or utility person for short emergency periods.

Utility Personnel - Utility personnel will be utilized to perform tank farm painting, grounds keeping, truck loading, receiving fuel, cleaning of hydrant pits and chambers, courier service, parts pickup, janitorial etc., and will not be used for technical or aircraft refueling duties.

Tool Insurance - The Company will provide tool insurance to cover facility personnel tools. Each facility person will keep and maintain a minimum list of tools as provided by the Company in appendix "D". Each year by May 3rd, a tool inventory will be filed with the Manager. Tool insurance covering fire and theft to five thousand dollars (\$5,000.00) per person with a one hundred dollars (\$100.00) deductible shall be provided by the Company.

Part-time Employees - All part-time employees will be hired **into** the applicable classification, as deemed necessary by the Company.

1. Part-time employees may be used to supplement peak operating periods, and to replace regular employees on sick leave, vacation, General Holidays, or authorized leave of absence.
2. When a part-time employee is called, and reports for duty, said employee shall be guaranteed a minimum of four (**4**) hours work and/or pay.
3. Should a part-time employee work more than eight (**8**) hours in a day, or forty (40) hours in a week, said employee shall be paid overtime rates in accordance with the overtime provision of this Agreement.

4. Part-time employees shall be excluded from the Health and Welfare benefits, Pension, and shift premium provisions of this Agreement.
5. Part-time employees will be hired into the respective classifications at the effective hiring rate. Rate increases for years of service will be based on actual hours work. (i.e. 1040 hours worked, they will receive the six month increase, 2080 hours worked, and they will receive the one year increase).

Eligibility for the Incentive Premiums will be based on 0 - 1040 and 1041 - 2080 hours worked per year. (i.e. 0 - 1040 hours worked provides 50% of the Incentive Premium eligibility, 1041 - 2080 hours worked provides 100% of the Incentive Premium eligibility).

6. A part time employee shall:
 - a) be carried on a part-time roster, and where practicable shall be called in to work according to their position on that roster.
 - b) where a part-time employee has outside gainful employment, they shall not be carried on the part-time roster ahead of a part-time employee who has no outside gainful employment.
 - c) be given first opportunity to qualify as full-time employees as openings become available and will then be placed at the bottom of the full-time employees seniority list, providing they meet all Company qualifications and requirements.
 - d) Not accrue seniority within the full-time classification of seniority.
 - e) bid annual vacation after all full-time employees have been awarded their annual vacation and General Holiday entitlements.
7. Unless prior authorization is received from the Company for specific time periods, part-time employees must be available to work shifts based on the Company work week of Sunday 00:01 hours, through Saturday 23:59 hours. The Company shall not unreasonably withhold authorization of such requests by part-time employees.

Full-time/Part-time Employees shall be utilized as follows:

- a) There shall be a maximum of two (2) employees in the full-time/part-time classification at any given time.
- b) These positions shall be posted for bid and awarded based on Company seniority to the employee who is available for up to forty (40) hours per week.
- c) The full-time/part-time employees shall be entitled to, and the Company shall provide, Health & Welfare and Pension as per Appendix "B", and shift premiums as per Article No. 8.02 of the Collective Agreement.
- d) The full-time/part-time employees shall be utilized primarily to fill full-time shifts whenever possible, i.e. vacations, compensation, leaves of absence, etc.
- e) Full-time/part-time employees will not be guaranteed forty (40) hours per week.
- f) The Company will not use this classification as a means to circumvent hiring of full-time employees when applicable.

Voluntary Severance - The Company offers any full-time employee at the top classification rate (Facility rate of \$18.19, Fueller rate of \$16.10) who is actively employed (i.e. not on lay off status), a voluntary severance package as follows:

Facility - who are at the existing rate of \$18.19	\$26,000.00
Fueller - who are at the existing rate of \$16.10	\$25,000.00

Criteria

- a) maximum of six (6) eligible employees will be allowed to take a voluntary severance
- b) there shall be a ninety (90) day qualifying period, during which employees will submit written requests for voluntary severance. Candidates will be selected based on Company seniority. Any request received after the ninety (90) day qualifying period shall be granted at the sole discretion of the Company.
- c) employees electing to accept a voluntary severance must complete their term of service with the Company no later than June 30, 2008.
- d) there shall be a maximum of two employees terminating at the same time. In the event of two employees departing during the same period, there shall be a minimum of ninety (90) days preceding or following any period of overlap.

It is understood that any voluntary severance package will be less all mandatory legal deductions.

Any employee who elects to accept this voluntary severance package will forfeit any other claims against the Company for compensation, except earned vacation and wages up to the date of severance. Any severance pay due under the Canada Labour Code or civil law is considered to be included in this severance package and such is agreed to by any employee who accepts such a voluntary severance package.

APPENDIX "B"

HEALTH & WELFARE PLAN

1. The Company shall arrange for the Prairie Teamsters Health and Welfare Plan, for its full-time and full-time/part-time employees who are members of the Union and their eligible dependents coming under the jurisdiction of this Agreement. The Company's only obligation with respect to these insured benefits is to arrange for them, to remit the required premiums, and make contributions toward the premiums as detailed below. Any claim for entitlement will be governed by the terms of the applicable Plan documents, which do not form part of this Collective Agreement and are not arbitrable.
2. Membership in the Health & Welfare Plan shall be compulsory for full-time and full-time/part-time employees.
 - a) Any member of the Union who is in the employ of the Company on a full-time or full-time/part-time basis on the effective date of the Health and Welfare Plan, shall join the Plan on that date.
 - b) Any full-time or full-time/part-time employee or member of the Union who is hired by the Company after the effective date of the Health and Welfare Plan, shall join the Plan on the first day of the month immediately following ninety (90) calendar days from their date of employment with the Company.
 - c) The cost of the Plan and Provincial Medicare (where applicable) shall be borne as follows:

Provincial Medicare - 100% by the employee

Prairie Teamsters Health & Welfare Plan

- 1 through 2 years of service	- 55% by the Company
	- 45% by the participating member
- upon completion of 2 years	- 60% by the Company
	- 40% by the participating member
- upon completion of 4 years	- 65% by the Company
	- 35% by the participating member
- upon completion of 5 years	- 70% by the Company
	- 30% by the participating member

Premiums payable by the employee shall be made by payroll deduction on a weekly basis.
3. It will be the responsibility of the Company to ensure that all employees are enrolled in the Health and Welfare Plan, and for making premium remittances on their behalf. Failure of the Company to enrol employees, forward completed forms and/or remit premiums on the due date, being the tenth (10th) day of each month, to the Trustees, will cause the Company to be liable for any claims arising thereof.
4. It shall be the Union's responsibility to supply all necessary enrollment forms to the Company.
5. The Company shall remit the premiums to the Administrator, as designated by the Trustees of the Health and Welfare Plan. It shall be the Trustees' responsibility after receipt of the premiums to distribute same to applicable insurance underwriters.

6. The Union agrees to limit the Company's portion of the annual cost increase of this Plan to a maximum total of five dollars (\$5.00) per month, per employee.

The premiums payable by the employee shall be made by payroll deduction on a weekly basis.

7. The existing cost of the Prairie Teamsters Health and Welfare Plan (2007) is two hundred and forty-five (\$245.00), per employee, per month:

APPENDIX "C"

PRAIRIE TEAMSTERS PENSION PLAN

- A. Full-time hourly rated employees who have completed their probationary period -

The Company will contribute effective May 3, 2007 one dollar and five cents (\$1.05) per hour for each hour worked to the Prairie Teamsters Pension Plan. If a future adjustment is required during the term of the Agreement, such cost will be borne by the employee, and wage rates contained in Appendix "A" will be reduced accordingly.

Employees may have the option of assigning any portion of bonus differential for which they may be eligible to the Pension Plan.

- B. Contributions and remittances referred to in "A" above, shall be remitted monthly by the fifteenth (15th) day of the month following that month to which they refer, together with a form supplied to the Company by the Union, which shall provide full instructions.
- C. Timely payment of contributions to the Trust Funds provided for in this Agreement is essential for the protection of the beneficiaries. Delinquency and continued failure to remit contributions to the Trust Fund shall be dealt with as follows:
- i. The Union will advise the Company in writing of any delinquency.
 - ii. If the Company has failed to respond within forty-eight (48) hours of receipt of notification, exclusive of Saturdays, Sundays and Holidays, the Union may then request a meeting with the Company to provide for payment of funds.
 - iii. In the case of failure of the Company to contribute into the Funds on the due date, and after steps (i) and (ii) above have been followed, the Trustees in their joint names, may take legal action against the Company for recovery of the amount due.

APPENDIX "D"

TOOL LIST

3" DRIVE SOCKETS (& METRIC)	29.00
1/8", 5/32", 3/16", 7/32", 3", 9/32", 5/16", 11/32", 3/8", 7/16"	29.00
Includes Drive Ratchet, 2 extensions, U-joint, and handle driver	
3/8" DRIVE SOCKETS (& METRIC)	43.00
3/8", 7/16", 19/32, [5/8*], 11/16, 3/4, [13/16]	43.00
Includes Drive Ratchet, 3 extensions and U-joint	
1/2 " DRIVE SOCKETS (& METRIC)	55.00
7/16, 1/2 , 9/16, 11/16*, 3/4*, 25/32, 13/16*, 7/8*, 15/16", 1"*	55.00
Includes Drive Ratchet, 3 extensions, and U-joint	
HEX DRIVE SOCKETS	
1/8, 5/32, 3/16, 7/32, 1/4, 5/16, 3/8, 1/2	28.00
COMBINATION WRENCHES	
1/8, 11/32, 5/8, 5/32, 3/8, 11/16, 3/16, 7/16, 3/4, 7/32,	
1/2 , 25/32, 1/4 , 9/16, 13/16, 9/32, 7/8, 5/16, 1",	
1-1/16", 1-1/8", 1 1/2 "	217.46
6" & 10" ADJUSTABLE WRENCH	21.42
1/2 LB. & 1 LB. BALL PEIN HAMMER	31.80
10 PC. SCREWDRIVER SET	
3 ROBERTSONS	
4 ROUND SHANK	
1/4 X 4, 3/8 X 8, 5/16 X 6, 3/8 X 10	
3 PHILLIPS	
3/16 X 3, 5/16 X 6, 1/4 X 4	43.00
CHISELS	
5/16" CUT, 3/4" CUT, 1/2"CUT	20.00
PUNCHES	
1/8" TIP, 3/16" TIP, 1/4" TIP, 5/32" TIP, 1/2" HEX	20.00
PLIERS	
VISEGRIPS	
WIRE STRIPPERS	
COMBINATION SNAP RING	
8" COMBINATION SLIP JOINT	
20" TONGUE AND GROOVE	
8" LINESMANS	
7" H.D. DIAGONAL CUTTER	
6' CHAIN NOSE W/CUTTER	
HEX KEY SET, 13 KEYS	10.75
TORX DRIVE SET	28.00

TROUBLE LIGHT	.....	60.00
O-RING PICK	.....	10.00
8" PIPE WRENCH	.....	16.00
12" PIPE WRENCH	.....	16.00
FEELER GAUGE SETS- IGNITION	.....	10.00
-GENERAL	.....	20.00
TESTER LIGHT	.....	7.00
TOOL BOX (DRAWERED)	.....	250.00
	TOTAL	<u>1,140.33</u>

- * - indicates standard and deep sockets
- [] - indicates spark plug socket

LETTER OF UNDERSTANDING #1

BETWEEN: PLH AVIATION SERVICES INC.
Calgary, Alberta

AND: GENERAL TEAMSTERS, LOCAL UNION NO. 362

RE: Voluntary Reduced Work Week

Dependent upon the needs of the operation, the Company would have the ability to post a reduced work week (i.e. three (3) day week, four (4) day week) to be bid by employees on a semi-annual basis. Balance of such week could be filled by a part-time employee. Benefits to be pro-rated.

SIGNED THIS ____ DAY OF _____, 200__

ON BEHALF OF THE COMPANY:
PLH Aviation Services Inc.

ON BEHALF OF THE UNION:
General Teamsters, Local Union No. 362

Dave Matthew, President

David Frost, Business Agent

LETTER OF UNDERSTANDING #2

BETWEEN: PLH AVIATION SERVICES INC.
Calgary, Alberta

AND: GENERAL TEAMSTERS, LOCAL UNION NO. 362

RE: Extended Hours of Work

The following shall apply only to those employees working extended hours:

Referenceto Article No. 8, Section 8.01:

1. The work week for all regular full-time employees covered by this Agreement who elect to work extended hours, shall be four (4) consecutive days of ten (10) hours duration each, with three (3) consecutive days off. All regular full-time employees who elect to work these extended hours shall work ten (10) straight hours per day which will include a thirty (30) minute lunch period.

Referenceto Article No. 8, Section 8.03:

2. When a regular employee who elects to work extended hours reports for duty on his regular scheduled work day, he shall be guaranteed a minimum of ten (10) hours work and/or pay from his regular scheduled starting time, unless the employee leaves on his own volition.

Referenceto Article No. 8, Section 8.09 a):

3. All time worked immediately prior to and/or immediately following the employee's regular established shift for that employee working extended hours, which is in excess of ten (10) hours per day, shall be considered overtime and paid at the established overtime rate of one and one-half (1½) times the base rate for all overtime hours worked.

Referenceto Article No. 8, Section 8.09 b):

4. All hours worked on a call-out or call-back basis on an employee's designated days of rest, which are in excess of forty (40) straight time hours will be deemed overtime. The employee performing such work shall be paid time and one-half (1½) the base rate of pay for all hours worked.

Referenceto Article No. 8, Section 8.09c):

5. An employee on an extended hours shift, working overtime in excess of two (2) hours, shall be allowed a thirty (30) minute period with pay at the overtime rate, between the twelfth (12th) and the fourteenth (14th) hours for lunch.

Referenceto Article No. 10, Section 10.01:

6. Employees are eligible for a General Holiday, provided that the employee is entitled to wages for at least twelve (12) days during the thirty (30) calendar days immediately preceding the General Holiday.

Reference to Article No. 11, Section 11.01:

7. Vacations will be granted on the basis of calendar years of service with the Company. A calendar year shall be from January 1 to December 31 each year.

In the first year of employment, employees on extended hours will be credited with eight (8) hours of vacation for each month of employment to a maximum of eighty (80) hours during that calendar year. Such vacation is to be taken in the period between May 1 and September 30 in the calendar year following the commencement of employment. Vacation pay will be four percent (4%) of the gross wages paid that employee in the portion of the year worked.

Reference to Article No. 12, Section 12.01:

8. The meal break for employees working extended hours shall not commence before four (4) hours from the employees starting time, or commence later than six and one-half (6%)) hours from the employees starting time. Employees not receiving a meal between the designated times, will be compensated at one-half (½) hour at time and one-half (1½) their rate of pay. Employees not receiving any meal period time will receive one half (½) hour at time and one-half (1%) their base rate.

Reference to Article No. 12, Section 12.09:

9. A full-time employee working extended hours, having attained seniority, who is required to perform Jury Service or Jury Duty on a day on which they would normally have been scheduled to work, will be reimbursed by the Company for the difference between the pay received for Jury Service or Jury Duty, and their straight time hourly rate of pay for their regularly scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of ten (10) per day or forty (40) per week, less pay received for Jury Service or Jury Duty. The employee will be required to furnish proof of Jury Service, and Jury Duty pay received.

Further, should an employee be summoned as a witness to event(s) which occurred while said employee was performing duties on behalf of the Company, the Company shall continue to pay the employee for regularly scheduled hours during such absence. Provided however that all sums received by the employee by way of payment for attending as a witness shall be payable to the Company, to the end that no employee shall receive both their regular applicable rate from the Company and payment from other sources for the same period of time.

SIGNED THIS _____ DAY OF _____, 200__

ON BEHALF OF THE **COMPANY**:
PLH Aviation Services Inc.

ON BEHALF OF THE **UNION**:
General Teamsters, Local Union No. 362

Dave Matthew, President

David Frost, Business Agent

LETTER OF UNDERSTANDING #3

BETWEEN: **PLH AVIATION SERVICES INC.**
 Calgary, AB

AND: **GENERAL TEAMSTERS, LOCAL UNION NO. 362**

RE: **Wage Increases**

The Parties agree that in consultation with the Union, the Company at its sole discretion may increase the rates set forth in Appendix "A" of the Collective Agreement for either of the following reasons:

That it is unable to hire qualified personnel at the existing rate

That the turnover of such new employees cause training/overtime cost to become excessive.

It is further understood and agreed that any such increases put into effect by the Company shall not exceed the lowest rate of existing full-time employees in the next highest paid classification, as set forth in Schedule A of the existing Collective Agreement.

Further the Parties agree that by implementing the foregoing wage increases, all other aspects of the Collective Agreement will remain in place for the duration of the Collective Agreement.

SIGNED THIS _____ DAY OF _____, 200__

ON BEHALF OF THE COMPANY:
PLH Aviation Services Inc.

ON BEHALF OF THE UNION:
General Teamsters, Local Union No. 362

Dave Matthew, President

David Frost, Business Agent

LETTER OF UNDERSTANDING #4

BETWEEN: PLH AVIATION SERVICES INC.
Calgary, AB

AND: GENERAL TEAMSTERS, LOCAL UNION NO. 362

RE: Licensing for New Employees - Class 3Q

If the Company requires a Class 3Q license, the Company is prepared to assist our newly hired employees with obtaining same, based on the following:

1. The employee will seek training required to successfully obtain a Class 3Q license, complete with an airbrake endorsement.
2. Prior to commencing such training, the employee will provide a written quote of the estimated costs to the Company, and obtain agreement to proceed.
3. The Company agrees to reimburse the employee for seventy-five percent (75%) of costs to a maximum of one thousand dollars (\$1,000.00) attributed to the training for a Class 3Q license.
4. Reimbursements shall be made in twelve (12) equal monthly installments, which will commence in the month immediately following the employee providing a copy of the final training costs, as well as their government issued Class 3Q license.
5. All reimbursements will be in the form of a separate cheque payable on the fifteenth (15th) day of each applicable month, until such time as reimbursement is complete.
6. Should the employee resign or be dismissed for cause, he/she will receive no further reimbursements for the remaining balance left owing.
7. In the event the employee obtains a loan, PLH Aviation Services shall not be considered a "co-signer" for the individual. They must obtain such loan on their own personal credit history.
8. Although the maximum contribution on behalf of PLH remains at one thousand dollars (\$1,000.00), the onus of twenty-five percent (25%) of the training costs will be placed on each employee. For example, if the license costs one thousand dollars (\$1,000.00), PLH Aviation Services Inc. will reimburse the employee seven hundred and fifty dollars (\$750.00). Should the license cost eight hundred dollars (\$800.00), PLH Aviation Services Inc. will reimburse the employee to a maximum of six hundred dollars (\$600.00).

9. Upon presentation of their government issued Class 3Q license, the employee will receive an additional twenty-five cents (**\$0.25**) per hour on their base rate for all hours worked beyond that date.

SIGNED THIS _____ DAY OF _____, 200__

ON BEHALF OF THE COMPANY:
PLH Aviation Services Inc.

ON BEHALF OF THE UNION:
General Teamsters, Local Union No. 362

Dave Matthew, President

David Frost, Business Agent

LETTER OF UNDERSTANDING # 5

BETWEEN: PLH AVIATION SERVICES INC.
Calgary, AB

AND: GENERAL TEAMSTERS, LOCAL UNION NO. 362

RE: Licensing for New Employees - Class 1

If the Company requires a Class 1 license, the Company is prepared to assist our newly hired employees with obtaining same, based on the following:

1. The employee will seek training required to successfully obtain a Class 1 license, complete with an airbrake endorsement.
2. Prior to commencing such training, the employee will provide a written quote of the estimated costs to the Company, and obtain agreement to proceed.
3. The Company agrees to reimburse the employee for seventy-five percent (75%) of costs to a maximum of one thousand dollars (\$1,000.00) attributed to the training for a Class 1 license.
4. Reimbursements shall be made in twelve (12) equal monthly installments, which will commence in the month immediately following the employee providing a copy of the final training costs, as well as their government issued Class 1 license.
5. All reimbursements will be in the form of a separate cheque payable on the fifteenth (15th) day of each applicable month, until such time as reimbursement is complete.
6. Should the employee resign or be dismissed for cause, he/she will receive no further reimbursements for the remaining balance left owing.
7. In the event the employee obtains a loan, PLH Aviation Services Inc. shall not be considered a "co-signer" for the individual. They must obtain such loan on their own personal credit history.
8. Although the maximum contribution on behalf of PLH Aviation Services Inc. remains at one thousand dollars (\$1,000.00), the onus of twenty-five percent (25%) of the training costs will be placed on each employee. For example, if the license costs one thousand dollars (\$1,000.00), PLH Aviation Services Inc. will reimburse the employee seven hundred and fifty dollars (\$750.00) Should the license cost eight hundred dollars (\$800.00), PLH Aviation Services Inc. will reimburse the employee to a maximum of six hundred dollars (\$600.00).

9. Upon presentation of their government issued Class 1 license, the employee will be paid based upon the Class 1 wage schedule, as contained in Appendix " A of the Collective Agreement.

SIGNED THIS _____ DAY OF _____ , 200__

ON BEHALF OF THE COMPANY:
PLH Aviation Services Inc.

ON BEHALF OF THE UNION:
General Teamsters, Local Union No. 362

Dave Matthew, President

David Frost, Business Agent