
COLLECTIVE AGREEMENT

Between

CUMMINS EASTERN CANADA LP
50 Simmonds Drive
Dartmouth, NS B3B 1R3

And

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA (CAW-CANADA)**
LOCAL 725
63 Otter Lake Court
Halifax, NS B3S 1M1

November 10, 2011 – November 9, 2014

ARTICLE 1 - OBJECTS

1.01 The objects of this Agreement are to maintain a harmonious relationship between the Company and its employees; to provide an amicable method of settling differences or grievances which might possibly arise; to maintain mutually satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this Agreement.

ARTICLE 2 - DURATION

2.01 This Agreement shall be in full force and effect from and including the 10th day of November, 2011, to and including the 9th day of November, 2014, and shall continue in full force and effect from year to year thereafter subject to the right of either party to this Agreement within two (2) months immediately preceding the anniversary date in any year thereafter, by written notice, to the other party, require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the Collective Agreement.

2.02 Should either party give written notice to the other party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lock-out or the parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

ARTICLE 3 - DEFINITION OF EMPLOYEE

3.01 In this Agreement "employee" means a person who is employed by the Company and who is included in a unit of the Company's employees for whom the Union has been certified as the collective bargaining agent by the Labour Relations Board of Nova Scotia.

ARTICLE 4 - BARGAINING AGENCY

4.01 The Company recognizes and agrees that the Union is the sole bargaining agent for the employees of Cummins Eastern Canada LP employed at the place set out in the certificate of

bargaining authority.

4.02 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee.

4.03 Each employee covered by this Agreement shall, as a condition of employment and/or continued employment, be and remain or become and remain, a Union member in good standing for the duration of this Agreement or for the duration of his employment with the Company, whichever is shorter. Counting from the date he/she commences employment with the Company, each new employee will be allowed thirty (30) calendar days within which to make application to join the Union and tender the appropriate initiation fees.

4.04 The right to hire employees of its choice is vested exclusively in the Company.

4.05 The Company shall deduct from each new employee an amount equal to the Union dues, from the employee's first payroll cheque after the said employee has become a member of the Union and after completion of six (6) days of work in a calendar month and add that employee's name and the said amount to the closest applicable check-off, i.e., if the check-off has been remitted, it shall be added to the following month's check-off and shown as the previous month worked.

ARTICLE 5 - HOURS OF WORK AND OVERTIME

5.01 Regular working hours Monday through Saturday inclusive:

- (a) 8:00 a.m. to 5:00 p.m. with one-half (1/2) hour for lunch - 42.5 hour week.
- (b) Time and one-half the straight time rates of pay will be paid for time worked outside 8.5 hours per day for an employee's regularly scheduled day shift and outside 8 hours per day for an employee's regularly scheduled night shift.
- (c) Double the straight time rate of pay will be paid for all time worked:
 - (i) in excess of four (4) hours overtime per day
 - (ii) all time worked on Sundays and Holidays.

(d) All employees called into work after regular working hours will receive a minimum of two (2) hours pay at the applicable overtime rate. When employees are called in more than four times under this Article, they will not be entitled to more than eight (8) hours pay at the applicable overtime rate of pay unless the actual work performed exceeds eight (8) hours duration.

- (i) Call-in before a scheduled shift will be paid at the applicable overtime rate of pay.
- (ii) If a shop technician is asked to stay at work and do overtime alone, he/she shall have the choice of not working the overtime.

(e) Employees must be offered eight (8) hours free from duty between shifts. If an employee decides to work any part of those eight (8) hours they will be paid at double time. If an employee misses part of their regular duty because of this eight (8) hours period they shall be paid for that time. The employee shall advise Cummins Eastern Canada LP in advance which of the above options the employee elects to utilize.

(f) A night shift consisting of two (2) technicians will work from 4:00 p.m. to 12:00 midnight Monday to Friday, with one-half (1/2) hour out for lunch of which the employees will be paid. The employees working such night shift will be paid a one dollar (\$1.00) per hour premium and also will be paid for a forty-two and one-half (42.5) hour work week. This night shift will be done on a voluntary rotating basis but two (2) technicians will always be available for such shift. The Union agrees to open the Agreement at any time to discuss increasing such night shift. The night shift may be increased to three (3) technicians if the customer demand requires. A night shift will also include a Partsperson whose hours of work shall be mutually agreed between the parties.

(g) In the event of a customer emergency parts call; or when a manager or other non-unionized employee is in the branch and a customer emergency call is received; or after regular hours when a customer's or dealer's engine is required to be loaded or unloaded, this work may be performed by such people without penalty to the Company provided they have had the answering service attempt to call all available Parts employees and no one is able to respond to perform the work.

(h) When an employee works a minimum of four (4) hours overtime in conjunction with their scheduled shift, they will be paid an eleven dollar (\$11.00) meal allowance.

(i) If and when the need arises to provide customer service on Saturdays, the Company and the Union shall meet and attempt to agree on the conditions for the implementation of a Saturday shift.

ARTICLE 6 - MANAGEMENT RIGHTS

6.01 The Union agrees and recognizes that:

(a) The management and operation of the plant and the direction of the working forces are vested exclusively in the Company.

(b) The Company has and shall retain the right to select its employees, to hire, classify, promote, demote or discipline them and discharge employees for proper cause, provided that a claim of discrimination against an employee in respect to any of these matters, or a claim of violation of any Section or Article of this Agreement, may be the subject of a grievance and be dealt with as hereinafter provided.

ARTICLE 7 - GRIEVANCE PROCEDURE

7.01 Should a dispute arise between the Company and an employee or the Union as an entity regarding the interpretation, application, operation, or any alleged violation of this Agreement, including any question as to whether any matter is arbitrable, it shall be resolved in the following procedural manner:

(a) The employee or the Union, together with such person or persons as he/she or the Union may wish, shall take the matter up with the Company within seven (7) calendar days of the said grievance.

(b) Should a solution not be reached by step (a), then a business representative of the Union, accompanied by the employee if the employee or business representative so wish, shall discuss the matter with the Company. If a solution is reached, this shall be final.

(c) If the procedures set forth in (a) and (b) above do not result in a solution being reached within seven (7) days of the first discussion between a business representative of the Union

and a representative of the Company, or within such further period as the Company and the Union agree to in writing, the dispute shall be referred to an Arbitrator appointed as follows:

- (i) Both parties will suggest an Arbitrator. If the parties cannot come to an agreement on one Arbitrator the Board will appoint one.

7.02 The Arbitrator shall sit, hear the parties, settle the terms of the question to be arbitrated, and makes its award within ten (10) days from the date of the appointment of the Chairperson, provided the parties may extend the time by agreement in writing. If the Arbitrator finds (or if at any earlier stage of the grievance procedure it is found) that an employee has been unjustly suspended or discharged, that employee shall be reinstated by the Company without loss of pay and with all his/her rights, benefits and privileges which he/she would have enjoyed if the suspension or discharge had not taken place or if the Arbitrator finds (or if at any earlier stage of the grievance procedure it is found) that an ex-employee should have been rehired, that ex-employee shall be employed by the Company and paid all pay which he/she would have enjoyed and accorded all rights, privileges and benefits which he/she would have enjoyed if he/she had been hired at the proper time provided that if it is shown to the Board that the employee has been in receipt of wages during the period between discharge or suspension and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Clause, less any expenses which the employee has incurred in order to earn the wages so deducted, and provided that the Arbitrator, if circumstances are established before it, which in the opinion of the Arbitrator, makes it just and equitable to do so, shall have authority to order the Company to pay less than the full amount of wages lost.

(a) The Arbitrator shall have the right to modify any penalty imposed by the Company on the employee.

(b) If the Award of the Arbitrator is subsequently set aside by a court of competent jurisdiction, the question shall, at the request of either party, be submitted to another Arbitrator appointed pursuant to and with all the powers provided by this Clause.

(c) The expenses and remuneration of the Chairman shall be paid by the parties in equal shares.

(d) Without restricting the specific powers hereinbefore mentioned, the Arbitrator shall have all the general powers of an Arbitrator.

7.03 Any discharged employee may, within seventy-two (72) hours of his/her discharge, in writing, require the Company to give him/her the reasons for his/her discharge and the Company will give such reasons to him/her, in writing, within seventy-two (72) hours of such request and in the event of any dispute or difference as to whether or not there was proper cause for the discharge of such an employee, only the reasons so set forth in writing shall constitute cause.

ARTICLE 8 - SENIORITY

8.01 When a new member is hired, it is agreed that he/she shall be on probation for one hundred and twenty (120) calendar days and during this period seniority will not be applicable. When the probationary period is completed, the seniority will commence from the date of hiring. The probationary period may be extended only if there is prior mutual agreement between the Company and the Union and shall not exceed one hundred and eighty (180) days.

8.02 An employee re-entering the employ of the Company after his/her right to recall has expired shall not be subject to another probation period.

8.03 A laid off employee shall retain his/her seniority and recall rights with the Company for six (6) months after the date of lay-off.

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

8.05 When new jobs are available, wherever possible the Company will promote employees to a better paying job; seniority, qualifications and ability to be considered.

8.06 When a lay-off is necessitated, it is agreed that employees will be laid off in the reverse order of seniority, qualifications and ability being equal.

8.07 When a lay-off is necessary, an employee must be given twenty-four (24) hours notice of such a lay-off and no more than two (2) employees can be laid off at one time. Before any more employees may be laid off, five (5) working days must pass and then two (2) more employees may be laid off after they are given their twenty-four (24) hour notice.

8.08 An employee who is appointed to a position outside the bargaining unit for a period of more than six (6) months shall forfeit his/her seniority.

ARTICLE 9 - VACATIONS

9.01 The Company shall give each employee an annual holiday which will be allocated on the basis of seniority and based on the following entitlement:

(a) All employees employed before November 10, 2005 shall receive two (2) weeks vacation upon completing a term of one (1) year's service and each year thereafter up to five (5) year's service. He/she shall receive as vacation pay for each vacation period either eighty-five (85) hours pay at his/her then applicable current rate or four percent (4%) of his/her gross earnings for the work year immediately preceding the vacation period, whichever is the greater.

(b) For employees employed after November 10, 2005, the vacation days must be taken during the year following the year in which the vacation money has been earned, ie: if an employee is hired on May 15, 2006, the 7 days would need to be taken during 2007.

(c) After five (5) year's service - three (3) weeks or six percent (6%).

(d) After ten (10) year's service - four (4) weeks or eight percent (8%).

(e) After twenty (20) year's service - five (5) weeks or ten percent (10%).

(f) If an employee so requests, the Company will provide two (2) weeks of the employee's vacation time in the summer months (June 15th to September 15th). If a dispute arises, vacation periods will be allocated on the basis of seniority.

(g) Each employee shall be required to take the full annual holiday period that

he/she is entitled to under the provisions of this Agreement.

- absence:
- (h) Eligibility for vacations shall be maintained but not accumulated during absence:
 - (i) due to temporary illness or non-occupational accident exceeding twenty-six (26) weeks.
 - (ii) with authorized leave of absence.
 - (iii) due to lay-off without recall, for a period not to exceed twelve (12) calendar months.
 - (iv) Eligibility for vacations will be maintained and accumulated during absence due to:
 - (1) a compensable accident.
 - (2) Temporary illness or non-occupational accident not exceeding twenty-six (26) weeks.
 - (i) Vacation bumping cannot take place after May 31st of each year.

ARTICLE 10 - STATUTORY HOLIDAYS PAY

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

New Year's Day	Good Friday	Dominion Day
Victoria Day	Halifax Natal Day	Labour Day
Thanksgiving Day	Remembrance Day	Christmas Eve Day
Christmas Day	Boxing Day	New Year's Eve Day

To be entitled to this holiday pay, an employee must work the scheduled day of work immediately following and the scheduled day of work immediately preceding the Holiday, unless he/she has received the Company's permission in writing to be absent. When a Statutory Holiday falls on a Saturday or on a Sunday or on an employee's weekly day off, then the next work day shall be observed as the Holiday. If Christmas Eve and/or Christmas Day and/or Boxing Day fall on a Saturday and on a Sunday respectively then the next two (2) working days shall be observed as holidays.

Note: The Company may schedule a skeleton crew of one (1) Partsperson and two (2) Mechanics for four (4) hours which may be extended if necessary to complete a job on Christmas Eve Day and/or New Year's Eve Day. A schedule will be given to all employees in advance and all employees will be required to rotate through the schedule for the above days.

(b) Without limiting the general application of sub-section (a) of this Section, but subject to the provisions contained herein, Statutory Holiday pay provisions will prevail.

- (i) Where an employee is off work due to any circumstances for which

he/she is eligible to receive compensation under Workers Compensation Act, provided such an employee has earned wages from the Company during the one hundred and twenty (120) calendar days immediately preceding the Holiday.

- (ii) Where an employee is off work due to sickness, quarantine and non-occupational accident, provided such an employee has earned wages from the Company during the one hundred and twenty (120) calendar days immediately preceding the Holiday. If the Company so requests, a doctor's certificate shall be submitted as proof of disability.

10.02 When a Statutory Holiday falls within an employee's scheduled vacation, he/she shall receive the pay of a normal shift for the holiday in addition to his/her vacation pay, or a day off with pay in conjunction with his/her vacation.

ARTICLE 11 - WAGES

11.01 The Company shall remunerate during the term of this Collective Agreement, namely November 10, 2008, to November 9, 2011, its employees at the wage rate applicable to the job classification that each such employee is employed and these applicable wage rates shall be those agreed upon and set out in Schedule "A" attached hereto and forming part of this Agreement.

11.02 Payment of Wages

(a) The Company shall, every second Friday, pay to each employee all wages earned by the employee to a date not more than four (4) working days prior to the date of payment, provided that if a Statutory Holiday falls on the regular pay day, payment will be made the preceding day. This change to every second Friday will take place starting January 1, 2006.

(b) Payment of wages will be made during working hours. In the event that an employee is laid off, the Company shall pay such employee not later than the next pay period after he ceased to be an employee of the Company, all wages, salary, and holiday pay earned by such employee, excluding authorized deductions.

(c) The Company will issue to each employee a separate or detachable itemized statement with each pay showing separately the number of straight time hours worked and the number of overtime hours worked and the respective hourly rates applicable thereon. The statement shall also show the total wages for the pay period and the total deductions there from. An employee shall be required to fill out time slips daily if the Company so requests.

ARTICLE 12 - TRANSPORTATION AND EXPENSES

12.01 (a) Employees required to report for work outside the Halifax area who does not return daily shall be paid all their transportation, accommodation and meal expenses.

(b) Travel time and waiting time during the employee's regular shift hours will be paid at straight time. Travel time to the jobsite prior to regular shift hours, authorized by the Company or customer, outside the regular shift hours, will be paid at the applicable overtime rate. Living expenses, plus fifty dollars (\$50.00) per day will be paid for waiting time on Saturday, Sunday and any Statutory Holiday.

12.02 In going to work outside the limits of Halifax and returning daily, employee's shall be at such city limits at the starting time, and allowed time to return to such city limits at the close of the work day. They shall be paid all fares to and from the city limits at the close of the work day. They shall be paid all fares to and from the city limits to place of work or, alternatively, be supplied with transportation by the Company. It is understood that where employees reside in the city where the work is being done, they will report to and finish work at the regular starting and stopping time.

12.03 An employee's vehicle can be used on Company business only if authorized by the Company. When an employee's vehicle is used on Company business, the employee shall be reimbursed as follows:

\$0 .48 per kilometre
\$18.00 Minimum trip

When an employee is authorized to use his/her vehicle on Company business, the Company agrees to pay the difference in Business Insurance for the designated field service technicians for PL&PD, if the employee's pleasure policy is not recognized by his/her insurance company, wherein they claim only a business rate insurance policy would cover the damages under Public Liability and Property Damage. It shall not be a violation of this Agreement for any employee to refuse to use his/her motor vehicle on Company business. If an employee is sent out on one job and subsequently is assigned to other jobs, the total period will not be extended beyond fourteen (14) days. If there is reason to extend this period, and the employee requests to return home, the Company will transport such an employee back to his/her home base and during such transportation, such an employee shall be accorded all the benefits and conditions as to travelling as provided under this Agreement. This will not preclude long-term out-of-town assignments which will be arranged in advance.

(a) Tool Insurance - The Company will insure employees' tools to full value of same while in the shop and on field service work, providing the employees supply a list of such tools and/or a digital picture of said tools. Said list must be updated and supplied on an annual basis, during the month of January of each year, or at time of purchase.

12.04 In the case of designated Field Service Technicians, the Company will supply a vehicle for the purpose of field service work. It should be understood by all parties that such vehicle shall remain at the Company's shop at all times when not being used for such field service and that it be further understood that it shall be the employee's responsibility to supply his/her own transportation to and from the Company's shop.

12.05 Employees selected for Company authorized training program shall make prior arrangements with the Company as to remuneration and payment of living expenses for the period of time involved in such training course. A copy of said arrangements in the form of a letter, signed by the employee involved and a representative of the Company to be forwarded to the Union office in each case.

ARTICLE 13 - GENERAL PROVISIONS

13.01 An employee suffering injury while in the employ of the Company must report to his/her Immediate Supervisor for first aid immediately, or as soon thereafter as practicable.

13.02 Adequate washroom facilities will be provided by the Company and kept in sanitary

condition. Employees will cooperate by observing the simple rules of cleanliness.

13.03 Hand cleaner shall be supplied to all mechanical, parts and shipping operations covered by this Agreement.

13.04 All employees required to wear overalls or smocks shall have these supplied and cleaned by the Company at no expense to the employees involved, and in particular the Company agrees to supply eight (8) pair of coveralls to employees in the mechanical section, two (2) pair to employees in the shipping section and eleven (11) pairs to truck bay technicians, in accordance with the present system. The Company shall pay the full cost of uniforms for all employees. In addition, the Company shall reimburse each employee, upon presentation of proof of purchase, up to two hundred and seventy five dollars (\$275.00) per year to offset the cost of CSA approved safety shoes or up to three hundred dollars (\$300.00) for CSA approved safety boots and safety gloves combined per year.

- (i) Cummins Eastern Canada LP will provide each certified Field Service Technician with insulated coveralls and shall be replaced as required. The selection of the above coveralls shall be mutually agreed upon by the Company and the Field Service Technicians.
- (ii) All technicians will receive up to five hundred and fifty dollars (\$550.00) per year tool allowance no later than November 30th of each year. Employees will give the Company a copy of all receipts for tools purchased in order to claim this allowance.
- (iii) Cummins Eastern Canada LP will pay fifty percent (50%) of the cost for repairs for air tools and torque wrenches. The need for repair must be presented to the Customer Support Manager for prior approval.
- (iv) Cummins Eastern Canada LP agrees to pay 50% for repair or replacing electronic testing tools as necessary (i.e. PV350 Pressure Vacuum Gauge/Fluke Meters). The need for repair or replacement must be presented to the Customer Support Manager for prior approval.

13.05 The Company will supply suitable enclosed heated accommodations where employees may have their lunch.

13.06 An employee shall be granted two (2) ten-minute breaks during the course of each shift - one in each half of the shift. An employee shall be granted a ten-minute break after each two (2) hours of overtime he/she works in any day. If an employee is working off the Company's premises, these periods shall be increased to fifteen (15) minutes. After one hour of overtime worked on Monday through Friday and after eight and one-half hours of overtime worked on Saturdays, Sundays and holidays, an employee continuing to work shall be entitled to up to thirty (30) minutes as a lunch break at his/her then applicable rate. The above-mentioned breaks must be taken at one time and cannot be divided up nor exceeded.

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

13.08 With the cooperation of the employees, the Company will attempt to maintain shop temperature above fifty (50) degrees during cold weather. The Company agrees not to require its

employees to perform outside repair work in temperatures below -0 degrees Fahrenheit, unless adequate protection and some form of heat is provided. Tarpaulins, windbreaks, etc., shall be erected before commencement of work and heat must be made available. The Company shall supply protective clothing when employees are engaged in cleaning equipment. Note: It must be recognized that an understanding of this nature requires a high degree of cooperation between employees and the Company. Employees will not arbitrarily stop work in these circumstances without advising their supervisors.

13.09 (a) The Union may select or appoint a Shop Steward to represent the employees and the Union shall notify the Company as to the name of such Shop Steward. The Company agrees that no Shop Steward shall suffer any discrimination by reasons of holding such office.

(b) When the Company for any reason finds it necessary to terminate a Shop Steward, the Business Representative of the Union shall be notified immediately of such termination.

(c) Upon notifying management, authorized agents of the Union shall have access to the Company's premises during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to in the operation.

13.10 It shall not be considered a violation of this Agreement for an employee to refuse to cross a picket line which has been legally established as a result of a bona fide labour dispute between a recognized trade union and an employer with whom the picketing union has a dispute.

13.11 Stand-By Time - If an employee reports to a field job outside the Halifax area and through no fault of his/her own, he/she is unable to work, he/she shall immediately contact the Company for instructions. Nevertheless, while being required to stand by the job, he/she shall be paid for not less than a regular shift of eight and one-half (8 1/2) hours in each twenty-four (24) hours and the applicable overtime rates shall apply for all hours outside his/her regular shift hours, excluding Saturday, Sunday or Statutory Holidays, unless authorized by a qualified representative of the Company.

13.12 Bonding - If at any time the Company requires an employee to be bonded by an individual bond, the cost of such bonding shall be assumed by the Company.

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

13.14 Leave of Absence

(a) (i) The Company will allow time off work without pay for any employee who is serving on a Union committee for purposes of discussions with the Company, or serving as a Union delegate to any conference or function, provided all requests for time off are reasonable and do not interfere with the proper operation of the business.

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

(b) When any employee suffers an injury or illness which requires his/her

absence, he/she shall report the fact to the Company as soon as possible, so that adequate replacement may be made if necessary.

(c) If an employee desires a leave of absence for reasons other than those referred to in this Section, he/she must obtain permission, in writing, for the same from the Company, a copy to be supplied to the Union.

(d) In any instance where an employee accepts other employment without the consent of management, when on leave of absence for any reason, his/her employment may be terminated, subject to proper proof of same.

13.15 Union Notices

(a) A notice board shall be provided for the posting of all official union notices exclusively and will not be used for the purpose of disseminating political information. The right is reserved to the Company to request the removal of material offensive to the Company.

(b) The following information shall be kept in a central location, readily accessible to the Shop Steward:

- (i) Seniority list
- (ii) Copy of Agreement
- (iii) Welfare Plan Provisions
- (iv) A list giving each employee's classification

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

13.16 Job Posting - In the event that a new job is created or any job becomes vacant or new equipment is installed in the operation, the Company shall post a notice on the bulletin board notifying that a vacancy exists in a particular job. Employees desiring such job shall then apply, in writing, within thirty-six (36) hours of such posting, except those employees on vacation or out of town on work for the Company at such time shall have the privilege of applying when they return. The senior employee applying who has the ability to do the job shall receive such job, providing the employee has the necessary qualifications and ability.

13.17 (a) If a death occurs in the immediate family of an employee, the employee shall be granted five (5) consecutive calendar days bereavement leave, without loss of pay, for the purpose of arranging for and attending the funeral. Immediate family shall include an employee's spouse (including common-law spouse) children of employee and spouse, mother, father, sister, brother, grandparent and grandchild of employee.

(b) Three (3) consecutive calendar days bereavement leave shall be granted without loss of pay for mother-in-law, father-in-law and any other relative residing with the employee.

(c) An employee who is on vacation during the time of bereavement leave will be entitled to the bereavement leave and the displaced vacation may be taken at the conclusion of the employee's vacation, or at a time not desired by another employee.

(d) All time lost by an employee due to necessary attendance on jury duty or acting as a witness or any court proceedings arising out of his/her employment or subpoenaed as a witness or in completing his/her driver's test required by the employee for actual employment with the Company, or doctor's examination in connection therewith, shall be paid for by the Company at

the rate of pay applicable to said employee. All jury and witness pay received by an employee for the days he/she received pay from the Company shall be paid over to the Company. Any employee on jury duty shall, subject to this Section, make himself/herself available for work before or after being required for such duty whenever practicable during his regular shift.

(e) The Company agrees to permit employees to bank earned overtime in equivalent hours to a maximum of eighty (80) hours. Such time may be used as paid time off at a later date by mutual agreement.

13.18 Transfer - When an employee agrees to a transfer, the Company shall:

(a) Allow reasonable living expense to the transferred employee up to a maximum of thirty (30) days. Living expenses are to be discussed initially with the employee before departure and each fifteen (15) days thereafter.

(b) Pay the transferred employee's transportation costs to the new location and supply first class accommodation and meals to the employee while he/she is en route to the new location.

(c) Assume the cost of moving the transferred employee's family and household goods to the new location. This shall include the cost of transporting and accommodating the family while en route to the new location. No transferred employee shall move his/her family or household goods at the Company's expense without written authority from the General Manager of the operation.

(d) The various transportation costs set out in Section 18 shall be paid by the Company upon any subsequent transfers made at the request of the Company.

13.19 Article Headings - The article headings shall be used for purpose of reference only and may not be used as an aid in the interpretation of this Agreement.

13.20 Truck Maintenance and Safety

(a) The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety equipment, seat belts, or stickers prescribed by law. It shall not be a violation of this Agreement where employees refuse to operate such equipment.

(b) The Company shall not compel any driver to operate a vehicle which weighs in excess of legal gross weight limits. Where a driver with the knowledge of the Company operates with an overload and is convicted, the Company shall be responsible for any fines involved. Drivers who of their own accord operated with an overload may be subject to discipline and responsible for their own fines.

(c) The Company shall supply a fire extinguisher and an adequate First Aid Kit for each Company owned or leased service vehicle.

13.21 (a) The Company will provide rubber clothes, rubber boots, welder's gloves and welder's aprons as a tool crib item for shop and yard use.

(b) Safety Committee to be appointed and make inspections on a regular basis

and make written reports to Management, after which Management will, within three (3) working days, reply in writing as to the action taken.

13.22 If any employee is laid off or resigns, the provisions of the Labour Standards Code of the Province of Nova Scotia shall apply.

13.23 Health, Welfare and Group Life - The Company will provide and maintain the following coverage for its employees at present cost to such employees:

- (a) For Group Life
Major Medical
Short Term Disability

It is agreed that the Company will pay the full cost of the premiums for this Policy including the present cost to employees.

- (i) Life insurance shall be equal to one and one-half (1½) year's basic salary for each employee.
- (ii) Double indemnity applies in the case of accidental death of an employee.
- (iii) \$12,500 life insurance for employee's spouse and dependents.

- (b) Long Term Disability premiums will be paid by the employee. The disability benefit will be paid as follows: 66.67% of the first \$4,167 of monthly salary, plus 50% of the balance. The maximum amount of the benefit will be \$8,000 per month or \$10,000 per month with proof of good health. Employees must receive thirty (30) days' notice of any increase to their LTD premiums.

(c) It is agreed that the Company will pay the wages for the first three (3) days of sickness at the rate of 66.67%, if an employee is disabled due to sickness continuously for five (5) working days, after the employee has filed the necessary forms under the Short Term Disability Policy. This benefit shall be payable from the first day of disability due to sickness when the employee is hospitalized on his/her first day of sickness, and continues up to a maximum of seventeen (17) weeks.

(e) Vision Care - The Company will pay five hundred and fifty dollars (\$550.00) for the first pair of prescription glasses in the family and three hundred and fifty dollars (\$350.00) for each additional pair per family every two (2) years not to exceed one pair of glasses per family member per two (2) years. The employee is also eligible for prescription safety glasses once per year not to exceed \$275 as safety glasses must be worn on the job. Non-prescription safety glasses will be provided to employees. In addition, the company will pay up to \$200 per eye for laser eye surgery one time only per person.

13.24 RRSP Plan

(a) The Company shall contribute into an RRSP Plan for all employees three percent (3%) of gross pay per year. Employees are not required to contribute an equal or any amount.

(b) Notwithstanding the above, the Company agrees to contribute into an RRSP Plan five percent (5%) of an employee's gross pay per year providing the employee contributes an equal amount.

(c) Any amounts contributed into the plan by the company or by an employee in order to secure the employer contribution shall not be withdrawn from the plan except for exceptional circumstances with prior written approval by the Human Resources Department. Any employee making an unauthorized withdrawal from the plan will not be eligible for the company contributions for a period of two years.

13.25 Customer employees, dealers, dealer employees and any others which the Company deems in its interest to provide training, are to be allowed to work in the shop with or without remuneration, receive instructions, training and work in whatever capacity is needed under the specific program that they are on, so long as no member of the regular group is displaced.

13.26 It is agreed between the parties that moonlighting by an individual employee constitutes a serious breach of the duty of loyalty to the Company (this applies to Cummins Engines and Cummins related products only) and the Company may, if such action is proven, appropriately discipline the employee involved. This may include dismissal.

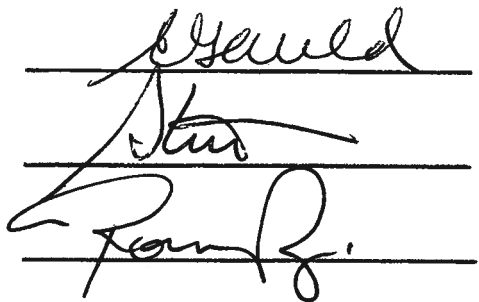
13.27 All technicians (parts and service) will participate in and pass all assigned electronic training.

13.28 All after hours meetings and training held at the branch will be attended by employees who shall be paid at straight time rates for such time.

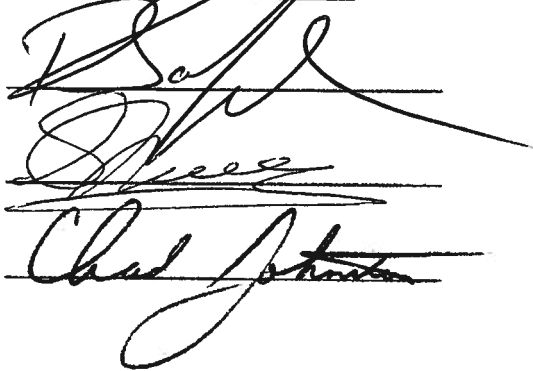
13.29 The Company and Union agree that there shall be no discrimination, interference, restriction or coercion exercised or practiced with respect to any employee by reason of age, race, color, religion, creed, sex, sexual orientation, physical or mental disability, ethnic, national or aboriginal origin, family status, marital status, political belief or affiliation, nor by reason of Union membership or activity.

This Agreement made and entered into this ____ day of November, 2011.

CUMMINS EASTERN CANADA LP



CAW-CANADA LOCAL 725



mgopeiu

SCHEDULE "A"
CLASSIFICATIONS AND HOURLY WAGE RATES

<u>Classification</u>	<u>Nov 10, 2011</u> (3%)	<u>Nov 10, 2012</u> (2.5%)	<u>Nov 10, 2013</u> (2.5%)
Field Service Technician	29.52	30.26	31.01
Class "A" Technician	28.58	29.30	30.03
Class "B" Technician	27.72	28.41	29.12
Class "C" Technician	26.76	27.43	28.11
Beginner	16.02	16.42	16.83
Parts Leader	28.31	29.02	29.75
Partsperson Class "A"	24.75	25.37	26.00
Partsperson Class "B"	24.21	24.81	25.43
Partsperson Class "C"	23.25	23.83	24.42
Shipper/Receiver Class "A"	24.21	24.81	25.43
Shipper/Receiver Class "B"	22.94	23.51	24.10
Shipper/Receiver Class "C"	21.10	21.63	22.17
Beginner	14.34	14.70	15.06

Should a new classification be established during the term of this Agreement, the parties hereto will confer and agree upon a wage rate therefore satisfactory to both parties and such wage rates shall be effective as of the date said work goes into effect.

NOTE 1 **Escalating Scale Within Classifications**

When employees are hired who do not have full experience and/or qualifications for their classification, they may be required to commence employment at a lesser rate as stated above, for that classification. In such cases, such employees must be given a thorough review not less than every three (3) months with the hope of increasing his/her rate and/or classification.

No employee shall be required to remain at a lesser rate of pay for a period exceeding six (6) months.

Apprentices on a pre-arranged apprenticeship program are to be excluded from the above.

Class "A" Technicians, or above Class "A", must meet Cummins SRT times to remain within his/her classification. Quarterly, a Technician who exceeds the SRT time will be called upon to appear before the Customer Service Manager to account for his time.

Temporary work assignments from one classification to another may be required replacing employees who are off work due to illness, accidents, vacation or personal leaves. An employee who accepts a temporary assignment shall be paid at the hourly rate of pay in the temporary classification that provides an increase, or their current level of pay, whichever is greater.

FIELD SERVICE

- (a) Field Service Technicians will be called upon to perform service work in the field after regular working hours, including Saturday, Sunday and Statutory Holidays. We expect him/her to perform such duties under reasonable circumstances unless he/she has a legitimate reason for not being able to perform the service work.
- (b) Field Service work is defined as work conducted on the Company's behalf beyond the confines of the Company property or its immediate surroundings.

Non-Certified Field Service Technicians that accompany Certified Field Service Technicians will be compensated at the following rates:

- o Non-Certified Field Service Technicians that are Class "A" Technicians will be paid at the Field Service Technician's rate.
- o Non-certified Field Service Technicians that are Class "B" or Class "C" Technicians will be paid a premium of sixty-five cents (65¢) per hour in addition to the employee's regular hourly rate.
- o A beginner shall be paid a premium of two dollars (\$2.00) per hour in addition to the employee's regular hourly rate.

SCHEDULE "B" **LABOUR MANAGEMENT COMMITTEE**

The Company and the Union agree to establish a Labour Management Committee composed of two (2) representatives of the Union and two (2) representatives of the Company. The Labour Management Committee shall meet as required at a time and place to be decided by the Committee to discuss all proper subjects of general interest to both the Union and the Company, including health, safety and other matters, but the Labour Management Committee is not intended to nor shall it replace the grievance procedure and all matters properly dealt with by the grievance procedure and not by the Labour Management Committee. The Committee shall have power to add by mutual agreement, and to make rules and regulations concerning its organization, procedure, time for meetings, and the conduct of its affairs.

SCHEDULE "C" **MIDNIGHT SHIFT**

In the event it becomes necessary to revise work schedules and employees are required to work midnights (from 12:01 am to 8:00 am, Tuesday through Saturday), the Company shall initiate meetings with the Union to ensure there is an understanding of the desires of the employees as well as the operational requirements of the Company. Only after the fullest discussion, including discussion of alternate schedules as applicable, has taken place between the Company and the Union, revised work schedules would be implemented. The schedule developed at these meetings will be published and posted not later than two (2) weeks prior to implementation.