

Articles of Agreement

BETWEEN

E. S. Fox LTD.

(HEREINAFTER REFERRED TO AS THE EMPLOYER)

AND THE

**INTERNATIONAL BROTHERHOOD OF
BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS, FORGERS AND HELPERS
LOCAL LODGE 146**

(HEREINAFTER REFERRED TO AS THE UNION)

Effective: January 1, 2010 to December 31, 2012

THIS AGREEMENT, GOVERNING WAGES AND WORKING CONDITIONS IN THE
EMPLOYER'S FABRICATION SHOP SHALL GOVERN THE RELATIONS BETWEEN
THE UNION AND THE EMPLOYER.

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ARTICLE 1 RECOGNITION, SCOPE AND PURPOSE OF AGREEMENT

- Section 1 The Employer recognizes the Union as a sole bargaining agent for all of his production and maintenance employees in the performance of all fabrication and repair work in the Employer's shop. Provided, however, that the Employer is free to conduct research or development of new products or to install and test new equipment. Provided, however, that bargaining unit employees are trained and operate this new equipment.
- Section 2 The Union agrees to cooperate with and assist in every legitimate way the Employer to conduct a successful business, bearing in mind that both parties must give service to the public.
- Section 3 This agreement shall cover all hourly paid employees as listed under Article 9 – "WAGES".
- Section 4 All references to days or hours as time periods are to be considered as working days or working hours unless a contrary intention is expressed.

ARTICLE 2 MANAGEMENT

- Section 1 It is the Employer's right to operate and manage it's business in all respects in accordance with it's responsibilities and commitments. The location of jobs, the choice of equipment, the schedules of manufacture, the methods and means of manufacture, are solely and exclusively the responsibility of the Employer.
- Section 2 The Employer has the right to make and alter from time to time rules and regulations to be observed by the employees, provided that they are not inconsistent with this agreement.
- Section 3 It is an exclusive function of the Employer to hire, promote, demote, transfer, suspend, discipline or discharge for cause, employees in the bargaining unit subject to provisions of this agreement.
- Section 4 A bulletin board for the benefit of the shop employees shall be provided in the lunchroom. A listing of shop floor supervisory personnel shall be periodically posted on this bulletin board.
- Section 5 Nothing in this Article shall be interpreted to prejudice other unspecified traditional Rights of Management.

ARTICLE 3 RESPONSIBILITIES OF EMPLOYEES

- Section 1 The employee must accept reasonable responsibility for the tools furnished by the Employer and must report the loss of any of these tools immediately to his supervisor.
- Section 2 An employee found deliberately misusing company equipment or property, may be subject to discipline which may include dismissal. Responsibility for normal wear and tear of tools supplied by the Employer is accepted by the Employer on return of broken or worn tools. Adequate protection is to be provided by the Employer for all tools and equipment.
- Section 3 Employees shall adhere to all duties, conditions, responsibilities, and terms of employment posted or published from time to time as may be the case by the Employer, providing they are not inconsistent with this collective agreement.

ARTICLE 4 UNION SECURITY

- Section 1 The Employer agrees to employ only members in good standing with the Union, who will at all times assist the Employer to secure competent shop boilermakers and helpers. Should the Union find it impossible to secure the necessary boilermakers and helpers, within forty-eight (48) hours, the Employer may hire such boilermakers and helpers as are available, with the understanding that the new employee will become a member of the Union within fifteen (15) days. The Employer will assist in assuring that the new employee will become a member of the Union. The Employer shall deduct, in accordance with the Labour Relations Code, the amount of dues or levies as may be authorized by the employee. Such dues shall be deducted from the first pay period of each month and forwarded to the Secretary-Treasurer of Local 146 before the fifteenth (15th) day of the month.
- Section 2 All new employees must report to the Union office and sign Application for Membership and Checkoff Dues before going to work.
- Section 3 When any shop employees are required to work on any boilermaker, field, or maintenance work, they shall be paid their wages and conditions according to the Boilermakers' Construction or Maintenance Agreement in effect at that time.
- Section 4 Should an employee solicit work in field construction or maintenance, the employee shall lose seniority rights after sixty (60) days of continuous field work.

If the Employer solicits the employee to go to the field on new construction or maintenance, his seniority shall continue in the shop.

Section 5 Before a disciplinary action may take place the following procedure will be adhered to:

- 1) The employee shall receive a verbal warning by the Employer (supervisor). A written report will be placed on file with a copy to the Shop Steward.
- 2) A second warning, which will be in writing, will be presented to the employee with the Supervisor, Shop Steward, and Plant Manager present. A copy of this warning will be given to the Shop Steward.
- 3) A third warning, which will also be in writing, is just cause for dismissal without notice or pay in lieu of notice.

The Shop Steward shall be present when the employee is given any warnings and will receive a copy of any warnings (verbal and written) as well a copy of all warnings will be forwarded by the Employer to the Union. Safety Rules are an exception to the above. Warnings shall be removed from the employee's file after two hundred and forty (240) calendar days.

ARTICLE 5 HOURS OF WORK

Section 1 Eight (8) hours per day shall constitute a regular day's work. Forty (40) hours per week, Monday through Friday inclusive, shall constitute a regular week's work. The foregoing shall not be interpreted as a guarantee to provide work to any employee for regularly assigned hours or any other hours.

-OR-

The majority of the bargaining unit employees of this bargaining unit or the bargaining agent and the Employer may establish a compressed work week in which case ten (10) hours per day shall constitute a regular day's work. Forty (40) hours per week shall constitute a regular week's work, Monday to Thursday inclusive or Tuesday to Friday inclusive.

Section 2 The normal hours of work shall be between 7:00 a.m. and 3:30 p.m.

Section 3 The majority of the bargaining unit employees of this bargaining unit or the bargaining agent, and the Employer may change the foregoing starting time by one (1) hour either way. The Union and the Shop

Steward shall be notified in writing of a change in the starting time at least twenty-four (24) hours before implementing the change. Article 7, Section 1, shall be interpreted to reflect the new starting time.

Section 4 Employees shall be entitled to two (2), ten (10) minute coffee breaks in an eight (8) hour shift.

-OR-

Employees shall be entitled to two (2) fifteen (15) minute coffee breaks in a ten (10) hour scheduled shift.

ARTICLE 6 SHIFT WORK

Section 1 When two (2) or three (3) shifts are working, the first or day shift shall be paid at the applicable rate, as set out in Article 9. The afternoon shift shall immediately follow the day shift unless otherwise agreed. The afternoon shift shall be paid for eight (8) hours work for a total shift time of 8.5 hours.

The evening or night shift shall work 7.5 hours for eight (8) hours pay. The evening shift may overlap with the afternoon shift up to one-half (1/2) hour.

Section 2 Employees will be given a minimum of two (2) working days notice, exclusive of Saturday and Sunday, prior to any change in his shift except in cases of emergency or work force realignments necessary because of employee absenteeism. The Employer reserves the right of placement of personnel on various shifts. Shifts shall rotate with two (2) weeks on each shift unless the employee was hired for a specific shift. A shift schedule shall be posted.

Section 3 Employees will be paid a minimum of four (4) hours at the applicable rate if they show up and are unable to work due to circumstances beyond their control.

Section 4 The shift premium shall be paid on all hours worked. The shift premium shall not be compounded on overtime hours worked.

ARTICLE 7 OVERTIME AND GENERAL HOLIDAYS

Section 1 All hours worked before and after any shift in excess of those provided shall be termed overtime. When such unscheduled overtime is expected to exceed one (1) hour employees shall be entitled to a ten (10) minute rest period.

Section 2 All hours beyond eight (8) hours of work per day or forty (40) hours per week are overtime.

The first two (2) hours of overtime Monday to Friday shall be at 1.5 times the regular rate of pay. The first eight (8) hours of work on Saturday shall be at 1.5 times the regular rate of pay. Overtime hours worked in addition to the above mentioned shall be paid at two (2) times the regular rate.

-OR-

In the case of a compressed work week all hours beyond ten (10) hours of work per day or forty (40) hours per week are overtime.

The first ten (10) hours of work on Friday and the first eight (8) hours on Saturday shall be at 1.5 times the regular rate of pay. Overtime hours worked in addition to the above mentioned shall be paid at two (2) times the regular rate.

Section 3 It is the Employer's right to schedule overtime. The Employer shall make every reasonable effort to ensure that requests for employees to work overtime shall be in order of seniority sequence in a classification to ensure a fair distribution of overtime while also allowing the Employer to maintain efficient and continuous operation of the plant. Such request to work overtime shall not be unreasonably refused.

Section 4 When an employee is required to work unscheduled overtime of more than two (2) hours beyond quitting time of his regular shift, a hot meal shall be provided immediately after the conclusion of the two (2) hour time period and every four (4) hours thereafter, with twenty (20) minutes at double time to consume the meal. In lieu of the hot meal, a \$25.00 allowance may be paid at the option of the majority of employees working the overtime. Unscheduled overtime shall be defined for the purposes of this section as being overtime for which the employee receives no notice thereof until the last regularly scheduled shift which the overtime follows.

When the employee is working scheduled overtime of more than two (2) hours, he shall be given 20 minutes at double time to consume the meal at the end of the first two (2) hours of overtime.

Section 5 The period of time recognized as a holiday is the twenty-four (24) hour period beginning at the start time of the regular day shift (7:00 a.m.) on the day which is recognized as the holiday.

Section 6 When a holiday occurs during a 4 X 10 work week, the maximum of thirty (30) hours per week shall form the basis of maximum straight

time rate, or during a 5 X 8 work week, the maximum of thirty-two (32) hours per week shall form the basis of a maximum straight time rate.

General holidays are: New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and any other general holiday proclaimed by the Federal or Provincial Governments.

- Section 7 General holiday pay is to be calculated and paid each pay period at 4.5% of gross earnings.
- Section 8 No work shall be performed on Labour Day, except for the preservation of life and property.
- Section 9 The day before Christmas Day and the day before New Year's Day, shall be a day off without pay and may be worked by mutual consent.
- Section 10 When a holiday falls on a Saturday, Sunday or recognized day off, the holiday shall be observed on either the workday prior to the holiday or the first workday following the holiday.

If the holiday is worked the day will be paid at double time.

ARTICLE 8 VACATIONS

- Section 1 Vacation pay is to be calculated and paid each pay period as per the following schedule:

Length of Continuous Employment	% of Regular Pay	Vacation Time
0 – 12 months	4%	10 regular work days
13 – 60 months	6%	15 regular work days
61 – 120 months	8%	15 regular work days
120 – longer	10%	20 regular work days

- Section 2 As far as possible employees shall be granted their choice of vacation periods according to their seniority, but the right to allocate vacation periods is reserved by the Employer in order to insure efficient and continuous operations of the plant. Unless mutually agreed an employee will not take more than fifteen (15) working days of vacation time consecutively.
- Section 3 It shall be mandatory for the employees to take vacations after one (1) full year of continuous employment.

ARTICLE 9 WAGES

Section 1 The wage classification as shown in "Addendum I" are identical to the seniority classifications referenced in other sections of this agreement.

ARTICLE 10 BEREAVEMENT LEAVE

Section 1 Three (3) regular shifts with pay for the death of a member of the immediate family, which includes: mother, father, mother-in-law, father-in-law, common-law mother-in-law, common-law father-in-law, siblings, stepmother or stepfather, stepsiblings, daughter, son, wife, husband, or a common-law spouse. Two (2) regular shifts with pay for the death of aunts, uncles or grandparents.

ARTICLE 11 BOILERMAKER'S SHOP HEALTH AND WELFARE PLAN

Section 1 The Employer will provide a plan with benefits which are set out in the addenda and in keeping with the increases based on CESSCO's Benefits Plan. Dental Benefits shall be based on the previous years benefit schedule.

Section 2 The Employer shall provide, at no cost to the employee, medical insurance available from Alberta Health Care at a monthly rate for family or for single, but shall not pay for duplication or be held responsible for arrears.

Section 3 Subject to a minimum thirty (30) days probationary period, employees joining the company will be eligible for benefits provided in Section 1 and 2.

ARTICLE 12 PENSION / RETIREMENT PLAN

Section 1 The Employer shall contribute at the rate stipulated in the Addenda for each hour paid to a registered retirement savings plan designated by the employee.

Employees will qualify for contributions after the completion of 60 calendar days employment.

Section 2 The current month's contributions shall be remitted by the 15th of the following month and must be accompanied by a report showing each employee's name, social insurance number, hours worked and the amount of the contribution.

ARTICLE 13 EDUCATIONAL TRAINING FUND

Section 1 The Employer shall contribute ten (10) cents per regular hour worked by all employees covered by this agreement. This ten (10) cent rate will continue until the total cash and investments of the fund reach \$50,000.00 at which time the rate will be reduced to five (5) cents. The Employer also agrees that should the total cash and investments of the fund drop below \$30,000.00 the contribution shall revert back to ten (10) cents.

Section 2 The current month's contribution shall be remitted by the twentieth (20th) day of the following month to the Edmonton Boilermaker Shop Educational Training Trust Fund in care of Local Lodge 146 of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, 15220-114 Avenue, Edmonton, AB T5M 2Z2.

The contributions must be accompanied by a report showing each Employee's name, social insurance number, hours worked, and the amount of contribution.

Section 3 The Edmonton Shop Educational Trust Fund and Programme are to be administered by the Trustees of the Edmonton Shop Educational Trust Fund and Programme in accordance with the signed Trust Document and if there is any conflict between the terms of the Trust Document and this article, then the terms of the Trust Document shall prevail.

ARTICLE 14 WORK CLASSIFICATIONS

Section 1 **Welders, Fitters and Burners**

Welders, fitters, and burners shall perform work within the trade claims of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers, and Helpers of the International Constitution, Article XI.

Section 2 **Apprentices**

(a) Apprentices shall perform work as in Article XI of the International Constitution. An apprentice will be given ample opportunity to cover all sections of his trade. The ratio of apprentices shall be one (1) to three (3) boilermakers. The same ratio to apply when lay-offs occur. It is recognized that there may be situations in which the above ratio would be impractical. In order to obtain relief, the Employer must consult with the Business Manager or Business Representative to reach a mutually acceptable solution.

- (b) The Employer agrees to pay indentured apprentices an amount which, when added to the weekly government grant, will amount to 90% of his base pay calculated at his straight time hourly rate multiplied by forty (40) hours, while attending technical school. The employee must have returned to work for at least eight (8) months before being compensated for the next term of technical school.
- (c) Apprentices to be paid one-third (1/3) of the amount owing on the first pay period upon returning to work after attending school. The second one-third (1/3) shall be paid on the second pay period and the final one-third (1/3) on the third pay period upon returning to work after attending school.

Section 3 Helpers, Production Workers and Material Handlers

Helpers, production workers and material handlers shall perform work such as power brush operation, power grinding, cleaning, assisting welders or fitters in the performance of work referred to in Article XI of the International Constitution and such other work as is generally recognized as production worker's, helper's and material handler's work.

Section 4 Student Labour

Student labour classification shall apply between the period of May 1st and September 15th. No permanent employees shall be replaced by the employment of student labourers.

Section 5 Beginners

Notwithstanding Article 4, Section 1, beginners classification shall apply to those employees that have no work experience in the industry and whose intent it is to enter into the apprenticeship program. The individual must be indentured as an apprentice within sixty (60) calendar days or employment is terminated. The Employer has the right to hire such individuals as are available to him providing the Union has no unemployed first year apprentices with shop experience.

ARTICLE 15 WORKING CONDITIONS

Section 1 A change and lunchroom shall be provided. Location of these facilities is at the discretion of management.

The Employer is responsible for the destruction by fire on the Employer's premises of personal effects owned by the employee to a maximum of \$300.00.

- Section 2 The foreman shall sign a safe slip before any employee proceeds to work on any vessel or tank which has contained explosive or hazardous material.
- Section 3 If any employee meets with an accident during working hours and his physician deems it not safe for him to continue his shift, he shall be paid at his regular pay for the full shift.
- Section 4 The Employer shall supply coveralls and gloves.
- Section 5 When employees are called back to work after completion of their regular shift, they shall receive a minimum of two (2) hours show-up time to be calculated at double the employee's regular rate of pay.
- Section 6 The Employer shall provide plug-ins or will assist the employee in starting their vehicles if required due to cold weather.
- Section 7 Employees shall be allowed a five (5) minute personal clean-up time prior to the end of their shift.
- Section 8 The Employer shall provide rules and safety equipment information to all employees.
- Section 9 The Employer shall supply proper hearing protection at no cost to the employee.

ARTICLE 16 WELDING TESTS

- Section 1 A welder who has served his apprenticeship with the Employer, upon taking his initial "B" Pressure Test shall receive six (6) hours regular pay for taking his test. If the employee works for the Employer less than thirty (30) days after receiving six (6) hours regular pay for his initial "B" test, he shall have deducted from his final pay an amount equal to six (6) hours pay at his regular rate.
- Section 2 Any "B" Pressure Welder that is new to the Company shall, upon successful completion of a qualification test, be paid for the test time to a maximum of four (4) hours. Should the employee quit or be fired within less than thirty (30) days after successful completion of the qualification test, he shall have deducted from his final pay an amount equal to the amount received for his test time up to a maximum of four (4) hours pay at his regular rate.

ARTICLE 17 SENIORITY

- Section 1 The principle of seniority in a classification shall govern layoffs and recalls. Consideration shall be given to retain sufficient employees in each job classification to suit the nature of the work remaining. A new employee shall not be entitled to seniority until he has been employed continuously for a period of 60 calendar days, and then his seniority shall date back to the time of his hiring.
- Section 2 Employees laid off shall retain their seniority accumulated to time of layoffs, providing the layoff does not exceed one month for each year of employment after which the employee will lose all seniority rights. Employees with less than 2 years seniority shall receive recall rights for 60 calendar days. After which the employee will lose all seniority rights. A laid-off employee must make arrangements with the Employer to return to work within five (5) days after receiving a notice of recall, in order to preserve seniority.
- Section 3 Separate seniority lists shall be kept for each category as per the wage listing. In the case of layoffs, each list shall be considered a separate unit. The Employer will supply seniority lists.
- Section 4 Lay-offs must comply with the Employment Standards Code.
- Section 5 An employee's seniority shall be maintained for a maximum of 18 months for his absence as a result of sickness covered by a medical certificate, or an accident recognized by the Workers' Compensation Board.

ARTICLE 18 SHOP COMMITTEE

- Section 1 The importance of the Union maintaining at all times a shop committee, consisting of qualified employees of the Employer familiar with plant conditions, is recognized.
- Section 2 The selection of the shop committee is recognized as a function of the Union. The committee shall consist of not less than one (1) nor more than three (3) employees. The chairman of this committee shall be the shop steward. Owing to the nature of his work on this committee, it is deemed important that seniority does not affect his lay-off, provided there is work available for which he is qualified; otherwise, the Business Manager or Business Representative will be notified in time to appoint a successor. The shop steward shall work only on days and not be required to work either the second or third shifts. The shop steward shall be given a reasonable length of time to perform his duties.

Section 3 At least one (1) member of the shop committee shall act on the safety committee, preferably the shop steward.

Section 4 Safety committee meetings shall be held at least once per month, or as required by the committee.

ARTICLE 19 GRIEVANCE MACHINERY

Section 1 Grievance Procedure

It is the mutual desire of the parties hereto, that complaints of employees shall be adjusted as quickly as possible. Grievance shall mean any difference of dispute concerning the interpretation, application, administration or alleged violation of the collective agreement. Any of the time limits contained herein are mandatory, however, they may be extended if mutually agreed to in writing.

Step 1:

The foreman or supervisor shall be given the opportunity to adjust a complaint. When a complaint is reduced to writing, it shall be termed a grievance and shall be advanced to Step 2.

Step 2:

The written grievance shall be submitted to the Employer representative within ten (10) working days from the incident giving rise to the complaint.

Step 3:

The Employer representative shall hear the grievance within fifteen (15) working days from the incident giving rise to the complaint. The grievance shall be presented by the Business Manager or his representative and the shop steward. The written decision of the Employer representative shall be submitted to the Business Manager and Shop Steward within eighteen (18) working days from the incident giving rise to the complaint.

Step 4:

If the Employer's answer in Step 3 is unacceptable, the grievance shall then be discussed within twenty-eight (28) working days from the incident giving rise to the complaint at a meeting of the Plant Manager or his designated representative and the International Vice-President or his designated representative. If the matter is not resolved in Step

4, the union may advise in writing within thirty-three (33) working days from the incident giving rise to the complaint that it wishes to submit the matter to arbitration.

Section 2 Arbitration

The Union and the Employer will establish a list of four (4) acceptable arbitrators. Arbitrators will be chosen shortly after ratification. The single arbitrator will be selected in rotation from the list. Any of the time limits contained herein are mandatory, however, they may be extended if mutually agreed to in writing.

Step 1:

Once the arbitrator has been named he shall convene a hearing into the grievance within forty-five (45) working days from the incident giving rise to the complaint.

Step 2:

The arbitrator shall render his decision no later than sixty (60) working days from the incident giving rise to the complaint. The decision of the arbitrator shall be final and binding on the parties.

(a) The arbitrator shall be governed by the terms of the collective agreement and he shall not alter, amend or change the terms of the agreement. If an employee has been dismissed or otherwise disciplined by the Employer for cause and the collective agreement contains no specific penalty for the infraction that is the subject matter of the arbitration, the arbitrator may substitute any penalty for the dismissal or discipline that seems just and reasonable in all the circumstances.

(b) Each of the parties to this collective agreement shall bear their own expenses for arbitration. The fees and expenses of the arbitrator shall be shared equally by the parties.

ARTICLE 20 UNION LABEL

Section 1 The Company agrees to accept the Union Label as per the attached Memorandum of Agreement.

ARTICLE 21 DURATION OF AGREEMENT

Section 1 This agreement shall become effective January 1, 2010 and shall remain in full force and effect until December 31, 2012 and from year to year thereafter, unless either party shall, at least sixty (60) days prior to the anniversary date thereof, notify the other party to this agreement of the desire to modify or terminate this agreement. In the event that such notice is given, the parties shall meet not later than fifteen (15) days after the receipt of such notice.

If an agreement is not reached on or before the expiry date of the existing contract, then terms and conditions of this contract shall remain in effect until a new agreement is concluded or strike or lockout commences.

IN WITNESS THEREOF the parties hereto have executed this Agreement the

18th day of May 2011.

E. S. FOX LTD.

Per: [Signature]

Per: _____

International Brotherhood of Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers, Local Lodge 146

Per: [Signature]

Per: [Signature]

ADDENDUM I

WAGE PAGE

Classification	January 1, 2010 2.50%	January 1, 2011* 2.50%	January 1, 2012* 2.50%
Leadhand	\$37.62	\$38.54	\$39.48
B Welder #1	\$36.62	\$37.54	\$38.48
B Welder #2	\$34.82	\$35.69	\$36.58
Vessel Layout Fitter	\$33.92	\$34.77	\$35.64
Journeyman Welder #1	\$32.99	\$33.81	\$34.66
Journeyman Fitter #1	\$32.99	\$33.81	\$34.66
Journeyman Welder #2	\$29.57	\$30.31	\$31.07
Journeyman Fitter #2	\$29.57	\$30.31	\$31.07
Machine Operator	\$29.19	\$29.92	\$30.67
Production Worker A	\$23.27	\$23.85	\$24.45
Production Worker B	\$18.78	\$19.25	\$19.73
Production Worker C	\$16.80	\$17.22	\$17.65
Student	\$14.37	\$14.73	\$15.10
Apprentices			
(As a Percentage of Journeyman #1)			
First Year (60%)	\$19.79	\$20.29	\$20.80
Second Year (75%)	\$24.74	\$25.36	\$26.00
Third Year (90%)	\$29.69	\$30.43	\$31.19
RSP	\$2.00	\$2.00	\$2.00
Shift Premium	\$1.75	\$1.75	\$1.75

- Recalled employees will be recalled at their rate prior to their layoff.
- #2 Rate - Classified for a maximum of six months from the date of hire. (Will be reviewed after three (3) months of hire.)
- Shift Premium - shall be as listed above for the second and third shifts.
- Lead Hand - will receive \$1.00 per hour above the B Welder #1 rate.
- Wages to be paid bi-weekly by direct deposit.
- Rates are subject to an additional annual adjustment as per the 2011 and 2012 Wage Adjustment (Addendum II)

Addendum II

2011 AND 2012 WAGE ADJUSTMENT

During the 2009 round of bargaining the parties agreed to a minimum % and a maximum % wage increase for January 1st, 2011 and January 1st, 2012. The minimum % wage increases are reflected in Addendum I – Wage Page. The maximum wage increase shall be 6 %.

The Addendum I – Wage Page will be adjusted accordingly should it be determined that the agreed wage increase formula (as presented below) results in an increase to the minimum % wage increases reflected in Addendum I – Wage Page.

All increases if applicable shall be applied to all classifications as presented in Addendum I – Wage Page except for apprentices which will be amended to reflect the percentages of the journeyman rate.

Wage Increase Formula

The January 1st, 2011 rate shall increase by either 2.5% of the 2010 rates or by a percentage equivalent to the “CPI Alberta Rate” increase for the year as of November plus one (1) %, whichever amount is greater.

Should the agreed wage increase formula produce an increase that is greater than 6 %, the rate increase will be 6 %.

On January 1st, 2012 rates shall increase by either 2.5 % of the 2011 rates or by a percentage equivalent to the “CPI Alberta Rate” increase for the year as of November plus 1%, whichever amount is greater.

Should the agreed wage increase formula produce an increase that is greater than 6 %, the rate increase will be 6 %.

Where the “CPI Alberta Rate” increase for a particular year is used in this article, it shall mean the rate of change between the Consumer Price Index published for August of the year of the wage adjustment, and that for August of the year prior. The indices referenced shall be those published by Statistics Canada on the web page “Consumer Price Index (monthly) (Alberta)” (e.g. <http://www40.statcan.ca/101/cst01/cpis01j.htm>) “All Items” index

ADDENDUM III

BENEFITS PLAN

The Employer will provide booklets with all information required to inform employees of the Group Benefits Program.

The Program will include the following:

<u>BENEFIT</u>	<u>BENEFIT LEVEL</u>
Life	\$ 50,000
AD & D	\$ 50,000
Weekly Indemnity	
Short Term Disability	\$ 435.00/week E.I. Integrated
Long Term Disability	\$1,500.00/month (CPP Offsets)
Extended Health Care	Deductibles: \$25.00 / \$50.00 100% Coverage for Generic Drugs or a brand name drug only when medically required or no generic drug available,
Vision Care	\$375.00/year for lenses \$100.00 every 2 years for frames \$250.00/year Industrial Safety Glasses
Dependents:	\$140.00/24 months for lenses \$ 60.00/24 months for frames
Dental	Deductibles: \$25.00 / \$50.00
Basic:	100% \$2,000.00/year maximum
Major:	Basic and Major combined
Orthodontics:	50%, \$2,000 lifetime maximum
C.E.F.A.P.	The Company will contribute on behalf of each employee to the C.E.F.A.P. (Employee Counseling Program).

ADDENDUM IV

Memorandum of Understanding

Therefore be it understood that the International Brotherhood of Boilermakers Local 146 ("Local 146") hereby agrees to allow access, to perform work within the E.S. Fox Fabrication Facility (Fabrication Facility"), to The United Association of Plumbers and Pipefitters Local 488 ("UA 488") under the following terms and conditions:

1. Local 146 recognizes that from time to time E.S. Fox will be awarded field work that rightfully falls within the jurisdiction of UA 488 and there will be a need, from time to time, for the Fabrication Facility to support the field operations. Where bona fide work falling within the jurisdiction of UA 488 (for example; pipe spooling) needs to be fabricated offsite in order to support the field operations of E.S. Fox, Local 146 agrees to allow members properly dispatched by Local 488 to perform such work in the E.S. Fox Fabrication Facility under the terms and conditions agreed to by E.S. Fox and UA Local 488.
2. E.S. Fox Ltd. agrees to inform the Business Manager of Local 146 or his designate when pipefitters are to be utilized at the Fabrication Facility.
3. All other work performed in the Fabrication Facility will remain as the work of Boilermakers Local 146 and will be performed in accordance with the terms and conditions of the collective agreement agreed to by the parties and Certificate Number 388-91, certifying Local 146 as the bargaining agent for all employees.
4. This Memorandum of Understanding shall not be misconstrued as Local 146 giving up any of its rights under Certificate Number 388-91.
5. This Memorandum of Understanding will be subject to a trial period until December 31st, 2012. Parties signatory to this Memorandum of Understanding agree to meet within 30 days prior to the end of the trial period to review and discuss any disputes pertaining to this Memorandum of Understanding.

Signed this 18th day of May, 2011.

E. S. FOX LTD.

Per: 

International Brotherhood of Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers, Local Lodge 146

Per: 

MEMORANDUM OF AGREEMENT

BOILERMAKERS UNION LABEL

The INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS, AFL-CIO recognizes the undersigned EMPLOYER as a BOILERMAKER UNION LABEL EMPLOYER who has signed and approved agreement with this BROTHERHOOD under which skilled workers and members of our craft enjoy a high standard of wages, hours, fringe benefits and other conditions of employment.

In consideration thereof the INTERNATIONAL BROTHERHOOD now authorizes this EMPLOYER to affix the BOILERMAKER UNION LABEL to products fabricated under the terms of this agreement in his shop or plant. The EMPLOYER agrees to be bound by the following procedures for affixing the Label:

- 1) The BROTHERHOOD'S UNION LABEL is the property of the BROTHERHOOD and shall only be affixed to the EMPLOYER'S product by the UNION'S duly authorized UNION LABEL STEWARD. Such steward shall be designated to the Employer in writing by the Union.
- 2) This Memorandum of Agreement shall be valid only so long as the EMPLOYER'S LABOUR AGREEMENT with this BROTHERHOOD is approved and in full force and effect.

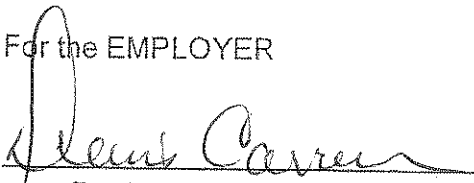
All the foregoing was agreed to this date May, 18th/2011 at Edmonton AB by and between the INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS, AFL-CIO and E.S. FOX LTD.
(Company)

For the INTERNATIONAL BROTHERHOOD

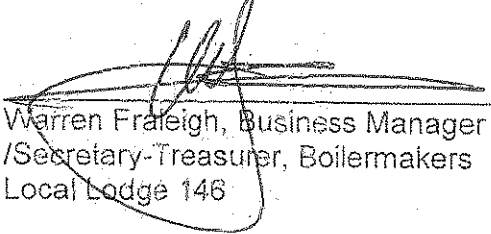
For the EMPLOYER



Joseph Maloney, Int'l. Vice-President
Western Canada Section



E.S. FOX LTD
Sr. VICE PRESIDENT & COO



Warren Frafeigh, Business Manager
/Secretary-Treasurer, Boilermakers
Local Lodge 146

db/cope #458
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