

SHOP WORK AGREEMENT

ARTICLES OF AGREEMENT

between

TIW WESTERN Inc.

(Hereinafter referred to as the "Employer")

and

**INTERNATIONAL BROTHERHOOD OF
BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS, FORGERS AND HELPERS,
LOCAL 146, A.F. OF L., C.I.O.**

(Hereinafter referred to as the "Union")

Effective: February 1, 2011 to January 31, 2014

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THIS AGREEMENT, governing wages and working conditions in the Employer's Fabricating Shop, shall govern the relations between the Union and the Employer.

ARTICLE 1: RECOGNITION, SCOPE AND PURPOSE OF AGREEMENT

- 1:01 The Employer recognizes the Union as the 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 covered under Certificate #340-2001. Provided however, that the Employer is free to conduct research or development of new products or to install and test new equipment.
- 1:02 The Union agrees to cooperate with, and assist the Employer in every legitimate way to conduct a successful business, bearing in mind that both parties must give service to its customers.
- 1:03 This Agreement shall cover all hourly paid employees as listed under Addendum I and within the jurisdiction of Local 146 and shall pertain to no others.
- 1:04 All reference to weeks, days or hours as time periods, are to be considered as working weeks, working days or working hours unless a contrary intention is expressed.

ARTICLE 2: MANAGEMENT RIGHTS

- 2:01 It is the Employer's right to operate and manage its business in all respects in accordance with its responsibilities and commitments. The number of employees required for any classification or operation, 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.
- 2:02 The Employer has the right to make and alter rules and regulations to be observed by employees, provided that they are not inconsistent with this Agreement. Unless specifically involving safety issues, there will be a one week grace period before the rules are enforced.
- 2:03 It is the exclusive function of the Employer to select for hire, promote, demote, transfer, assign work, train, suspend, discipline or discharge for just cause, employees in the Bargaining Unit, subject to provisions of this Agreement.
- 2:04 Nothing in this Article shall be interpreted to prejudice other unspecified traditional rights of Management.

ARTICLE 3: RESPONSIBILITIES OF EMPLOYEES

- 3:01 The Employee must accept reasonable responsibilities for the tools furnished by the Employer, and must report the loss of any of these tools immediately to his Supervisor. The Employer may require an employee to replace lost or stolen tools.
- 3:02 Any Employee found misusing Employer tools, equipment or property, will be subject to disciplinary action. Responsibility for normal wear and tear of property supplied by the Employer is accepted by the Employer on return of broken or worn tools. The Employer shall provide adequate protection and storage for all tools taken out on any job or work.
- 3:03 Employees shall adhere to all duties, conditions, responsibilities and terms of employment posted or published by the Employer, providing they are not inconsistent with this Collective Agreement.

ARTICLE 4: UNION SECURITY

- 4:01 The Employer agrees to employ only members in good standing with the Union, who will at all times assist the Employer to secure competent Boilermakers. Should the Union find it impossible to secure the necessary Boilermakers within twenty-four (24) hours, the Employer may hire such Boilermakers as are available. The Employer shall deduct, in accordance with the Alberta Labour Relations Code 1988 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 fifteen (15th) day of the following month, and forwarded to the International Brotherhood of Boilermakers Union Local 146, 11055 – 48th Street S.E., Calgary, Alberta, T2C 1G8 and must be accompanied by a report showing employees name, social insurance number and the amount of dues or levies.
- 4:02 All new employees or those recalled from layoff, must report to the Union office and sign the appropriate forms, also they must report to the Plant Manager or his designate who will direct the employees to the Shop Steward or a member of the Shop Committee, producing the Steward's copy of the job slip before going to work.
- 4:03 When shop employees are to be used on field construction beyond a 50 kilometre radius, the Union shall be notified by Management in advance. Shop employees shall receive rates and conditions as in the established Employer practice.
- 4:04 Any employee who will not be at work on his scheduled shift due to illness or other reasons, must call and leave a message on the Employer's designated phone, prior to the start of the shift. For absences of 3 or more days due to illness, the Employer may request the employee to provide a doctor's note, in such cases the Employer will pay for the cost of the doctor's note, up to a maximum of \$75.00.
- 4:05 When an employee exhibits continued absenteeism, lack of performance or infractions of the Collective Agreement and/or Employer safety rules or regulations, the following steps shall be taken by the Assistant General Manager-Production or his designated alternate. If the employee has not received a warning within any six (6) month period, any previous warnings will be removed from his record. Suspensions will be removed after twelve (12) months.

STEP 1

A verbal warning with written record for a first infraction will be issued to the employee in question.

STEP 2

A written warning for a second infraction may be issued to the employee in question.

STEP 3

A third infraction may be cause for reprimand.

STEP 4

A fourth infraction may be cause for dismissal.

Any employee being discharged will only be paid up to the time of discharge. Under no circumstances shall this section override Management's authority to dismiss or discipline any employee at any time in the case of proper cause.

- 4:06 The Employer agrees that all work coming within the jurisdiction of the Union shall be done by employees within the bargaining unit. All such work shall be done by these employees as part of their regular or overtime hourly paid work. Should it become necessary to subcontract work to another Company, the Employer shall give preference to a Union shop where practicable.

ARTICLE 5: HOURS OF WORK

5:01 This Article is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or days of work per week.

Eight (8) hours per day shall constitute a day's work, from 0700 hours to 1530 hours or 1530 hours to 2400 hours or 2230 hours to 0700 hours. Forty (40) hours per week shall constitute a week's work, Monday to Friday, inclusive. The third shift shall be scheduled to begin at 22:30 hours on Sunday and run for five (5) consecutive shifts.

5:02 The Employer shall notify the union prior to any change in starting or finishing time. In addition the starting and quitting time of an individual employee may be changed with his agreement.

5:03 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 will constitute a regular week's work, Monday through Thursday inclusive.

5:04 An employee shall not be required to work during his regular lunch break except in emergency or special circumstances, in which case he will receive a re-assigned one-half (½) hour break.

5:05 The Employer shall schedule for all employees two (2) rest periods of ten (10) minutes each during their normal daily working hours for an eight (8) hour scheduled shift, and every two (2) hours when working overtime, including a break of ten (10) minutes prior to starting overtime, providing the overtime is two (2) hours or more.

OR

Employees shall be entitled to two (2) fifteen (15) rest periods in a ten (10) hour scheduled shift.

The Employees are allowed five (5) minutes for tool return and clean up at the end of each shift. Clean up and tool return is not to start until the sound of the buzzer five (5) minutes before the end of shift. Tools, equipment and property must be returned to the tool room and/or put away into assigned tool boxes at the end of each work day.

5:06 Employees have a responsibility to the Employer to be at work on a regular basis Monday through Friday for their full shift.

5:07 An employee shall be ready to immediately resume their duties at the commencement of the shift. It is the intent of this clause to have employees at their work stations or the work station of their respective Supervisor's and not be walking out of the lunch room when the start of shift siren sounds.

ARTICLE 6: SHIFT WORK

6:01 Where two (2) or three (3) shifts are working, all shifts shall be paid at the applicable rate as set out in Addendum I.

The shift premium shall be paid on all hours worked. The shift premium shall not be compounded on over-time hours worked.

- 6:02 Employees shall be given a minimum of one week (1) notice exclusive of Saturday and Sunday, prior to any change in their 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 alternate with four (4) weeks on the day shift, four (4) weeks on the second (2nd) shift and four (4) weeks on the third (3rd) shift. An employee will not be required to work more than four (4) weeks on the above shifts unless they so desire or the Employer requests them to do so for specific shift or process needs, as agreed from time to time between the Employer and the Shop Committee.
- 6:03 Shifts shall be alternated every four (4) weeks. Any exceptions to this can be mutually agreed to between the Union and Management.

ARTICLE 7: OVERTIME AND STATUTORY HOLIDAYS

- 7:01 All hours worked before and after any shift in excess of those provided shall be termed overtime.
- 7:02(a) The first two (2) hours of overtime worked per day, Monday to Friday, shall be at time and one half (1 ½ x) the regular rate of pay. The first six (6) hours of work on Saturday will be at time and one half (1 ½ x) the regular rate of pay.

When working a compressed work week the first eight (8) hours worked on Friday on a Monday through Thursday work week and the first eight (8) hours on Saturday shall be paid at time and one half (1 ½ x) the basic hourly rate of pay.
- 7:02 (b) All other overtime shall be paid for at the rate of double time (2x).
- 7:03 It is the Employer's right to schedule overtime. It is the Employer's right to request an employee to work overtime, and such request shall not be unreasonably refused by the employee.
- 7:04 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 with twenty (20) minutes at double time to consume the meal. In lieu of the hot meal, a twelve (\$12.00) dollar 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 twenty (20) minutes at double time to consume his meal at the end of the first two (2) hours of overtime.
- 7:05(a) An employee covered by this Agreement shall receive pay for the following Statutory Holidays when not worked, provided the employee worked the last full day or scheduled shift before a holiday and be at work the first full working day or scheduled shift after the holiday, reasonable lateness accepted up to 30 minutes with no make-up time required, or unless absent for a reason satisfactory to the Employer.

- | | |
|------------------|---------------|
| New Year's Day | Family Day |
| Thanksgiving Day | Canada Day |
| Good Friday | Boxing Day |
| Victoria Day | Civic Holiday |
| Labour Day | Christmas Day |
| Remembrance Day | |

For each statutory holiday the normal straight time shift hours will be paid to all full time employees who have worked for the Employer for at least six (6) weeks except those employees

- i) Who were scheduled to work on the holiday and failed to do so except for acceptable reasons.
- ii) Who are:
 - a) Receiving Workers' Compensation
 - b) On Leave of absence
 - c) On lay-off
 - d) Receiving Weekly Indemnity
 - e) Receiving Long Term Disability

Employees required to work on these holidays will receive double (2 x) their regular rate of pay for hours worked plus eight (8) hours pay at their regular rate of pay.

- 7:05(b) No work shall be performed on Labour Day, except for the preservation of life or property.
- 7:06 The period of time recognized as a holiday is the twenty-four (24) hour period beginning at 7:00 a.m. on the day which is recognized as a holiday.
- 7:07 Statutory holidays shall be observed on their calendar dates except 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.

ARTICLE 8: VACATIONS

- 8:01 The Employer shall grant vacations with pay to each employee computed at the following rates:

Up to 1 year of continuous service 1 day per month to a maximum of 2 weeks when working on a 5 day, 8 hours per shift, or 8 working days when working on a 4 day, 10 hours per day shift, plus 4% of gross earnings.

1 year but less than 3 years of continuous service 2 weeks, plus 5% of gross earnings.

3 years but less than 6 years of continuous service 3 weeks, plus 6% of gross earnings.

6 years but less than 9 years of continuous service 4 weeks, plus 7% of gross earnings.

9 years but less than 18 years of continuous service, 4 weeks, plus 8% of gross earnings.

18 years or more of continuous service, 5 weeks, plus 9% of gross earnings.

Vacation earnings will be accrued by the Employer and the total accrued amount shall be paid to the employee in a separate deposit when the employee is scheduled to take his vacation.

Pay out of total accrued vacation earnings will be limited to a maximum of three (3) requests per year not including the year end payout. The employee must request the accrued vacation earnings on an Employer provided "Vacation Pay Request" form at least three (3) weeks prior to the commencement of vacation. All accrued vacation amounts will automatically be paid out on the last pay period of the year.

- 8:02 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. The Employer will, by posting an appropriate notice on May 15th, of each year, request employees to select their vacation period. Employees shall make their selection within two (2) weeks of such posting. If such selection is not made, any later selection shall be on a first come basis without regard to seniority (though again subject to efficient and continuous operation of the plant). Annual vacation entitlement to be scheduled from January 01 to December 31 of each year. Vacation entitlement is to be taken a minimum of one week and a maximum of two weeks at a time during June 1, to September 30.

- 8:03 It shall be mandatory for employees to take vacations after one (1) full year of consecutive employment. If a selection is not made by the employee by October 30, the Employer will schedule mandatory vacation time to be taken in the remainder of the calendar year. For employees with entitlement up to two (2) weeks, it shall be mandatory for employees to take their full vacation entitlement each year. For employees with entitlement greater than two (2) weeks, it shall be mandatory for employees to take two (2) weeks of vacation entitlement each year. Any unused vacation entitlement over two (2) weeks shall be declared by October 30. If not declared, any remaining vacation entitlement will be forfeited.
- 8:04 Time lost by an employee up to a maximum of one (1) year as a result of sickness covered by a medical certificate, or an accident recognized by the Workers' Compensation Board, or authorized leave of absence, shall be considered as time worked for the purpose of qualifying for vacation. Computation of vacation pay will be on his gross earnings.
- 8:05 If the Employer or Employee wishes to request a change to a previously agreed to vacation period, at least two (2) weeks written notice shall be given.
- 8:06 In the event that the Employer wishes to close or partially close the plant for summer vacations, the Employer will post a notice giving the dates sixty (60) calendar days prior to the commencement of such closure.

ARTICLE 9: WAGES, HEALTH & WELFARE, EDUCATIONAL TRAINING FUND & PENSION

- 9:01 Wages as set out in Addendum I shall remain in effect from ratification.
- The wage classifications as shown in Addendum I are identical to the seniority classifications referenced in other sections of this Agreement.
- 9:02 PENSION PLAN
- The Employer will provide contributions to the Boilermakers National Pension Plan as set out in Addendum I.
- Contributions will commence upon completion of the employees probationary period.
- 9:03 BENEFITS
- A. The Employer agrees to obtain from an insurance company legally authorized to operate in the Province of Alberta, Hospital and Extended Care Plan and Alberta Health Care Insurance Commission (hereinafter referred to as "Benefit Carriers"), group insurance protection for each employee covered by this Agreement which will provide each employee with the benefits hereinafter set forth in the schedule of "Employee Benefits".
- B. The Employer also agrees to obtain for each of its employees dependents (wife and unmarried children under twenty-one (21) years of age or twenty-five (25) years of age if a student in full time attendance at high school or an accredited institute, college or university) the benefits hereinafter set forth in the schedule of "Dependents Benefits". Such benefits shall be obtained from the Benefit Carriers providing the benefits referred to in Subsection (A) above.
- C. Employee Benefits
- The Employer will provide a plan with benefits which are set out in Addenda II
- D. Employee and Dependents Benefits
- The Employer will provide a plan with benefits which are set out in Addenda III

TRAINING FUND

The Employer shall contribute ten (10) cents per regular hour worked to assist in the finance of the operation of the Calgary Educational Training Trust Fund provided that the total cash and investments of the Fund exceed \$30,000.00. This ten (10) cents per regular hour worked will be increased to fifteen (15) cents per regular hour worked if the Trustees of the Fund report that the total cash and investments of the Fund are less than \$30,000.00. This fifteen (15) cents per hour rate contribution will continue until the total cash and investments of the Fund reach \$75,000.00 at which time the rate will be reduced to ten (10) cents per hour.

The current month's contributions shall be made payable to the Calgary Educational Training Trust Fund and remitted by the 15th day of the following month to Local 146 of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, 11055 – 48th Street SE, Calgary Alberta T2C-1G8. The contributions must be accompanied by a report showing each employee's name, social insurance number, hours worked and the amount of the contribution. Rate changes are conditional on all Calgary Local 146 Boilermaker shops agreeing as well.

ARTICLE 10: WORKING CONDITIONS

- 10:01 A change and lunch room and personal lockers shall be provided. Location of these facilities is at the discretion of the Management. The Employer is responsible for the destruction by fire on the Employers premises of personal effects owned by the employee to a maximum of two hundred (\$200.00) dollars.
- 10:02(a) If an employee meets with an accident during working hours, he shall report the accident to his Supervisor, HSE Coordinator or First-Aid Person and follow his instructions. Should an attending physician deem it not safe for him to continue his work, he shall be paid his regular pay for that full shift provided that the attending physician's report is given to the Employer. Follow up treatment as much as is practical will be received before or following working hours.
- 10:02(b) When practicable, the Employer must first be advised before the employee reports to a physician of all work related injuries and/or suspected work related injuries by reporting to the Supervisor, HSE Coordinator or First-Aid Person prior to the completion of the shift. Failure to comply may result in disciplinary action.
- 10:03 The Employer agrees that should an employee be called by reason of a Crown subpoena or to serve on a jury, that said employee shall not forfeit loss of wages up to a maximum of one (1) week. The Employer shall pay the difference between whatever compensation the employee received for serving on a jury and the regular amount of wages he would normally earn. It is the employee's responsibility to provide evidence of service and amount of pay received.
- 10:04 In the event of a death of an employee's spouse, child, mother, father, brother, sister or step parent, such employees shall receive three (3) days off with regular pay.
- In the event of a death of an employee's grandmother, grandfather, mother-in-law, father-in-law or grandchild, such employee shall receive two (2) days off with regular pay where the employee attends the funeral.
- The above shall not apply if the employee is on vacation or leave-of-absence. In all cases, proof of death will be required.

- 10:05 The parties hereto recognize the importance of safety provisions in the plant for the welfare of employees and the protection of the Employer's property. The Employer agrees to make reasonable provisions for the safety and health of its employees during the hours of their employment. There shall be a permanent Safety Committee consisting of not more than three (3) persons who shall be employees of the Employer, selected by the Union and an equal number of persons selected by the Employer. This Committee shall meet regularly on some one day of each month to be agreed upon by the members of the Committee, to investigate, discuss and submit recommendations calculated to relieve any unsafe or unhealthy condition that may exist. These recommendations are to be submitted to the Employer and it agrees to make reasonable efforts to improve any safety defects or unhealthy condition, which the Committee may call to its attention. A copy of the minutes of the Safety Committee meetings shall be sent to the Union's office.
- 10:06 For each employee required to wear prescription glasses to perform his work, the Employer will pay to such employee the sum of Four Hundred (\$400.00) dollars for one pair of CSA approved prescription safety lenses and frames and the cost of the eye exam to a maximum of \$75.00 during any twenty-four (24) month period. Proof of purchase will be required. In order to be eligible, an employee must have completed twelve (12) months of accumulated employment with the Employer.
- 10:07 The Employer will supply each employee with gloves as often as required at no cost to the employee upon the return of worn out gloves. The quality of such gloves shall be adequate for the work to be performed.
- 10:08 The Employer will provide a coverall program that includes two (2) washed pair of coveralls per week and an accompanying locker system.
- 10:09 For each employee the Employer will pay to such employee the sum of Two Hundred and Twenty-five dollars (\$225.00) for one pair of CSA approved safety boots during a contract year. Proof of purchase will be required. In order to be eligible, an employee must have completed six (6) months of accumulated employment with the Employer. The employee shall be responsible for maintaining their CSA approved safety boots in good repair. Boots with exposed steel toes or boots not properly repaired are not acceptable.
- 10:10 The Employer will supply the tools required by each employee for the normal performance of his duties, including tapes, tape refills and chipping hammers on a sign out basis. All articles to be returned in good condition, normal wear and tear excepted. The cost of such articles not so returned, shall be deducted from the employees pay cheques.
- 10:11 The Employer will supply parking spaces equipped with an electrical outlet of sufficient capacity for a block heater. In the event that available parking is not sufficient, then such parking spaces shall be for the exclusive use of the Employer's employees, and shall be allocated on the basis of seniority.

ARTICLE 11: BREAKDOWN CALLOUT

- 11:01 Any employee who reports for work at his scheduled shift shall be paid for the actual time worked, or for four (4) hours pay, unless he was previously notified not to report for work or unless the unavailability of work was due to acts of God or conditions beyond the control of the Employer.
- 11:02 An employee called back after they have completed their scheduled shift and have left the plant, shall be paid for a minimum of two (2) hours at double time (2x) their regular rate of pay.

ARTICLE 12: SENIORITY

12:01 Seniority in a classification shall govern layoffs and recalls. An employee shall not be entitled to seniority rights until he has served a probationary period of four hundred and eighty (480) regular hours worked at which time his seniority will date back to the date of hire. A probationary employee who is discharged shall not be entitled to grieve the discharge.

12:02 Should it be necessary to reduce the working forces on the job, the Employer shall lay-off their employees in the following sequence.

1. The Non-Member/Permit in a classification.
2. Travel Card Members from other locals in a classification.
3. Members of Local 146.

Consideration must also be given to retaining sufficient capable (normally by actual experience with the Employer) employees in each job classification to suit the nature of the work remaining.

12:03 Employees laid-off shall retain their seniority accumulated to the time of a layoff, provided the layoff does not exceed twelve (12) months, after which the employee must make arrangements with the Employer, or return to work within one (1) week after receiving a written notice of recall to be mailed to the employee's last known address in order to preserve his seniority rights.

12:04 Accumulated seniority shall be lost to any employee if:

- a) He is discharged.
- b) He voluntarily quits.
- c) He fails to report to the Employer or produce a medical certificate within three (3) working days after being notified to report to work following layoff.
- d) He is absent from work for three (3) consecutive working days without notifying the Employer or, he notifies of the cause of his absence and that cause is not reasonable.
- e) He fails to report to work and return following the conclusion of an approved leave of absence or vacation.
- f) Layoff exceeds six (6) months for employees with up to five (5) seniority, or twelve (12) months for employees with over five (5) years seniority.

12:05 Any employee absent for reason of illness or injury, shall accrue seniority up to a maximum of twelve (12) months as a result of sickness covered by medical certificate or an accident recognized by the Workers Compensation Board.

12:06(a) Layoff Notice:

1. When it becomes necessary to layoff employee(s), the determination as to the employee(s) who is to be laid off shall be made in accordance with the foregoing provisions of this Article 12 and the following shall apply:
2. Short Term layoffs: are layoffs of five (5) consecutive working days or less which are due to lack of work or breakdown of machinery, floods, fires or Acts of God. No notice is required for such layoffs.
3. Temporary layoffs: are layoffs exceeding five (5) consecutive working days but less than sixty (60) calendar days. For such layoff, employees with more than sixty (60) days service shall receive two (2) days notice.
4. Layoffs must comply with the Employment Standards Code.

5. Unless permission has been granted, an employee who fails to report for work during the notice period, shall be deemed to have quit.
6. When circumstances warrant, the Employer may offer an extension of notice given under subsections 12:06(a)3 or 12:06(a)4 with mutual agreement by the employee. However, the employee, at his sole discretion may decline to accept the extension electing layoff in accordance with the original notice. In addition, any such extension of notice shall not be counted as layoff notice time.

12:06(b) Recall Procedure:

1. When forces are to be increased by means of recall, the following shall apply:

The Employer shall make the determination of employees to be recalled on the basis of ability and seniority within individual job classifications.

Employees being recalled shall be notified in accordance with Section 12:03. In addition, the Employer will promptly mail a copy of this recall list to all employees within the same classification with seniority greater or equal to the recalled employees.

The Employer will advise the Shop Steward of the names of employees being recalled in advance of the recall.

2. Such other employees, if they have the required ability (normally by actual experience with the Employer) and seniority, may within four (4) regular days of the mailing, apply to replace an employee on the recall list.

Recalled employees displaced by this provision shall, if they have started work, be again laid off in accordance with Section 12:02 except that notice need not exceed three (3) days.

3. Where an employee is not available for recall due to illness or injury or other bona fide reason acceptable to the Employer, the employee must inform the Employer, in writing, of his projected date of availability and he shall be recalled within ten (10) days of that date. If the employee is not then available for renewed reasons as noted above, he shall be included for recall consideration on the next recall requirement.

ARTICLE 13: SHOP COMMITTEE

13:01 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.

13:02 The selection of the Shop Committee is recognized as a function of the Union. The Committee shall consist of not less than one (1) or more than three (3) employees. The Chairman of this Committee shall be the Shop Steward and owing to the nature of his work on this Committee, it is deemed important that seniority does not affect his layoff. Therefore, in the event of layoff, he shall be the second (2nd) last person off the job provided there is work available for which he is qualified. The Shop Steward shall work only on days and not be required to work either the second or third shifts. In the event the Shop Steward is to be laid off the Business Representative will be notified in time to appoint a successor. The Shop Steward shall be given a reasonable length of time to perform his duties, after first obtaining permission from his Supervisor.

13:03 The Shop Committee shall act in the capacity of the Grievance Committee and the names of the Committee shall be provided in writing to the Employer.

13:04 Cooperative meetings between Management and the Shop Committee shall be held whenever sufficient meeting agenda subject requires a meeting. It is preferred that proposed agenda be jointly compiled by both parties hereto.

ARTICLE 14: GRIEVANCE MACHINERY

14:01 "Grievance" means any difference between the parties (Union, Employees and the Employer) bound by this Agreement, concerning the interpretation, application, operation or alleged violation thereof, including any questions as to whether the grievance is arbitrable. Any of the time limits contained herein are mandatory, however, they may be extended if mutually agreed to in writing.

14:02 All grievances shall be finally and conclusively settled without stoppage of work in the manner following. Prior to Step 1 on any grievance, the employee should have discussed the issue with the Shop Supervisor.

STEP 1

The Griever shall, with his Shop Steward, discuss any grievance action within two (2) working days, with his Supervisor.

STEP 2

Failing settlement within two (2) working days of a grievance under Step 1, the particulars of the grievance shall be set forth in writing and processed by the Shop Steward and one (1) member of the Shop Committee who shall submit the written grievance to the Assistant General Manager - Production, within five (5) working days of the date of the incident giving rise to the grievance. Assistant General Manager - Production, shall give the Employer's decision within five (5) working days of receipt of the written grievance.

STEP 3

If the decision of the Assistant General Manager - Production is unsatisfactory, then within five (5) working days of the date upon which the Assistant General Manager - Production's decision was rendered, the grievance shall be discussed between an official of the Union, the Shop Steward and the Assistant General Manager - Production or his designated Representative and an official of the Employer.

STEP 4

If the Employer's answer in Step 3 is unacceptable, the grievance shall then be discussed within twenty-five (25) working days from the incident giving rise to the complaint at a meeting of the General 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 (30) working days from the incident giving rise to the complaint that it wishes to submit the matter to arbitration pursuant to the Alberta Labour Relations Code.

14:03 Probationary employees shall not be permitted to file a grievance nor shall the subject of dismissal of probationary employees be the subject of a grievance.

14:04 Arbitration:

Any differences or disputes between the Employer and the Union, or between the Employer and Employee(s), relating to the interpretation, application, administration or alleged violation of the Collective Agreement that has not been satisfactorily resolved pursuant to the grievance procedure outlined in Article 14:00, may be submitted to Arbitration. Either party desiring to proceed to arbitration must notify the other in writing within ten (10) days following the completion of Step 4 of the grievance procedure.

A three member Board of Arbitration will conduct the arbitration proceedings. One member of the Board of Arbitration will be selected by the Employer and one member selected by the Union, within seven (7) days following receipt of written notification. The two arbitrators shall meet and if within seven (7) days fail to settle the dispute, they shall endeavour to agree upon a third member to the Board of Arbitration who shall be the Chairman. In the event the third member is not mutually agreed upon within two weeks, the third member shall be selected by the Minister of Labour as provided for in the Labour Relations Code for the Province of Alberta.

The Board of Arbitration shall not have the jurisdiction or authority to alter, amend or modify any of the provisions of the Agreement or substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of this Agreement. The Board of Arbitration will issue its decision in writing, such decision shall be final and binding upon the parties and employees affected by it.

Any dispute between the parties as to the interpretation of the award shall be submitted to the Board of Arbitration that made the award. The Board of Arbitration may interpret the awards so far as necessary to clarify the same, but without changing the substance, and such interpretation shall be binding upon all parties.

Each party shall bear the expenses of their appointee to the Board of Arbitration and will share equally the fee and expenses of the Chairman of the Board of Arbitration.

ARTICLE 15: UNION LABEL

15:01 The Employer and the Union shall enter into a Union Label agreement.

ARTICLE 16: NO STRIKES OR LOCKOUTS

16:01 The Employer agrees that it will not cause or direct any lockout of its employees for the term of this Agreement. The Union agrees that neither it, nor its Representatives will, during their term of this Agreement, authorize, call, cause, condone, or take part in any strike, picketing, sit-down, stand-in, slowdown or curtailment or restriction of production, or interference with work in or about the Employer's plant or premises. The Union further agrees that any Employee, or Employees participating in, taking part in, instigating or assisting in instigating, in such strike, picketing, sit-down, stand-in, slowdown or curtailment or restriction of production, interference with work in or about the Employer's plant or premises for the duration of this Agreement, shall be subject to discipline or discharge. The term "slow down" shall mean a condition or wilful restriction or reduction of production by an Employee which is within such Employee's reasonable control.

ARTICLE 17: PLANT VISITATION

17:01 The authorized Business Representative of the Union shall be allowed to visit the office of the Employer during normal business hours. After notifying the Assistant General Manager - Production of the purpose of the visit, he will be permitted access to the Employer's shop during working hours to investigate any matter covered by this Agreement, but he shall in no way interfere with the progress of the work.

ARTICLE 18: DURATION OF AGREEMENT

18:01 This Agreement shall be come effective February 1st, 2011 and shall remain in full force and effect until January 31st, 2014 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 a desire to modify or terminate this Agreement. In the event that such notice is given, the parties shall meet no later than three (3) weeks after receipt of such notice. Where party notifies the other of its desire to modify or terminate this Agreement as outlined above, the Agreement shall remain in full force and effect until a strike or lockout is lawful, pursuant to the Alberta Labour Relations Code.

ARTICLE 19: SAVINGS CLAUSE

19:01 In the event any provision of this Agreement is in conflict with the applicable laws of Canada and/or the Provincial Statutes, the parties agree to re-negotiate such provisions for the purpose of making it conform to such applicable laws of Canada and/or the Provincial Statutes where required. However, all other provisions of this Agreement shall remain in force.

**ARTICLE 20: LETTER OF INTERPRETATION, UNDERSTANDING
AND/OR APPENDUMS, APPENDIXES**

20:01 Any letters of interpretation, understanding and/or addendums, appendixes, mutually agreed to by both the Union and Employer, shall be considered to be part of this Agreement, for the duration of this Agreement and shall be automatically extended unless either party provides written notice to alter, amend or delete such letters prior to the commencement of negotiations.

IN WITNESS THEREOF the parties hereto have executed this agreement the 9th

day of February 2011

TIW WESTERN Inc.

K. Kurl
agnieszka Wiszowska
J. J. [unclear]
A. Huda [unclear]

THE INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS FORGERS AND HELPERS, LOCAL 146, A.F. OF L., C.I.O., C.F.L.

[unclear]
A. Huda
b. [unclear]
David [unclear]

ADDENDUM I

WAGES

| Classification | 2/1/2011 | 2/1/2012 | 2/1/2013 |
|---|----------|----------|----------|
| Pressure Welder "B" | 40.03 | 40.73 | 41.85 |
| Journeyman Fitter (ticketed) | 38.24 | 38.90 | 39.97 |
| Maintenance Person (ticketed) | 37.04 | 37.69 | 38.72 |
| Maintenance Person (non-ticketed) | 32.38 | 32.95 | 33.85 |
| Fitter - 1st Class (non-ticketed) | 34.76 | 35.37 | 36.34 |
| Pressure Welder "C" | 34.64 | 35.25 | 36.22 |
| Welder 1st Class Journeyman (ticketed) | 33.07 | 33.65 | 34.57 |
| Fitter - 2nd Class (non-ticketed) | 32.38 | 32.95 | 33.85 |
| CNC Machine Operator I | 34.76 | 35.37 | 36.34 |
| CNC Machine Operator II | 32.38 | 32.95 | 33.85 |
| Machine Operator 1 Boring Mill, Lathe, Tube Finning, 15 Ton Mobile Crane Operator, Automatic Welding Machines, Qualified Sandblaster/Painter, Multi-torch Lead Operator. | 32.38 | 32.95 | 33.85 |
| Welder - 2nd Class (non-ticketed) | 30.10 | 30.63 | 31.47 |
| Machine Operator II Drill, Iron Worker, Saw Threader, etc. Bull Moose Operator, Tube expanding/bending | 30.02 | 30.55 | 31.39 |
| Truck Driver & Store Keeper | 30.02 | 30.55 | 31.39 |
| General Helper I As per General Helper II plus operates power hand tools, such as chipper, other semi-skilled work with and under the direction of other classifications above. | 25.51 | 25.95 | 26.67 |
| General Helper II As per Labourer I plus operates overhead crane for material handling & scissor lift. | 22.79 | 23.19 | 23.82 |
| Labourer I As per Labourer II plus operates grinder, forklift for material handling & swamper. | 20.66 | 21.02 | 21.59 |
| Labourer II General cleaning, sweeping, garbage handling, unskilled material handling, and other manual labour, pipeyard/stores helper, & operates forklift-overhead crane associated with duties of the classification. | 18.53 | 18.86 | 19.38 |

| | | | |
|-------------------------------|-------|-------|-------|
| Fitter Third Year Apprentice | 34.41 | 35.01 | 35.98 |
| Fitter Second Year Apprentice | 28.68 | 29.18 | 29.98 |
| Fitter First Year Apprentice | 22.94 | 23.34 | 23.98 |
| Welder Third Year Apprentice | 29.76 | 30.28 | 31.12 |
| Welder Second Year Apprentice | 24.80 | 25.24 | 25.93 |
| Welder First Year Apprentice | 19.84 | 20.19 | 20.74 |

Pension: 3.50 3.75 4.00

Pension contributions will commence upon completion of the employees probationary period.

Lead Hand: Shall be paid \$2.00 per hour above the rate of his classification

Shift Premium: Second (2nd) shift - \$1.75 per hour
Third (3rd) shift - \$2.25 per hour

Apprentices: Apprentices will be paid sixty dollars (\$60.00) per week while attending school upon successful completion of their current training year. Upon completion of the apprenticeship program and passing Government tests, shall be reclassified and paid as Fitter I or Welder 1. No employees wage rate shall be reduced because of his being reclassified as an Apprentice.

Note #1: Probationary employees will receive \$2.00 per hour less than the rate shown in all classifications.

Note #2: For CNC Machine operator II classification. After 120 working days in this classification, the employee's competency for the classification will be reviewed. If competent, the employee will stay in the classification, if not competent, employee may be reverted to the lower classification. Promotion to the next classification will be made if competent and work in classification is available. Such promotion will be applicable prior to hiring for that position from the Union.

Note #3: For General Helper and Labourer classifications. After six (6) months in the classification, the employee's competency for the classification will be reviewed. If competent, the employee will stay in the classification, if not competent, employee may be reverted to the lower classification. Promotion to the next classification will be made if competent and work in classification is available. Such promotion will be applicable prior to hiring for that position from the Union.

ADDENDUM II

EMPLOYEE BENEFITS

| | Coverage | Amount | Explanation |
|----|--|--------------------------|--|
| 1. | Life Insurance | \$30,000.00 | Payable upon death from any cause |
| | Accidental Death | \$30,000.00 | Covers non-occupational accidents only |
| | Loss: Both hands or both feet or sight of both eyes or any two of these members. | \$30,000.00 | Covers non-occupational accidents only. |
| | Loss: one hand or one foot or sight of one eye | \$15,000.00 | Covers non-occupational accidents only. |
| 2. | Weekly Sick or Accident Benefits | As per booklet | Covers non-occupational accidents only. Weekly benefits begin with the 1st day for accidents or the first day of hospitalized and the 4th day of sickness. Weekly benefits shall be limited to 26 weeks for each disability. |
| 3. | Long Term Benefits | As per booklet | Long Term disability benefits begin after 26 weeks and continue until the employee recovers or reaches 65 years of age. Covers sickness or non-occupational accidents only. In calculating long term disability benefits, benefits from any other group insurance plan and benefits from any Government plan will be taken into account. |
| 4. | Dependent Life | \$5,000.00 \$5,000.00 | on life of spouse on life of each child |

ADDENDUM III

EMPLOYEE AND DEPENDENTS BENEFITS

| A. Coverage | Explanation |
|---|---|
| 1. Health-guard Medical | <p>No Deductible Pay 100% of - Local ambulance charges, Appliances, Private duty nurses in the home (\$10,000.00 limit) Hospitalization.</p> <p>Employer will provide a "Pay Direct Drug Card" to each eligible employee such that the employee need only pay the dispensing fee, if any.</p> <p>Pays 100% of prescribed drugs and medicines. The benefit plan will pay for prescription dispensing fees up to a maximum of \$7.50. When generic drugs are available the plan will cover the cost of the generic drugs.</p> <p>Covers Doctors' charges outside of Canada</p> <p>Covers up to \$25,000 for organ transplants</p> |
| 2. Medical and Surgical Benefits | <p>As provided for in the Alberta Health Care Insurance Plan.</p> |
| 3. Dental Plan | <p>Covers up to 100% for routine exams as often as every 6 consecutive months, X-rays, fillings, extractions, oral surgery, cleaning and scaling, fluoride treatments, periodontal treatment, endodontics, space maintainers & retainers for primary teeth and relining and rebasing of dentures.</p> |
| Dental Plan | <p>Benefit Carriers standard Extensive Dentistry Plan (Includes: crowns, bridges, partial or complete dentures, repair or replacement of dentures, use of gold within limits). 50% reimbursement basis.</p> |
| b) Full cost in accordance with the Alberta latest fee schedule of the Alberta Dental Association | |