

SHOP WORK AGREEMENT

ARTICLES OF AGREEMENT

GOVERNING

NATCO CANADA LTD.

(Hereafter 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. & C.F.L.**

(Hereafter referred to as the "Union")

Effective: February 1, 2011 - January 31, 2013

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Note: ** indicates a change to the applicable article or clause from the previous agreement.

AGREEMENT BETWEEN
NATCO CANADA LTD.
and
INTERNATIONAL BROTHERHOOD OF BOILERMAKERS,
IRON SHIP BUILDERS, BLACKSMITHS,
FORGERS AND HELPERS
LOCAL 146, A.F. OF L., C.I.O.

ARTICLE 1 RECOGNITION, SCOPE, AND PURPOSE OF AGREEMENT

- 1.01** The employer recognizes the Union as the sole bargaining agent for all the employees in the bargaining unit as defined in the Certification Order Number 160-69 made by the Labour Relations Board on October 14th, 1969, and as amended by the Board.
- 1.02** The Union agrees to cooperate with and assist in every legitimate way with the Employer to conduct a successful business bearing in mind that both parties must give service to the public.
- 1.03 This Agreement shall cover all hourly paid employees as listed under Article 14 - Wages and who are within the jurisdiction of Local 146, and shall pertain to no others.

ARTICLE 2 MANAGEMENT

- 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 location of jobs, the choice of equipment, the schedules of manufacture and 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 from time to time, rules and regulations to be communicated in writing and to be observed by the employees, provided that they are not inconsistent with this Agreement. Each employee will comply fully in accordance with the Cameron Corporation Code of Conduct.
- 2.03** It is an exclusive function of the Employer to hire (specify skill sets within classifications), reject, promote, demote, transfer, suspend, discipline, or discharge for just cause, employees in the Bargaining unit, subject to the provisions of this Agreement.
- 2.04 Nothing in this Article shall be interpreted to prejudice other unspecified traditional rights of management.

ARTICLE 3 UNION SECURITY

- 3.01** The Employer agrees to employ only members in good standing with the Union, who will at all times assist the Employer to secure suitable Boilermakers and Helpers. Should the Union fail to secure the necessary Boilermakers and Helpers, within twenty-four (24) hours, the Employer may hire such Boilermakers and Helpers as are available.
- 3.02 All new employees and those recalled from layoff must report to the local office of the Union and sign the appropriate forms, also they must report to the Plant Manager or his delegate 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.
- 3.03** The Employer shall deduct in accordance with the Labour Relations Code (Alberta), the amount of dues or levies as may be authorized by the employee. Such dues shall be deducted from the first pay of every month and forwarded to the Secretary-Treasurer of Local 146 before the 15th day of the month, and must be accompanied by a report showing the employees name, social insurance number and amount of dues or levies.
- 3.04 When shop employees are to be used on outside construction the Union shall be notified by management in advance of the start of the job. Shop employees shall receive wage rates and conditions as in the established Boilermaker Field Construction Agreement.
- 3.05 No Employer employee excluded by the Certification shall perform any work coming within the Jurisdiction of this Agreement, except.
- (1) When an hourly paid employee is being instructed or under training.
 - (2) The setting up and testing of new equipment or procedures.
 - (3) The inspection and certification of Employer products before shipment.
 - (4) In the event of an emergency to protect life or property.
- 3.06 Management will provide a glass fitted bulletin board complete with lock and key. It shall be used for the posting of Union related documents. This bulletin board will be placed in a conspicuous location in the lunch room.
- 3.07** Management shall apply progressive discipline where appropriate. Progressive discipline steps generally begin with a verbal warning. A second infraction or a more serious offence can result in a written warning. A third infraction can result in suspension or termination. The Shop Steward or a Committeeman shall be in attendance at all warnings or discipline. If the employee has not received a warning or discipline within any period of four months any previous warnings will be removed from his or her record. Notwithstanding the foregoing, any employee may be discharged without prior warning, if he breaks or contravenes any of the Employer rules and regulations which call for instant dismissal. In order to act on such rules and regulations, they must be communicated and transmitted to the Union.

ARTICLE 4 EMPLOYEE RESPONSIBILITY FOR TOOLS

- 4.01 The employee must accept reasonable responsibility for the tools furnished by the Employer, and must report the loss, if any, of these tools immediately to his superior.
- 4.02 Any employee found misusing Employer tools will be subject to disciplinary action. Responsibility for normal wear and tear of tools 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

ARTICLE 5 HOURS OF WORK

- 5.01** Eight (8) hours per day shall constitute a normal day's work from 0700 hours to 1530 hours or 1530 hours to 2400 hours or 2230 hours to 0700 hours. Forty hours per week, Monday to Friday inclusive shall constitute the normal week's work. Graveyard shifts shall be scheduled to begin at 2230 hours Sunday, and run for five (5) consecutive shifts. The employer shall notify the Union prior to any change in starting or finishing time. Nothing in this agreement shall be construed as guaranteeing a minimum or maximum hours of work.

ARTICLE 6 SHIFT WORK

- 6.01 Where two (2) shifts are working the first or day shift shall be paid at the applicable rate as set out in Article 14.
- 6.02** The second shift shall receive a premium of three dollars (\$3.00) above the applicable rates as set out in Article 14.
- 6.03 The third shift shall receive a premium of three dollars (\$3.00) above the applicable rate as set out in Article 14.
- 6.04 Overtime when applicable shall be computed on the shift rate of pay under overtime provisions of Article 7.
- 6.05 Shifts may be alternated. The employee shall be given forty-eight (48) hours notice of change of shift except when such change is caused by an emergency. Such notice of change shall be posted.
- 6.06** There shall be no pyramiding of payments in this agreement.

ARTICLE 7 OVERTIME

- 7.01 All hours worked before and after a regular shift as defined in 5.01 shall be termed overtime, provided the employee exceeds eight (8) hours worked.
- 7.02 Overtime shall be paid at time and one half (1-1/2) for the first two (2) hours in excess of any shift, Monday to Friday. All other overtime shall be paid at a double time (2X) rate.
- 7.03** When an employee works more than two (2) hours beyond quitting time of this regular shift, a hot meal will be provided by the Employer immediately after the conclusion of the two (2) hour overtime period, and every four hours thereafter if the overtime is over six (6) hours. Thirty (30) minutes pay at overtime rate can be substituted for the hot meal as per the supervisor's discretion. A twenty (20) minute break will be allowed to consume this meal or rest.
- 7.04 The Employer shall notify the employee twenty-four (24) hours in advance for Saturday and Sunday overtime work except in the case of an emergency.

ARTICLE 8 STATUTORY HOLIDAYS

- 8.01 An employee covered by this Agreement will receive pay for the following statutory holidays when not worked. Afternoon shift will include premium provided he works his last full scheduled shift previous and his next full scheduled shift following such holiday (reasonable lateness accepted) unless permission to be off has been granted by Management.

New Years Day
Family Day
Good Friday
Victoria Day
Canada Day
Heritage Day
Labour Day
Thanksgiving Day
Remembrance Day
Christmas Day
Boxing Day

- 8.02** The period of time recognized as a holiday is the twenty-four (24) hour period beginning at 22.30 on the day preceding the day to be recognized as a holiday. These days shall be recognized on bank holidays to minimize payroll disruption.

- 8.03 When there are two (2) shifts employed, each shift shall work one-half of their regular shift consecutively on Christmas Eve Day (December 24) and New Year's Eve Day (December 31) in order to avoid the necessity of working until midnight. Other arrangements may be made by mutual agreement. Each shift shall receive pay for the hours worked.
- 8.04 Should an employee be laid off for a period of 20 days or less and a statutory holiday should fall within this period the employee shall be paid for this holiday.

ARTICLE 9 ANNUAL VACATIONS

- 9.01 The Employer will grant vacations with pay to each employee computed on the following basis.
- For those whose employment is terminated before the expiration of 12 months from the date of hire - 4% of gross wages.
 - After one years' continuous service - two weeks with 4% of gross wages.
 - After three years' continuous service - three weeks with 6% of gross wages.
 - After ten years' continuous service - four weeks with 9% of gross wages.
 - After fifteen years' continuous service - four weeks with 10% of gross wages.
- 9.02 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 ensure efficient and continuous operations of the plant. The Employer will, by posting an appropriate notice on May 1st 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).
- 9.03 An employee shall qualify for vacation after one year's continuous service with the Employer. It shall be mandatory for the employee to take such vacation to which he is entitled after qualification, before the completion of the next twelve (12) months of service. Notwithstanding the foregoing, any employee on the payroll as of the vacation shut-off date, shall receive two (2) weeks' vacation, (or such lesser period as he wishes) together with vacation pay at the appropriate percentage of his gross wages from the date of employment until the end of the last pay period in May of the year (which shall also be the vacation shut-off date for all other employees).

- 9.04 Time lost up to a maximum of one (1) year as a result of sickness covered by medical certificate, or an accident recognized by the Worker's Compensation Board, or authorized leave of absence shall be considered as time worked for the purpose of qualifying for vacation and for computing vacation pay. (Vacation pay to be calculated on gross pay only).
- 9.05 If the Employer requires an employee to change a previously agreed to vacation period, at least fourteen (14) days notice will be given.

ARTICLE 10 SENIORITY

- 10.01 Seniority in a classification shall govern lay-offs and recalls, provided the persons retained or entitled to recall are capable of performing the required work in their classification. A new employee shall not be entitled to seniority rights until he has served a probationary period of sixty (60) calendar days, at which time his seniority shall date back to his date of hire. A probationary employee who is discharged shall not be entitled to grieve the discharge.
- 10.02 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/permits
 - (2) Travel card members from other locals
 - (3) Members of Local 146 except that consideration must also be given to retaining sufficient employees in each job classification to suit the nature of the work remaining.
 - (4) Employees with Advanced First Aid certification
- 10.03 Separate seniority lists shall be kept in compliance with Appendix "A" Classifications and Wages. In the case of a lay-off each list shall be considered a separate unit. The seniority lists shall be posted on the notice board and a copy of each list shall be forwarded to the Secretary of the Union every three (3) months.
- The lists shall be posted on the board and revised every three (3) months and in the event the said list is not challenged within a period of fourteen (14) days after the list has been posted by any employee whose name has been added to the list, the said seniority list shall be deemed final and conclusive in respect to such employees henceforth. Employees who are absent for any reason when the list is posted shall be given fourteen (14) days to challenge the list after returning to work.
- 10.04 Employees laid off shall retain their seniority accumulated to time of lay-off, providing the lay-off does not exceed twelve (12) months.
- In order to preserve his seniority rights.
- The employee must make arrangements for return to work with the employer within five (5) working days after receiving a written notice of recall mailed to the employee's last known address.
 - And, the employee must return to work within ten (10) working days of receiving the written notice.

- 10.05 The employer shall advise the Shop Steward in writing of the names of the employees who are being laid-off on the same day the lay-off notice is given to the employee.
- 10.06** In advance of any lay-off expected to exceed 60 days duration, the affected employees will receive notice of such lay-off or pay at the employee's regular rate of pay, in lieu of notice.
- 10.07 In advance of any lay-off not expected to exceed 60 days duration the affected employees will receive a minimum of two (2) working days notice. If a recall is not made within sixty (60) days of the lay-off date, these employees will receive pay in lieu of the notice required under Article 10.06, less the days given under this paragraph.
- 10.08 All permanent job vacancies will be posted on the bulletin board giving the classification, shift and rate of pay. Such posting will remain for a period of three working days during which time all employees bidding on the job will sign the job posting form. Seniority shall govern such appointments where possible. If there are no bidders qualified to perform the job in question, the Employer may fill the job by hiring a new employee or by voluntary transfer. Prior to the Employer selecting any applicant under the above procedure, it will discuss the proposed selection with the Shop Committee. Employees are not permitted to bid more than once a year for a job paying the same rate of pay as the job which that employee has.
- 10.09 Accumulated seniority shall be lost by an employee only if.
- (1) He is discharged.
 - (2) He voluntarily quits.
 - (3) He fails to report to the Employer or produce a medical certificate within ten (10) working days after being notified to report to work following lay-off.
 - (4) Lay-off exceeds twelve (12) months.
- 10.10 Employees promoted within this Employer to positions which are exempt from this Agreement shall retain their seniority rights accumulated to the date of promotion and shall accumulate seniority for a period not exceeding one (1) more year. If at the end of this one (1) year they are still in this new position, all seniority rights will be forfeited.
- 10.11 Any employee who requests and is granted a leave of absence to attend an educational institute and that period exceeds twelve (12) months will not suffer a loss of seniority.
- 10.12** Should an employee wish to attend trade related courses, either day or evening classes, the Employer will provide a shift change while the employee is attending said course, provided it does not impact the Employer's ability to operate a second and third shift effectively during periods of vacation or shortages of tradesmen. The shift change must result in no additional costs to the employer.

ARTICLE 11 SHOP COMMITTEE

- 11.01 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.
- 11.02** The selection of the shop committee is recognized as a function of the Union. The Committee shall consist of not less than one (1) and not more than three (3) employees including the chairperson.

The Chairperson of this Committee shall be the Shop Steward and the Steward shall always be on day shift. Any committee members other than the chairperson shall be a part of the regular shift rotation. Due to the nature of the work of this Committee, seniority shall not apply to any committee members in a layoff situation.

- 11.03 The Shop Committee shall act in the capacity of a Grievance Committee and the names of the committee shall be posted on the bulletin board in the shop by the Union from time to time as the occasion warrants. The committee shall meet with Management by mutual agreement.
- 11.04 A Safety Committee of a mutually agreed number of Management Employees and Union Employees will meet at least once a month to discuss safety concerns. (Shop Steward and committee members will not be members of the Safety Committee).

ARTICLE 12 WORK CLASSIFICATIONS

- 12.01** A lead hand shall be appointed by a foreman or shop superintendent to supervise a minimum of three employees and supervision must be for at least half a regular shift to be paid the lead hand premium for the full shift. The ability to read an employer drawing is required of a lead hand.
- 12.02 Labourers shall mean persons employed as Swampers, Yard and Plant clean-up.
- 12.03 Shop Helpers shall mean persons employed as Tool Room Attendants, Slingers, and permanent Helpers employed to assist Welders, Tradesmen Pipefitters, Tradesmen or Machine Operators.
- 12.04 Warehousemen shall mean persons employed as Shippers, Receivers, Stock Keepers, Forklift Operators and to do related duties normally associated with the title of Warehouseman.
- 12.05 Machine Operators shall mean persons employed as Overhead Crane Operator, Burner and Machine Tool Operator.
- 12.06 Tradesmen shall mean persons employed as Fitter, Maintenance-man, Insulator, Machinist, Roll Operator, Painter, Pressure Tester and Sandblaster.

- 12.07 Layout shall include Layout Checker.
- 12.08 Journeyman Boilermaker shall mean a Steel Fabricator (Boilermaker) with a journeyman certificate and Steel Fabricator (Boilermaker) apprentices.
- 12.09** Welders shall include Apprentice and Journeyman Welders, Certified B Welder I, C Welder shall include 3rd Year Apprentices qualified to weld on pressure in the 1G and 3G position.
- 12.10 Machine Operator Trainee shall work at a machine operator's trade and be instructed in the trade for a period of six (6) months. After training period has been completed he will be reclassified to a Machine Operator.
- 12.11 Tradesman Trainee shall work at a tradesman trade and be instructed in the trade for a period of six (6) months. After training period has been completed, he will be reclassified to a Tradesman.
- 12.12** Warehouse Trainee shall work at a Warehouseman's trade and be instructed in the trade for a period of one (1) year. After training period has been completed he will be reclassified to a Warehouseman.
- 12.13 A Tradesman Pipefitter shall be a Tradesman who has a trade related ticket.
- 12.14 The Shop Quality Control Inspector will perform visual inspection, complete quality control documentation, checking welding consumables, assuring proper welders qualifications, non-destructive testing (M.P.I., L.P.I.), layout checks and final inspections.
- 12.15** The ratio of Apprentices to Journeymen shall comply with applicable trade regulations, providing the Union can supply sufficient Journeymen when required. Apprentices shall be assigned work to cover all sections of their trade as described within the appropriate trade regulations.
- 12.16 If work in a lower paid classification is temporarily assigned to an employee, the employee will receive his regular rate of pay for such temporary period.
- 12.17 If work in a higher classification is temporarily assigned to an employee, the employee will receive not less than the minimum rate of the higher paid classification, while holding this classification, provided he works over half of the shift in that higher paid classification.
- 12.18 In the event the Employer desires to establish a new job classification not set forth in this Agreement, the Union shall be notified to that effect at least thirty (30) days in advance of the date when it is intended to be established. Following such notification, the Employer and Union shall meet to discuss and attempt to settle the rate to be set for the new classification. Failing agreement regarding the rate, the Employer may establish the new classification and set a rate therefore and if within a further period of thirty (30) days thereafter, the Employer and the Union are still unable to agree upon the rate (taking into account actual job experience gained after the new job classification has been filled) then within a period of thirty-five (35) days following

the date the Employer sets the rate, the Union may refer the matter of establishing the rate to arbitration in accordance with Article 15, Section 15.03.

The rate as established by the arbitration procedure shall be final and binding on the parties and further shall be retroactive to the date when the Employer first established the rate for the new job classification.

12.19 Prior to an apprentice attending Apprenticeship Training School he will be given a notice of layoff and a notice of recall to be effective the next working day following completion of this school period.

12.20** Mobile Crane Operator – service and operate booms mounted on crawlers or wheeled frames as well as travelling, fixed or climbing type hoisting equipment with a vertical mast or tower and a jib. Certification is required to operate mobile cranes with a lifting capacity of 15 tons (13.6 tonnes) or more.

ARTICLE 13 GENERAL AND WORKING CONDITIONS

13.01** A change and lunch room with sufficient lockers for each employee shall be provided. Location of these facilities is at the discretion of Management. Personal effects of each employee up to a maximum of \$200.00 shall be covered by fire and theft insurance.

13.04 Compensation regulations shall apply and their provisions shall be considered as minimum requirements.

13.06 The Employer agrees that no employee shall lose wages reason of a Crown subpoena or serving on a jury and accordingly, the Employee shall pay the difference between whatever compensation the employee receives for serving as such a witness or on a jury and the regular amount of wages that would normally be earned.

13.07 The Employer shall schedule for all employees two (2) rest periods of ten (10) minutes each during their normal working hours and after each four (4) hours of overtime. Further, where the anticipated overtime, immediately after the end of the regularly scheduled straight time shift is two (2) hours or more, the employee shall be allowed a ten (10) minute rest period immediately after the end of the shift and before commencing such overtime. Employees may have five (5) minutes prior to the end of their shift to return and clean up their tools. Spray painters will be allowed sufficient time to clean up their tools. Spray painters will be allowed sufficient time to clean up their equipment as well as ten (10) minute personal clean-up time prior to the end of their shift.

13.08 An employee shall be ready to immediately resume his duties at the commencement of his shift, and he must not leave his regular duties except for an emergency and with permission of his superior.

13.09 An employee who will not be at work on his normal working day due to illness or other reasons, must notify his Foreman, Supervisor or Plant Manager before the

commencement of that day's shift or by first coffee break.

- 13.10** In the event of the death of an employee's spouse, child, mother, father, brother, sister, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandchild, step parent, grandmother or grandfather, such employee shall receive the day of the funeral and the two preceding days off with pay provided the employee attends the funeral. In the event of a funeral requiring out of province travel an additional 2 days off without pay may be granted.

If an employee is requested to serve as a pallbearer of another Calgary shop employee on a regular work day, he will receive one day off with regular pay.

ARTICLE 14 WAGES

- 14.01 The wages and classifications covered by this Agreement shall be in accordance with Appendix "A" attached hereto.

ARTICLE 15 GRIEVANCE PROCEDURE

- 15.01 "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 question as to whether the grievance is arbitrable.
- 15.02 All grievances shall be finally and conclusively settled without stoppage of work in the manner following:
- Step 1 Within five (5) working days the grievor shall with his Shop Steward discuss the grievance with his foreman or head foreman.
 - 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 member of the Plant Committee who shall submit the written grievance to the Plant Manager. The Plant Manager shall give the employer's decision within three (3) working days of receipt of the written grievance.
 - Step 3 If the decision of the Plant Manager is unsatisfactory, then within five (5) working days of the date upon which the Plant Manager's decision was rendered, the grievance shall be discussed between an official of the Union, the Shop Steward, the Plant Manager and another officer of the Employer.
 - Step 4 In the event that the grievance cannot be resolved pursuant to Step 3 within two (2) working days of commencement of discussion as set forth in Step 3, then within ten (10) working days thereafter, the matter may be referred by either party to arbitration pursuant to the Labour Relations Code (Alberta). Any grievance by the employer or a Union Policy grievance

shall initially be discussed between a representative of the Union and a representative of the employer and if the matter cannot be resolved, the Employer or the Union may proceed to arbitration pursuant to the Labour Relations Code (Alberta). Such policy grievance or grievance by the Employer shall be commenced within ten (10) working days of the date of knowledge of the incident or matter giving rise to the grievance and may be referred to arbitration, if necessary, within thirty (30) working days of knowledge of the incident or matter.

- 15.03 The arbitration procedure under the Labour Relations Code (Alberta) shall be a part of this Agreement.
- 15.04 All references to days in this Agreement are calendar days unless otherwise stated.
- 15.05** Time frames in this article are mandatory, however, time frames in this article may be extended by mutual agreement.

ARTICLE 16 NO STRIKES OR LOCKOUTS

- 16.01 There shall be no strikes, slow downs or other cessation of work during the period of the collective agreement, nor will the Union cause or participate in any slow down or similar interference with production. The employer shall not cause a lockout during the period of this Collective Agreement.

ARTICLE 17 UNION LABEL

- 17.01 The Employer and the Union shall enter into the standard Union Label Agreement.

ARTICLE 18 BREAKDOWN AND CALL-OUT

- 18.01 An hourly rated employee who reports for work and is dismissed for that day by reason of some breakdown or cause for which he is not responsible, shall be paid for the actual time worked, or four (4) hours pay, whichever is the greater.
- 18.02 An employee called out to work after he has completed his regular shift and has left the plant shall be given not less than four (4) hours of work or if no work of any kind is available, he shall be paid four (4) hours pay at overtime rates at his applicable rate of pay.

ARTICLE 19 – SAFETY**

19.01** The employer, employees and the union agree to:

- 1) Take reasonable care to protect the health and safety of themselves and other workers engaged in work on behalf of the employer.
- 2) Take reasonable care to protect other workers, visitors or contractors who may not be engaged in work on behalf of the employer, but present at the work site at which work is being performed.
- 3) Cooperate through participation in the employer's Health, Safety, Security & Environmental Management System (HSSE MS).
- 4) Adhere to the employer's Health, Safety, Security & Environmental Management System (HSSE MS) for the purposes of protecting the health and safety of themselves and others who may be present at the work site.

19.02** A Safety Committee of Management Employees and Union Employees in numbers required by legislation will meet at least once a month to discuss safety concerns. (Shop Steward and Committee members will not be members of the Safety Committee).

19.03** If any employee meets with an accident during working hours he shall report the accident immediately to his Foreman Supervisor or First Aid Person and follow his instructions concerning treatment of the accident as set out in employer's policy.

19.04** The Employer will provide or contribute to the cost of the following equipment and safety clothing.

- 1) Two pairs of coveralls per calendar year to workers involved in spray painting.
- 2) Protective aprons will be supplied to workers employed as radial drill operators to be dispensed as and when required in the same manner as tools are supplied.
- 3) Gloves, welding jackets and aprons will be supplied to workers employed as welders to be dispensed as and when required in the same manner as tools are supplied.
- 4) Gloves required by workers employed as fitters, burners, boilermakers helpers, burner helpers and other trades where gloves are required will be dispensed as and when required in the same manner as tools are supplied.
- 5) Earplugs will be made available to all employees.
- 6) Non-prescription safety glasses will be supplied to all employees and dispensed in the manner as tools are supplied.

- 7) The employer will reimburse up to three hundred dollars (\$300.00) including GST for CSA frames for prescription safety glasses every two years or if frames are broken on the job. Not more than once per calendar year, the Employer will pay for one set of lenses on prescription from a doctor or optometrist.
- 8) The employer shall contribute to each permanent employee an allowance of two hundred dollars (\$200.00) + GST per year towards the purchase of safety boots. The employer will not pay for prescription glasses or contribute toward the purchase of safety boots, if the purchase takes place after a lay-off or termination notice has been given to the employee.
- 9) Probationary employees will not be entitled to reimbursement for prescription glasses or the boot allowance until the probationary period has been served.

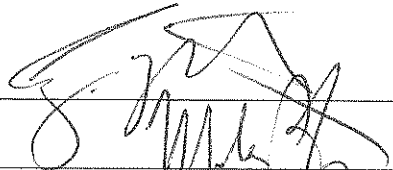


ARTICLE 20 DURATION OF AGREEMENT

20.01** This Agreement shall become effective February 1, 2011 and shall remain in full force and effect until January 31, 2013 and from year to year thereafter unless the agreement is lawfully terminated. In the event such notice is given, the parties shall meet not later than fifteen (15) days after receipt of such notice.



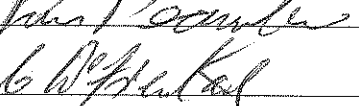

IN WITNESS WHEREOF the parties hereto have executed this Agreement on

FEB 23, 2011

**NATCO CANADA, LTD.
9423 SHEPARD ROAD S.E.
CALGARY, ALBERTA**

Per. 
Per. 
Per. 

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

Per. 
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Per. 

APPENDIX "A" WAGES, PENSION and FIRST AID PREMIUMS**

<u>CLASSIFICATIONS</u>	<u>1-Feb-11</u>	<u>1-Feb-12</u>
Labourer	\$21.53	\$22.39
Helper	\$24.01	\$24.97
Warehouseman	\$30.84	\$32.07
Warehouseman Trainee	\$24.01	\$24.97
Machine Operator	\$30.84	\$32.07
Machine Operator Trainee	\$28.37	\$29.51
Tradesman	\$32.08	\$33.36
Tradesman Trainee	\$29.63	\$30.82
Layout Checker	\$39.56	\$41.15
Quality Control	\$32.15	\$33.44
Quality Control Trainee	\$27.63	\$28.73
Journeyman Welder	\$32.15	\$33.44
C Welder	\$32.95	\$34.27
Mobile Crane Operator	\$39.56	\$41.15
Steel Fabricator/Boilermaker	\$39.56	\$41.15
Pipefitter	\$39.56	\$41.15
Instrument Mechanic	\$39.56	\$41.15
B Welder 1	\$39.56	\$41.15
 <u>Welder - Apprentice</u>		
1 st	\$19.78	\$20.57
2 nd	\$25.72	\$26.75
3 rd	\$31.65	\$32.92
 <u>Pipefitter - Apprentice</u>		
1 st	\$19.78	\$20.57
2 nd	\$25.72	\$26.75
3 rd	\$31.65	\$32.92

Steel Fabricator/Boilermaker- Apprentice

1 st	\$23.74	\$24.69
2 nd	\$29.67	\$30.86
3 rd	\$35.60	\$37.04

FIRST AID PERSON

With Advanced First Aid Ticket –	Rate will be equal to B Welder 1
With 1 st Class First Aid Ticket -	\$0.60 above the regular rate
With First Aid Ticket -	\$0.40 above the regular rate
<u>Lead Hand on shift where a Foreman is present</u> -	\$1.00 above the regular rate
<u>Lead Hand on shift where a Foreman is not assigned for the full shift</u> -	\$1.00 above the regular rate

NOTE:

Newly hired employees (other than Apprentices) will receive two (\$2.00) dollars per hour less than the published rate for the first sixty (60) days of employment. Probationary period to be sixty (60) days from date of employment.

PENSION PLAN:

The employer will contribute four dollars (\$4.00) per hour worked by a member to the Boilermakers Pension Plan.

For new employees who reach their probationary period after sixty (60) days, pension contributions will commence at that time.

APPENDIX "B" BENEFITS

The Employer shall provide at no cost to the Employee the following health, welfare and insurance benefits:

- a) Life Insurance after two (2) months in the amount of \$15,000.00 payable to the beneficiary designated by the Employee.
- b) Sickness and accident benefit equivalent to that receivable under E.I. with the same terms as E.I. effective two (2) months from the date of hire.
- c) The existing Medical Plan with a \$2.00 per prescription deductible and 80% coverage effective two (2) months from date of hire.
- d) The existing Dental Plan with no deductible and 80% coverage, except for crowns, inlays, fixed bridge work, and gold fittings at 50% coverage effective two (2) months from the date of hire.
- e) The Employer will provide eye wear coverage for each family member at 80% of the cost up to a maximum of \$100.00 every 24 months.
- f) The employer shall contribute five cents (\$.05) per regular hour worked to the Calgary Boilermaker's Education Fund until such Fund reserve drops below thirty thousand (\$30,000.00) dollars after which time the employer shall contribute ten cents (\$.10) per regular hour worked. When the fund reaches seventy five thousand (\$75,000.00) dollars, the contribution shall again change to five cents (\$.05) per regular hour worked. Fund levels to be advised by the Board of Trustees.

The current month's contributions shall be remitted by the fifteenth (15th) of the following month to the International Brotherhood of Boilermakers Union, Local 146, Calgary Educational Training Fund, 7004T - 5 Street S.E., Calgary, Alberta. The contribution must be accompanied by a report showing each employee's name, social insurance number, hours worked, and the amount of the contribution.

Any employees attending trade related night courses shall, if possible, be kept on day shift for the duration of the courses.

- g) Long Term Disability Insurance to be paid by the employee.

NOTE:

Employees who received a Notice of Layoff will retain full benefits until the day of their actual termination of employment.