

**GENERAL PRESIDENTS' MAINTENANCE COMMITTEE
FOR CANADA**

PROJECT AGREEMENT

FOR

MAINTENANCE BY CONTRACT

IN CANADA

FOR

REDPATH SUGARS LTD.

QUEENS QUAY EAST

TORONTO, ONTARIO

PROJECT AGREEMENT FOR MAINTENANCE BY CONTRACT

IN CANADA

This Agreement is entered into this 1st day of April 2011 by and between Sutherland-Schultz Inc., of Cambridge, Ontario (hereinafter referred to as the "Company"), and those INTERNATIONAL UNIONS listed hereunder (hereinafter referred to as the "Unions"), for the purpose of maintenance, repair and renovation work for Redpath Sugars Ltd., Toronto, Ontario.

The Unions are composed of the following International Unions:

International Association of Heat and Frost Insulators and Allied Workers

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

International Union of Bricklayers and Allied Craftsmen

United Brotherhood of Carpenters and Joiners of America

Operative Plasterers and Cement Masons International Association

International Brotherhood of Electrical Workers

International Association of Bridge, Structural, Ornamental & Reinforcing Ironworkers

Laborers' International Union of North America

International Union of Operating Engineers

International Union of Painters and Allied Trades

United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada

Sheet Metal Workers International Association

International Brotherhood of Teamsters

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COVENANTS

Whereas, the Company is engaged in the business of plant maintenance, repair and renovations (as defined in Article 6.000) with miscellaneous industries, and this work is of importance to the Unions herein listed, and it being recognized there is an essential difference in the conditions required to perform this type of work, the Unions herein listed, with the Company, wish to enter into an agreement for their mutual benefit covering work of this nature.

Whereas, the Unions have in their membership throughout the area members competent and qualified to perform the work of the Company.

Whereas, the Company has employed and now employs members of the Unions on maintenance, repair and renovation work recognized by the unions of the AFL-CIO as being within the jurisdiction of said Unions.

Whereas, in order to insure relative equity and uniform interpretation and application, the Unions, through the duly appointed and constituted General Presidents' Committee for Maintenance in Canada, wish to negotiate and administer the said Collective Agreement in concert, each with the other, and all with the Company.

Whereas, the Company is engaged in the business of Plant Maintenance and as such has the authority to sell its services, within the scope of Article 6.000 "Definitions", under the terms and conditions of this Agreement without prior knowledge or approval of the Committee - Conversely - The Company has the responsibility of satisfying the conditions of application (continuous and increasing utilization of Contract Maintenance services for specific Owner) and compliance with terms and conditions of the Agreement.

Whereas, the Company and the Unions desire to mutually establish hours of work and working conditions for the workmen on an area basis to the end that satisfactory conditions and harmonious relations will continue to exist for the benefit of both parties to this Agreement.

Whereas, the Company and the Unions agree that, due to the particular nature of the work covered by this Agreement, there shall be no lockouts or strikes during the life of the Agreement, and provisions must be made to achieve this end.

Whereas, it is recognized that all employees covered by this Agreement shall have the protection of all existing Federal, Provincial and Local laws applicable to employees in general, any provisions in this Agreement which are in contravention of any Federal, Provincial, or Municipal regulation or laws affecting all or part of the limits covered by this Agreement shall be suspended in operation within the limits to which such law or regulation is in effect. Such suspension shall not affect the operation of any such provisions covered by this Agreement, to which the law or regulation is not applicable. Nor shall it affect the operations of the remainder of the provisions of the Agreement within the limits to which law or regulation is applicable.

All references in this Agreement to the masculine gender shall also apply to the feminine gender.

It is, therefore, agreed by the undersigned Company and the undersigned Unions that in consideration of the mutual promises and covenants contained herein, the Project Agreement be made as follows:

ARTICLE 1.000 - APPLICATION FOR PROJECT AGREEMENT:

- 1.100 Any company desiring to enter into a Project Agreement for Maintenance by Contract, must appear before the General Presidents' Committee (hereinafter the "Committee") for purposes of review and orientation and present to the Committee written evidence of the owner's intent to engage that company in the performance of maintenance service for a minimum period of one full year, subject to the usual termination clauses in such contracts.
- 1.200 It is further understood that the Project Agreement shall not be applicable for "shutdown" or "turnaround" work except when such work is performed within the scope of full or year-round supplementary maintenance contracts. In order to implement this restriction, it is understood that on newly constructed plants or units a shutdown may occur at any time under the terms of the Project Agreement but existing plants employing this service must have been under contract for full or year-round supplementary Maintenance service for at least four months prior to commencement of the shutdown/turnaround or such work shall be performed under the terms of the local Construction Agreement.
- 1.300 Should the contract for full or year-round supplementary maintenance be terminated during the term of this Collective Agreement for any of the projects listed, this Collective Agreement shall be considered null and void as it applies to that project or projects.

ARTICLE 2.000 - AUTHORITY & RESPONSIBILITY OF THE COMMITTEE IN ADMINISTERING THE AGREEMENT:

- 2.100 With the Company, to interpret and administer the terms and conditions set forth in the Agreement.
- 2.200 To screen and police each company seeking use of the Agreement in order to assure proper application and interpretation.
- 2.300 To review and instruct member Unions and/or the Company in interpretation and application of terms and conditions (subject to Step V of Grievance Procedure) when the Company or employees of any given Union depart from Agreement conditions.
- 2.400 With the Company, through a Subcommittee, visit the location of each maintenance job prior to commencement or as often as necessary to initiate and maintain the cooperation of the Local Unions.
- 2.500 To prepare and distribute duly negotiated collective agreements for signing.

ARTICLE 3.000 - RECOGNITION:

- 3.100 The bargaining unit under this Agreement shall comprise all employees of the Company, coming under the jurisdiction of the Unions signatory to this Agreement, now employed and employed in the future for maintenance, repair and renovation work at the Owner's plant site.
- 3.200 The Company and the Unions:
- 3.201 Agree that the jurisdiction recognized herein for each Union shall be the jurisdiction recognized by the AFL-CIO, provided, however, that if they or the Unions are unable to agree upon the Union which is to have jurisdiction over any group of employees, the Company will recognize one as having jurisdiction until such time as the Claimant Unions agree upon another and provided further that work considered within the jurisdiction of any Union which is not represented by the Unions listed herein may be assigned by the Company to the jurisdiction of the most appropriate Union.
- 3.202 Recognize the Unions as herein duly constituted for the purpose of bargaining collectively and administering this Agreement for the members of their respective Unions. The responsibility for interpretation and administration of this Agreement rests in the Committee.
- 3.203 Agree to bargain collectively with the Unions and to be governed by the terms of this Agreement and by all lawful settlements of disputes and grievances made pursuant thereto. On maintenance work, the Project Agreement shall govern terms and conditions and take precedence over local construction agreements or area practices.

ARTICLE 4.000 - UNION SECURITY:

- 4.100 All employees under this Agreement, as a condition of employment, shall be members of or secure membership in a Signatory Union and maintain such membership in good standing.
- 4.200 The Company will co-operate with the Signatory Unions in providing employment to their members and the Unions agree to assist the Company by all means in their power to secure necessary skilled and competent workmen.

- 4.300 The Company will contact the appropriate Union local first to secure the necessary men. However, when the Union cannot supply men within 48 hours exclusive of Saturday, Sunday and holidays, the Company may secure them from any source and immediately put them to work with advice to the men that they are employed subject to Union Agreement of Membership and/or replacement by Union Members - and advice to the appropriate Business Agent that the men are on the job.
- 4.400 It will be the Unions' responsibility to provide a referral slip to the employee at the jobsite or supply a satisfactory replacement, who is a member. Tradesmen, who are employed under these circumstances (in special trades or skills or who are trained at Company expense for special work) will not be replaced except by written request of the Union within sixty days of the date of hire and approval of the Company.
- 4.500 When the Union cannot supply qualified tradesmen within 48 hours of the date requested, then the Company may secure other qualified tradesmen who must apply for membership in the respective Unions.
- 4.600 In emergency situations, where the Company has two or more Maintenance Projects within the jurisdiction of the same Local Union, the Company shall have the right to transfer employees between projects after the Local Union has been given the opportunity to supply and has failed to do so within four hours.

ARTICLE 5.000 - SCOPE OF WORK:

- 5.100 The scope of this Agreement covers all work of a maintenance, repair and renovation nature, assigned by the Owner to the Company and performed by the employees of the Company covered by this Agreement, within the limits of the Owner's plant site.
- 5.200 The scope of this Agreement does not cover work performed by the Company of a new construction nature which is work required to erect new facilities in which event the work shall be done in accordance with existing building construction agreements.
- 5.300 The Unions and the Company understand that the Owner may, at his discretion, choose to perform or directly subcontract work for any part or parts of the work necessary in his plant.

ARTICLE 6.000 - DEFINITIONS:

- 6.100 Maintenance shall be work performed for the repair, renovation, revamp and upkeep of property, machinery and equipment within the limits of the plant property.

- 6.101 Maintenance shall be the continuing work performed of a maintenance, repair, renovation character within the limits of the plant property.
- 6.200 All work performed by the Company on existing equipment and machinery, including all associated work in a given plant, shall be maintenance. This shall include replacement of existing individual items of machinery and equipment with new units, including all associated work, as well as maintaining the facilities to accommodate environmental regulations as required by law. It is understood that this concept would not include replacement of an entire process system installation in a plant in order to increase production.
- 6.300 Addition of spare machinery or equipment may be done under the Maintenance Agreement provided it is for debottlenecking purposes. Example: There are two existing pumps. Both pumps are required to run at all times to maintain full production. A spare may be added for the purpose of having one pump down for maintenance.
- 6.400 Changes to existing units for reasons of feed stock changes or fuel changes shall be maintenance.
- 6.500 The work "repair" used within the terms of this Agreement and in connection with maintenance, is work requested to restore by replacement or by revamp of parts of existing facilities to efficient operating conditions.
- 6.600 The word "renovation" used within the terms of this Agreement and in connection with maintenance, is work required to change by replacement or by "revamp" of parts of existing facilities to efficient operating conditions.
- 6.700 Fire restoration work will be administered as follows:
- 6.701 The restoration of a plant completely destroyed by fire is considered construction work.
- 6.702 The restoration of a major part of a plant including several sections which have been destroyed or damaged by fire, shall be governed by the following criteria:
- (a) The removal of damaged equipment and the preparation of the damaged area to make it suitable for new equipment will be Maintenance.
 - (b) The installation and erection of new equipment will be Construction.
- 6.703 When the fire damage is localized to a given operating unit, such as a heater, distillation tower, compressor, pumphouse equipment and the like, then the restoration of same is to be considered Maintenance.

- 6.800 The administration and interpretation of this Article is the responsibility and prerogative of the General Presidents' Committee for Contract Maintenance in Canada.

ARTICLE 7.000 - GRIEVANCE PROCEDURE:

- 7.100 It is agreed that it is the spirit and intent of this Agreement to adjust grievances promptly. All grievances, including discharge for just cause, but not those pertaining to jurisdictional disputes that may arise on any work covered by this Agreement, must be initiated within fifteen (15) working days of the incident by either the employee in Step I or the Local Union in Step II and shall be handled in the following manner:
- 7.101 Step I: Between the aggrieved employee and/or his Steward and the Company supervisor.
- 7.102 Step II: Between the aggrieved employee, his Steward and/or Local Union Business Representative and his Foreman, the Supervisor and the Project Manager. If settlement is not achieved at this step, the grievance must be presented in writing to the Company and to the International Representative of the Union involved.
- 7.103 Step III: Between the International Union Representative and the Labour Relations Manager or the highest official of the Company.
- 7.104 Step IV: By negotiation between a committee of the unions signatory to this Agreement and senior officials of the Company at a meeting to be held at the place of work or a mutually agreeable location.
- 7.105 Step V: If any dispute or grievance concerning the interpretation, application or violation of this Agreement cannot be settled through the procedure described above within ten (10) working days, the matter may be submitted by a Signatory Union to this Agreement or the Company, to a Board of Arbitration for adjudication. This Board shall consist of three (3) Arbitrators, one appointed by each party to this Agreement and the third, who shall act as Chairperson, to be selected by the two so appointed. The party desiring arbitration shall appoint its Arbitrator and shall give notice in writing to the other party together with a written statement of the question to be arbitrated. In the event that the other party does not appoint its Arbitrator within three (3) days the appointment shall be made by the Minister of Labour for the Province in which the grievance occurs.

In the event the two Arbitrators appointed cannot within three (3) days select a third Arbitrator who is willing to serve, the two Arbitrators shall jointly request the Minister of Labour of the Province in which the grievance occurs to designate the third Arbitrator who shall act as Chairperson. This Board when selected or appointed will proceed as soon as practicable to examine into the dispute or grievance and on the basis of the facts, render its judgement. The majority or unanimous decision of the Board of Arbitration shall be final and binding and accepted by both parties for the duration of the Agreement.

In the event that a majority decision is not reached by the Board of Arbitration, the decision of the Chairperson shall be deemed to be the decision of the Board and shall be final and binding and accepted by both parties for the duration of the Agreement.

The Arbitration Board shall not be authorized to make any decisions inconsistent with the provisions of this Agreement, nor to alter, modify or amend any part of this Agreement.

In arbitration proceedings, each party shall pay the expenses of its Arbitrator and the expenses of the Chairperson shall be shared equally by the parties.

The Company shall provide the necessary facilities for the grievance meetings.

- 7.200 Grievance forms will be provided by the Company at the jobsite, or they may be downloaded from the General Presidents' Maintenance Committee website at www.gpmccanada.com.

ARTICLE 8.000 - JURISDICTION:

- 8.100 Project maintenance conditions do not always justify adherence to craft lines which, in itself, does not establish precedent or change the appropriate jurisdiction of the crafts involved. Composite crews may be formed where conditions warrant, but this is not to be construed under regular operating conditions as the Company's prerogative to assign men out of their usual skill classification.
- 8.200 The Company may, if it desires, maintain a variety of skills within its group of employees to be prepared to have skills and/or supervision for any type of work that may arise.
- 8.300 It is understood that all employees will work together harmoniously as a group and as directed by the Company.
- 8.400 In the event that any jurisdictional disputes shall arise between two or more Unions represented by this Agreement, an immediate assignment of the work in question shall be made by the Company representative, based upon

decisions and agreements of record or other information available. The work is then to continue and, if any of the Unions involved are not satisfied with the assignment, the matter shall be referred to the International Office of the Unions involved for a project decision.

- 8.500 The Company and the Unions agree that such assignment of work involved in a jurisdictional dispute is imperative to the satisfactory operation of this Agreement and the continued operation of the Owner's plant.

ARTICLE 9.000 - UNION REPRESENTATIVES:

- 9.100 Representatives of the Unions shall have access to the job during working hours on Union business. They shall, as regulations of the plant permit, obtain specific authorization from the Company for each visit.

ARTICLE 10.000 - STEWARD:

- 10.100 Each Union signatory to this Agreement may appoint or select one (1) working Steward from among the Company employees to act as a representative of the Union in connection with Union business. Each Union may also appoint an acting Steward for afternoon or midnight shifts. These Stewards shall be allowed reasonable time to conduct Union business related to this project. The Business Manager of the applicable Local Union shall be consulted in advance of the termination of the Steward.

10.101 It is established that the company will notify Job Stewards of lay-offs within their trade on a timely basis.

- 10.200 Steward designations must be confirmed in writing to each job superintendent in order to allow recognition of Steward's privileges.
- 10.300 The Steward shall not be discriminated against and shall receive his fair share of overtime work for which he is qualified.
- 10.400 At layoff, the appointed Steward will be one of the last three employees on the job, provided he is qualified to perform the work at hand.
- 10.500 Notwithstanding the remainder of this article, a Job Steward who is a "short-term" employee may be laid off when the assignment for which he was hired is completed.

ARTICLE 11.000 - REFERRAL OF MEN:

- 11.100 Maintenance work that the Company performs involves maintaining operating units that in almost all cases must be kept running. This situation means that

much of the work is of an emergency nature and therefore, will require at times the acceptance of extreme fluctuations in the labour demands made by the Company on the Unions. The Unions, by this Agreement, completely understand the necessity of these extremes and agree to make every effort to fulfill the manpower requirements of the Company.

- 11.200 When employees are required, the Company shall request that the required number of applicants be referred for employment under the following minimum standards. Such requests to the Union Hall will be made and/or confirmed by facsimile:
- 11.201 The Local Union Business Representative will be contacted by the company on all occasions when men are required and the Company shall state that the men are required for maintenance work, and also state:
- (1) whether they are to be standard day, intermittent shift, or continuous shift employees.
- 11.202 The Company will use its best judgement in advising the Local Business Agent of type of work (i.e. day shift, intermittent shift, continuous shift etc.)
- 11.203 The Union representative shall, to the best of his ability, supply qualified tradesmen to perform the work described under this Agreement.
- 11.204 For just and sufficient cause, the Company shall retain the right to reject any applicant referred by the Union. Such information will be transmitted to the Union in writing.
- 11.205 The Company will be allowed the same ratio of name hire as provided for in the respective reference Agreements, including provisions such as recall as set out in said Agreements. Name hire ratios will be respected at lay-off if provided for in the reference Agreements.
- 11.300 The designation and determination of the number of foremen on maintenance work shall be the prerogative of the Company. Foremen may be requested to work with the tools, when in the Company's opinion, it is advisable.
- 11.400 Tradesmen referred to the job by the Local Union Representative, shall report to the Employment Office established for the project.
- 11.500 The Company may transfer foremen as well as employees with special skills or qualifications to projects where forces are being increased. Transfers are not permitted to displace existing employees.
- 11.600 When employees are absent from work and do not inform the project supervisor of the reason for their absence such employees may be terminated. The Company will establish reasonable rules with respect to

absence within its project rules and will make these rules available on the job site.

- 11.700 The parties to this Agreement recognize the importance of apprenticeship to the maintenance industry. The parties agree to support, wherever practicable, the employment of apprentices on maintenance projects to reflect acceptable reference agreement ratios.
- 11.800 The Company will hold pre-job information meetings with all participating local unions prior to major plant shutdowns.

ARTICLE 12.000 - WAGES:

- 12.100 Wages are to be paid as follows:
 - 12.101 Employees on maintenance work shall be paid according to the attached Maintenance Wage, Benefits, Overtime, Shift Premium Schedule – Appendix ‘B’ attached.
 - 12.102 Employees on Continuous Shift Conditions shall be paid according to the attached Continuous Shift Conditions Schedule – Appendix “C” attached.
- 12.200 Fringe Benefits will be paid according to the attached Appendix “B” and “C”.
- 12.300 Management Association funds, discretionary funds and premiums for high or low work, hazardous work, dirty work, acid work and other similar fringes are excluded from this agreement.
- 12.400 In the event that local agreements terminate and no agreement is reached regarding wages, the Company, in order that continuity of work shall be maintained agrees as follows:
 - 12.401 Should a work stoppage occur in negotiating the local agreement, the employees of the affected unions will be paid the appropriately adjusted wage rate negotiated in the new agreement, on a retroactive basis to the date of the work stoppage or the effective date of the new wage rate whichever is the earlier.
 - 12.402 Should no work stoppage occur in negotiating the local agreement, the employees of the affected unions will be paid the appropriately adjusted minimum wage rate negotiated in the new agreement on the effective date of the new wage rate. This is to ensure against any work stoppage on this project which would be caused by a breakdown of local negotiations.

- 12.500 Wages will be paid weekly by electronic deposit or by cheque at the discretion of the employer. An exception to direct deposit will be made where an employee is able to provide a letter from a recognized Canadian financial institution verifying that the employee is ineligible to establish banking arrangements. The payroll period will generally close at 12:00 midnight on Saturday, however, in order to meet the job requirements the Company may close the payroll earlier. This will be established as a job condition and those affected so notified. Wages will be distributed not later than the following Thursday before the end of the shift except during a week when a Statutory Holiday falls on a Monday, in which case wages will be distributed no later than the following Friday before the end of the shift.
- 12.501 Employees who are laid off or terminated from the services of the Company shall normally receive their final wages, vacation pay due, employment insurance record of earnings, and apprenticeship books before they leave the jobsite. Employees who quit will have their final pay and employment record of earnings mailed or deposited no later than the date of the next regular pay day for the earnings involved.
- 12.502 It is recognized that there will be certain occasions when the above procedure is not possible for terminated or laid-off employees. In these cases final wages, vacation pay due and employment insurance record of earnings will be mailed to the employee's last recorded home address within three (3) working days exclusive of Saturdays, Sundays and Statutory Holidays. EI Records of Earnings (ROE'S) will be filed electronically or at the employees' request be mailed to the employees' last recorded home address within three (3) working days exclusive of Saturdays, Sundays and Statutory Holidays.
- 12.503 Should wages, vacation pay and employment insurance record of earnings not be mailed within this time period, the Company will pay a penalty of \$100.00 per day, exclusive of Saturdays, Sundays and Statutory Holidays, until the mailing is made. Penalties will not be payable in the event that only employment insurance record of earnings are late mailed.
- 12.504 Complaints/grievances with respect to non-receipt of wages, vacation pay due and employment insurance record of earnings must be raised on a timely basis, in any event, not more than ten (10) working days, exclusive of Saturdays, Sundays and Holidays from date of termination.
- 12.505 Should employees be short paid ten (10) or more hours or equivalent value on their weekly pay cheque or electronic deposit, the company will provide a make up payment no later than the third business day after the shortage was brought to their attention. Should this payment not be made, the applicable provisions of Article 12.503 and Article 12.504 above will apply.

ARTICLE 13.000 – STANDARD WORKING DAYS AND HOURS:

- 13.100 Standard working days and hours of work will be those outlined below.
- 13.200 The regular work week will consist of 37 ½ hours per week Monday to Friday at 7 ½ hours per day. Regular starting time shall be at 8:00 a.m. The hours of work and the regular starting time may be changed with the mutual consent of the Unions and Sutherland-Schultz Inc.
- 13.300 Sutherland-Schultz Inc., may establish alternate regular shifts to meet plant operational requirements with the mutual consent of the unions.
- 13.400 **Intermittent Shift Work.**
In Plant Maintenance work if it becomes necessary for shift work, the shift or shifts must continue for at least three (3) days. Outlined below are the hours of work for intermittent shift work. It is agreed the following may be amended with the mutual consent of the Unions and Sutherland-Schultz Inc.,.
- A shift commencing at 8:00 a.m. shall work the regular 7 ½ hours for 7 ½ hours pay. A second shift commencing anytime between 9:00 a.m. and 7:00 p.m. shall work 7 ½ hours at the appropriate shift premium rate of pay (Shift B). A third shift commencing anytime between 7:00 p.m. and 8:00 a.m. shall work 7 ½ hours at the appropriate shift premium rate of pay (Shift C). Shift premium rates are as per the attached Appendix “B”.
- 13.500 Employees working standard working days or intermittent shift work will be provided with a one-half (1/2) hour unpaid midshift break.

ARTICLE 14.000 – OVERTIME AND SHIFT PREMIUM RATES:

(Standard working days and intermittent shifts)

- 14.100 Overtime and shift premium rates shall be as established in Appendix ‘B’, attached hereto.
- When overtime is required by Sutherland-Schultz Inc.,, the employee shall receive a one-half (1/2) hour meal period with pay at the overtime rate and hot meal provided by Sutherland-Schultz Inc., after the first two (2) hours of overtime is worked when overtime is required beyond that two (2) hour period. After each additional four (4) hours of overtime is worked the employee shall receive a one-half (1/2) hour meal period with pay at the overtime rate and hot meal when overtime is required beyond that four (4) hour period. This is not applicable to the first eight (8) hours worked on Saturdays, Sundays, and Holidays. Sutherland-Schultz Inc., will provide to the employee an advance of monies from Petty Cash to pay for meals on overtime.
- 14.200 When an employee works a long call-in on weekends, he shall be entitled to an overtime meal in accordance with article 14.100 when the call-in exceeds

four (4) hours. Subsequent meals will be provided by the company on a regular basis as near as possible to four (4) hour intervals.

ARTICLE 15.000 - STARTING TIME AND QUITTING TIME CONDITIONS:

15.100 After notifying the unions, the starting and quitting times of any shift, including day work, may be changed for all or any portion of a particular job. For the purpose of this Article, the standard work day of seven and one-half (7 ½) or twelve (12) hours for the job or portion thereof to which any such change of starting time applies, shall begin with such new starting time.

ARTICLE 16.000 – CONTINUOUS SHIFT CONDITIONS:

16.100 A "Continuous Shift" system may be established when it is intended to operate the system in excess of fourteen (14) calendar days. The system may be arranged to cover continuous plant operation for seven (7) days per week. It is intended that this shift arrangement be established for those employees assigned to maintenance work in the plant refinery area in support of continuous operations as per Appendix 'C'

ARTICLE 17.000 - STATUTORY HOLIDAYS:

17.100 The following days will constitute the recognized holidays within the terms of this Agreement. Any other holiday proclaimed by either the Provincial or Federal Government will be automatically recognized within the Agreement.

- | | | | |
|----|----------------|-----|------------------|
| 1. | New Year's Day | 6. | Civic Holiday |
| 2. | Family Day | 7. | Labour Day |
| 3. | Good Friday | 8. | Thanksgiving Day |
| 4. | Victoria Day | 9. | Remembrance Day |
| 5. | Canada Day | 10. | Christmas Day |
| | | 11. | Boxing Day |

17.200 When a recognized holiday falls on a Saturday or a Sunday or the first or second day off, the holiday will normally be celebrated on the following Monday or first following regular work day. However, should the Owner determine another day be recognized for his operating personnel this day will be recognized by the Company forces.

ARTICLE 18.000 - VACATION ALLOWANCE:

18.100 Vacation Pay will be in accordance with vacation pay rates established in the attached Maintenance Wage, Benefit, Overtime, Shift Premium Schedule. Appendix "B and Continuous Shift Conditions – Appendix 'C'.

ARTICLE 19.000 - MINIMUM PAY AND REPORTING TIME:

19.100 Inclement Weather - The Company retains the right to determine working requirements, number and kind of people required, when only a portion of the work may be performed under protection or may be of an emergency nature. The procedure for review and determination of work and men to remain on the job shall be as follows:

19.101 The Company Superintendent will immediately contact the Foreman and Job Steward(s) of the Craft Union (s) affected and survey:

- (a) Circumstances affecting safety and efficiency of the work.
- (b) Determine degree of urgency of job continuation.
- (c) Determine number and skills of men required to perform the work commensurate with the urgency established.
- (d) Determine and arrange protection for safe efficient performance of the work as required by urgency and inclement condition.

19.102 The Foreman and Shop Steward will then advise the men of the circumstance, provisions being made for their safety and protection and arrange for the necessary men to proceed with assignments.

19.103 If work which can be done under reasonable and safe conditions cannot be found for all the craftsmen, then those who cannot be gainfully employed will be allowed to leave the job. The Company at this point will endeavor to find work for all craftsmen by rescheduling and altering the planned work, if so required.

19.104 If at this stage the craftsmen still refuse to go to work, the Superintendent will instruct the Foreman and Steward of the craft that they are to contact the Business Agent or his immediate superior and report that the craftsmen have refused to go to work.

19.105 Subject to above, Article 20.500 of the Agreement shall be applied.

19.106 When an employee reports to work and cannot work because of inclement weather he shall be paid two (2) hours reporting time and the employee must remain on the job for the two (2) hour period unless otherwise instructed by the Company Supervisor.

19.200 Work Not Available - The following conditions apply:

19.201 When an employee reports to work and is not given the opportunity to work because none is available or was not advised before the completion of the previous day's work, he

shall be paid two (2) hours reporting time and allowed to leave the job immediately.

- 19.202 If an employee has started to work on his regular shift he shall be paid not less than four (4) hours pay. When the employee works more than four (4) hours but less than eight (8) hours on his regular shift he shall be paid a minimum of eight (8) hours pay.
- 19.203 For those employees working 12 hours on the continuous shift conditions minimum pay will be governed by a 3-6-12 principle.
- 19.204 When an employee is requested to return to work for overtime between work days or on weekends he shall be paid a minimum of two (2) hours pay at the appropriate overtime rate.
- 19.300 Conditions for "Call-Ins" of employees will be as follows:
- 19.301 When an employee is called in to work on his scheduled day off or a holiday, he shall be paid a minimum of two and one half (2 ½) hours pay at double (2) the basic hourly rate.
- 19.302 Employees will receive a minimum of two and one half (2 ½) hours pay for all "Call-Ins" regardless of time or duration except that total call in pay within a given eight (8) hour period will not exceed normal overtime pay for that eight (8) hour period.
- 19.303 "Call-In" pay will be applicable to each call extended to an employee except that total call in pay within a given eight (8) hour period shall not exceed normal overtime pay for that period.
- 19.304 "Call-Ins" which immediately precede and become continuous with regular work day will be paid as follows:
- (i) Minimum of two and one half (2 ½) hours at double the basic rate.
 - (ii) Overtime rate for any hours worked in excess of two and one half (2 ½) hours up to starting time of employee's regular work day.
 - (iii) At normal starting time of employee's regular work day pay shall revert to appropriate pay for that day.
- 19.305 It is not intended that an employee shall work more than sixteen (16) in any given twenty-four (24) hour period, therefore, it should be established that an employee must have at least eight (8) continuous hours off between regular shifts or worked in excess of first eight (8), until such time as the employee does have eight (8) continuous hours off.

This shall be established as a Project Rule and it shall be the Supervisor's responsibility to verify the returning time with any employee working in excess of 16 hours or returning between shifts on 'Call-Ins' to ascertain that the employee does receive the eight (8) hours off or is paid correctly. The employer may increase the eight (8) hour break period accordingly in order to ensure employees travelling long distances to the project receive an adequate rest period.

Employees commencing call-ins after 4:00 p.m. on Sunday will be subject to the eight (8) hour break rule if the required eight (8) hour break runs into Monday's regular hours of work.

19.306 It is the intent of this clause that no employee shall lose pay on a normal shift due to taking the required eight (8) hour break.

19.307 This guarantee does not operate when employees working their regular shift are notified of a change in work hours and required to take an 8 hour break. In such cases, the provisions of the 2-4-8 hour minimum pay provided for in Articles 19.201 and 19.202 will apply.

19.400 Subject to the above, it shall be the Company's prerogative to decide whether work shall be stopped during a day of work.

19.500 If an employee stops work for reasons of his own, and without the approval of the Company, he shall be entitled to pay only for the hours actually worked in the day and minimum conditions shall not apply.

19.600 Conditions for employees on Stand-By Duty on scheduled days off will be as follows:

19.601 Whenever an employee is scheduled for stand-by duty he will be reimbursed with two (2) hours pay at double-time (2) for each period of duty. Each stand-by period will not exceed twenty-four (24) consecutive hours, and not more than three (3) consecutive stand-by periods will be permitted.

Stand-by duty means that an employee agrees to be available on call during the period. The names of persons on stand-by duty will be posted.

ARTICLE 20.000 - TRAVEL:

20.100 During the term of this Agreement, no subsistence, travel allowance, mileage or pay for travel time will be paid to any employee covered by the terms of this Agreement.

Parking will be provided by Sutherland-Schultz Inc., at or close to the site.

ARTICLE 21.000 - MIXED CREWS:

- 21.100 It is recognized by the parties to this Agreement that the work covered at times requires the use of mixed crews. Where this becomes necessary, the Unions agree to cooperate with the Company in every respect in order that the work be conducted in a most expedient manner.
- 21.200 In the event that an emergency arises which would not warrant the "Call-In" of other men or others could not be reached, the Company shall have the right to assign those on the project to such emergency work as is necessary. The Company agrees that in such cases, it will have due regard where practicable to Union jurisdiction.
- 21.300 Conditions for emergency work are as follows:
- 21.301 It is recognized by the parties to this Agreement that the work covered at times requires the use of mixed crews.
- 21.302 A mixed crew under the terms of this Agreement shall be any group of employees up to and including the entire maintenance force signatory to this Agreement necessary to meet the emergency situation without regard to classification or craft for that period only.
- 21.303 An emergency under the terms of this Agreement is defined as any situation of an unexpected nature endangering life, property or normal plant production.21.304 In the event such emergency continues, a return to craft line operation will be made as soon as contact between the Contractor and Local Business Agent is feasible. In any event the Contractor shall notify any or all Local Business Agents whose craft rights have been affected during the course of such emergency not later than the next regular business day.

ARTICLE 22.000 - SUPERVISION:

- 22.100 The Company reserves the right to send into the area of work as many Supervisors and Professional Engineers, as it deems necessary to supervise the work covered by this Agreement.

ARTICLE 23.000 - TOOL ROOMS:

- 23.100 The Company and the Unions agree that it shall be the Owner's prerogative to maintain and operate a general centrally located tool room and warehouse. The Unions agree that the manpower required for the operation of the centrally located tool room and warehouse may at the Owner's option be employed directly by them.
- 23.200 If it is the intention of the Company to establish area tool rooms and warehouses as required for efficient service in the plant, these area tool

rooms and warehouses will be manned under the terms of this Agreement.

- 23.300 Tools issued to employees for use on the job will remain Company property and those employees to whom the tools are issued will be responsible for their safekeeping and return. The Company may issue rules and regulations governing the issue of tools and their return to the Tool Room.

ARTICLE 24.000 - FIRST AID, SAFETY AND PROTECTIVE CLOTHING:

- 24.100 First aid - the Company or the Owner will provide first aid services in accordance with applicable Provincial or Federal Legislation and Regulations.

- 24.200 Safety - the employees covered by the terms of this Agreement shall at all times while in the employ of the Company be bound by the Safety Rules and Regulations as established by the Company and the Owner. These rules and regulations are to be published at conspicuous places throughout the plant. The Company will provide to the employees, such items of safety equipment and apparel as required by these Safety Rules and Regulations.

- 24.300 Protective clothing for employees will be as follows:

- 24.301 The Company accepts the responsibility to provide coveralls and all necessary protective clothing required for work conditions which are exceptional or would lead to speedier deterioration of personal clothing, than under normal or usually accepted working conditions. Cleaning of these coveralls will be the responsibility of the Company. All such clothing when issued by the Company will be worn during on-the-job activity, will remain Company property and must be returned before leaving the jobsite.

- 24.400 Maintenance employees with twelve (12) months continuous service will receive a one hundred dollar (\$100.00) safe work incentive payment provided they were not subject to an incident where a WSIB Form 7 was issued.

Subsequent safe work incentive payments will be paid each twelve (12) month of continuous service provided the employee was not subject to an incident where a WSIB Form 7 was completed.

New employees will enter the program upon hire and be eligible for the safe work incentive payment after twelve (12) months of continuous service. The company will post this program on its project site and ensure employees are aware of the intent and rules of the program.

ARTICLE 25.000 - PROJECT RULES:

- 25.100 Local Union Business Representatives should encourage all members to give

employers a permanent mailing address and the name and address of "next of kin" for notice purposes.

25.200 It is recognized that in an operation of this kind, the Company and the Unions have interests in the rules governing the performance of the work under this contract. It is agreed that such project rules and regulations will be prepared and distributed among the men on the job by the Company, provided such rules do not conflict with or contravene terms of this Agreement.

25.300 It is agreed by the Unions that all of the employees covered by this Agreement shall be made aware of these project rules and regulations by the Company at the time of their hire and that they shall be bound by them throughout the duration of their employment.

25.400 It is further agreed that violation of these project rules and regulations is direct and just cause for disciplinary action, including discharge subject to Article 7.000, Grievance Procedure.

ARTICLE 26.000 - PERIODIC CONFERENCE:

26.100 Periodic conferences shall be held by the parties from time to time for the purpose of discussing matters of mutual interest.

ARTICLE 27.000 - WORK STOPPAGES:

27.100 During the term of this Agreement there shall be no lock-out by the Company and no slowdown or work stoppage by any of the Unions.

ARTICLE 28.000 - ADMINISTRATION FUND:

28.100 The employer shall contribute an amount of ten (10) cents per hour earned under this Agreement to the General Presidents' Maintenance Industry Administration Fund.

ARTICLE 29.000 - DURATION OF AGREEMENT:

29.100 It is understood that this Agreement shall be in full force and effective from April 1, 2011 to March 31, 2014 and shall continue from year to year thereafter unless notice of desire to negotiate changes or termination is given by either party at least sixty days (60) prior to such anniversary date. Changes by mutual consent of the parties, are not excluded during the lifetime of this Agreement.

Agreed this 1st day of April, 2011

FOR AND ON BEHALF OF SUTHERLAND-SCHULTZ INC.

President.

Manager – Industrial Services.

FOR AND ON BEHALF OF THE UNIONS

Vice President
International Association of Heat
& Frost Insulators & Allied
Workers

General President
Laborers International Union
of North America

International Vice President
International Brotherhood of
Boilermakers, Iron Ship
Builders, Blacksmiths, Forgers
& Helpers

General President
International Union of
Operating Engineers

Director of Canadian Operations
International Union of Bricklayers
and Allied Craftworkers

General President
International Union of
Painters and Allied Trades

General President
United Brotherhood of Carpenters
& Joiners of America

Director of Canadian Affairs
United Association of
Journeymen & Apprentices of
the Plumbing & Pipefitting
Industry of the United States
and Canada

Vice President
Operative Plasterers & Cement
Masons International Association

General President
International Brotherhood of
Teamsters

International President
International Brotherhood of
Electrical Workers

General Vice President
International Association of
Bridge, Structural, Ornamental
& Reinforcing Iron Workers

Director of Canadian Affairs
Sheet Metal Workers
International Association

EXAMPLES SECTION

CASE I - A man who works from 8:00 a.m. to 4:30 p.m., and is called in at 1:00 a.m. and works until 3:30 a.m., then resumes his regular shift at 8:00 a.m., would be paid overtime for the hours worked from 1:00 a.m. to 3:00 a.m., but would be on straight time from 8:00 a.m.

He had a continuous 8 hour break between the end of one regular shift (4:30 p.m. to 1:00 a.m.) and the beginning of the next.

CASE II - A man who works from 8:00 a.m. to 4:30 p.m., and is called in at 11:00 p.m. and works until 2:00 a.m., then resumes his regular shift at 8:00 a.m., thus has not had a continuous 8 hour break between the end of one shift and the beginning of the next. He is entitled to overtime from 8:00 a.m. onwards until an 8 hour break occurs, or alternately and preferably the man may be instructed not to report until 10:00 a.m., i.e., so that he has an 8 hour break. In this event the "2, 4, 8 hour" pay clause would apply and the man would receive 8 hours pay for that day even though he reported back to work at 10:00 a.m. For call-ins on Sunday, which precede and may become continuous with regular work day Monday morning, the following rules will apply:

- (1) The employee must have 8 continuous hours off in the 24 hour period immediately preceding 8:00 a.m. Monday morning.
- (2) The employee should not work more than 16 hours without an 8 hour break.

CASE I - Therefore, if a man is called in at 4:00 p.m. Sunday and works until 1:15 a.m., he should report for work at 8:00 a.m. and be paid straight time, as he had an 8 hour break in the 24 hour period preceding 8:00 a.m. Monday.

CASE II - An employee should not work more than 16 hours and must take an 8 hour break before continuing work. Therefore, an employee called in at 7:00 p.m. Sunday could work until 11:00 a.m. Monday, 16 hours. He would be paid double-time from 7:00 p.m. until 8:00 a.m. He would revert to straight time at 8:00 a.m., until 11:00 a.m. He would then be sent home at 11:00 a.m. and paid 8 hours for Monday (8:00 a.m. to 4:30 p.m.). Employees working long call-ins that approach regular starting time on Monday, should be given the option of remaining at work and taking advantage of the 16 hour rule. In other words, it is unfair to send the employee home at 7:00 a.m. after working 10 hours, and expect him to be back at 8:00 a.m. to be paid straight time.

CASE III - In another case an employee is called in at 2:00 p.m. on Sunday and works until 2:00 a.m. He would be instructed to take an 8 hour break and report at 10:00 a.m. Monday and be paid for the day at straight time, as he did not have a continuous 8 hour break in the 24 hour period from 8:00 a.m. Sunday to 8:00 a.m. Monday.

APPENDIX 'A'

GENERAL UNDERSTANDING ARISING FROM 2002, 2005, 2008, 2011 RENEWAL DISCUSSIONS.

- 1) Maintenance employers confirm a minimum of 2 hours notice of lay-off to allow employees to return tools etc., or 2 hours straight time payable in lieu.
- 2) Employers to review and ensure proper remittances to various union funds, including UA Canadian Training Trust Fund, Operating Engineers Advancement Fund.
- 3) Employers and the General Presidents' Maintenance Committee will meet with client representatives as appropriate to discuss occurrences of non-union contracting at the various maintenance sites.
- 4) The General Presidents' Maintenance Committee and employers jointly committed to improve communications with Local Unions in all areas. This will include the re-initiation of pre-shutdown meetings and regular experience review meetings as appropriate.
- 5) The companies re-confirm that they provide adequate storage facilities for work clothing at maintenance projects.
- 6) The Committee agrees to establish a joint sub-committee to investigate and determine the feasibility of an industry specific family assistance plan for maintenance workers (EFAP).
- 7) Employers will provide the Committee with their policies and practices with respect to off shift call-ins.
- 8) The Employers state unscheduled overtime is monitored by site supervision to ensure that the principle of fair distribution of overtime is achieved. This process is established and will be managed on each site as appropriate by the parties involved.

APPENDIX 'B'

MAINTENANCE RATES, BENEFITS, OVERTIME AND SHIFT PREMIUMS (Standard Working Days and Intermittent Shift Conditions)

- 1) The following formula will be used for the determination of Maintenance Rates, Benefits, Overtime and Shift Premium for the duration of the Agreement.
 - I) Maintenance Base Rates are set at the current rate or no less than \$1.00 less than Base Rates as established in the reference Agreement for the duration of the Agreement.
 - II) 100% of appropriate fringe benefits will be paid as appropriate for the duration of the Agreement.
- 2) Apprentice base rates are set at 100% of the applicable local agreement apprentice rate. Appropriate skill premiums to be paid in accordance with past maintenance jobsite practice.
- 3) Shift Premiums
 - Afternoons 6.0% per hour worked.
 - Midnights 8.5% per hour worked.
- 4) Overtime is payable at a rate of time and one-half for the first two (2) hours Monday to Friday and time and one-half for the first four (4) hours Saturday. All other overtime is payable at doubletime.
- 5) Appropriate union dues deductions are to be made pursuant to the local reference Agreement.

APPENDIX 'C'

CONTINUOUS SHIFT CONDITIONS.

This appendix applies to those employees working on maintenance and assigned to rotating shifts established pursuant to Article 17.000 to support Redpath's continuous operation in the process area of the plant.

- 1) Continuous shift maintenance base rates are set at 100% of base rates as established in the reference agreement for the duration of this Agreement.
- 2) 100% of appropriate fringe benefits will be paid as appropriate for the duration of the Agreement.
- 3) Apprentice base rates are set at 100% of the applicable apprentice base rate contained in the reference Agreement.
- 4) Shift Premium for midnight shift on Continuous Shift will be paid at 6% per hour worked.
- 5) The normal work week will be not more than 48 hours and the normal work day shall not exceed 12 hours. The twelve (12) hour work day will include two (2) fifteen (15) minute rest breaks, one (1) ten (10) minute rest break and a one half (1/2) hour paid midshift break. The third rest break will be taken in the second half of the shift. Rules and regulations with respect to these rest breaks will be posted on the Job Site.
- 6) Payment of doubletime will be provided on a daily basis Monday to Saturday after 12 hours worked in any one day. An overtime meal will be provided to the employee if requested to work beyond the twelve (12) hours in any regular shift. An adequate meal will be provided and the employee will be allowed one-half (1/2) hour at the appropriate overtime rate in which to eat it. Overtime meals on days off will be as per Article 14.100.
- 7) Payment of doubletime for all hours worked on Sundays and Statutory Holidays.
- 8) Overtime payment on earned days off Monday to Saturday will be doubletime.

9) Appropriate union dues deductions are to be made pursuant to the local reference Agreement.

10) Sample Shift Arrangement Continuous Operations.

Sample: Shift Rotation

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1	Off	Days	Days	Off	Off	Days	Days
Week 2	Days	Off	Off	Days	Days	Off	Off
Week 3	Off	Midnight	Midnight	Off	Off	Midnight	Midnight
Week 4	Midnight	Off	Off	Midnight	Midnight	Off	Off

- 12hr shifts: Days 7am – 7 pm; Midnights 7 pm – 7 am.
- Straight Time Mon – Sat, Doubletime over 12 hours.
- Doubletime Sunday.