

COLLECTIVE AGREEMENT
between
UNITED STEELWORKERS, LOCAL 1-417
and
MOLY-COP CANADA

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Article 1: Bargaining Agent and Recognition

- 1.01 The Company recognizes the Union as the sole and exclusive bargaining agent for its Employees covered by this Collective Agreement.
- 1.02 (a) The Company and the Union shall cooperate fully in the promotion and achievement of the matters set forth in Article 28 of this Agreement.
- (b) Representatives of the Union shall have access to the Company's premises during normal working hours. Union representatives shall report to the Shift Supervisor or his designate upon entering the site. This Supervisor will ensure the Union representative complies with all health and safety requirements. It is agreed that such visits will not interfere with normal operations.
- (c) The Union shall have the use of a locking bulletin board on the premises of the Company and provided by the Company for the purpose of posting notices and other legitimate Union business matters.
- (d) The Plant Chairperson, Plant Secretary and Job Stewards may schedule meetings with Company representatives for the purpose of discussing grievances or complaints with the object of reaching a satisfactory solution. Time spent during such meetings will be paid at the Employee's regular, straight time rate.

Article 2: Definitions

- 2.01 All Articles and clauses referred to in this Agreement apply equally to both male and female Employees.
- 2.02 The term "*emergency*" as used in and for the purpose of this Agreement shall mean any sudden or unusual occurrence or condition that could not by the exercise of reasonable judgments have been foreseen by the Company.
- 2.03 "*Employee*" or "*bargaining unit employee*" means the Employees described in the Certification issued by the Labour Relations Board of British Columbia dated November 21, 2005.
- 2.04 "*Employment Standards Act*" means the Employment Standards Act, R.S.B.C. 1996, c. 113 as amended.
- 2.05 "*Human Rights Code*" means the Human Rights Code R.S.B.C. 1996, c. 210 as amended.
- 2.06 "*Labour Relations Code*" means the Labour Relations Code R.S.B.C. 1996, c. 244 as amended.

2.07 “*Workers’ Compensation Act*” means the Workers’ Compensation Act, R.S.B.C. 1996, c. 492 as amended.

2.08 “*Salary*” as used in Article 13 of this agreement shall mean:

- i. “*Salary*” means 40 hours per week x regular hourly rate
- ii. “*Annual Salary*” means 40 hours per week x 52 weeks x regular hourly rate
- iii. “*Base Monthly Salary*” means Annual Salary ÷ 12
- iiii. “*Gross Pay*” means Annual Salary + Overtime Earnings

Article 3: Management Rights

3.01 Subject to the express provisions of this Agreement the Company has the sole right and responsibility to manage its operations and business, including but not limited to the following:

- (a) To plan, direct and control operations, to organize, assign, schedule and direct work, and to determine the standards, methods, processes, and means of work; and to
- (b) Hire, promote, demote, classify, transfer, layoff, supervise, coach and train Employees, and to correct, discipline, suspend and discharge Employees for just and reasonable cause.

Article 4: Union Security Provisions

4.01 Union Membership: The Company agrees that all Employees covered under this Agreement, and all new Employees hired subsequent to the ratification date of this Agreement shall, as a condition of their hiring or continued employment:

- (a) Become members of the Union within thirty (30) calendar days from the later of the date this Agreement is ratified or date of hire and remain members of the Union in good standing.
- (b) Authorize the Company in writing to deduct Union dues from their pay each month and (if owing by the Employee) an Initiation Fee, as provided in the By-laws of the United Steelworkers, Local 1-417. The Union will provide a Check-Off Authorization form to the Company for this purpose, the “copy” portion of which is to be mailed to the United Steelworkers, Local 1-417, 181 Vernon Avenue Kamloops, B.C. V2B 1L7 to the attention of a specific Union Officer, title and name to be provided by the Union. The Union agrees to indemnify the Company and hold it harmless against any claim which may arise in complying with the provisions of this Article.

4.02 Check-off: Process and Procedures

- (a) The Company will provide all new Employees with an Assignment of Wages form, in duplicate (forms to be provided by the Union) and will refer new Employees to the Union Chairperson for an explanation of the Union Security and Check-Off provisions in this Agreement.

- (b) Provided the Employee returns the Assignment of Wages form to the Company, the Company will deduct from the pay of each member of the bargaining unit, an amount equivalent to the monthly dues, fees and assessments prescribed by the United Steelworkers, Local 1-417.
- (c) The Union will give reasonable notice to the Company of any changes in Union Dues, Initiation Fees or other amounts which the Company is required to deduct and the Company will implement these changes or instructions on the following payday, provided that notice is received at least five (5) business days prior.
- (d) No later than fifteen (15) calendar days following the last dues deduction of the month, the dues so deducted will be made payable and remitted to:

United Steelworkers, Local 1-417
181 Vernon Avenue, Kamloops, B.C. V2B 1L7
Attention: Name and Title to be provided

- (e) The monthly remittance will be accompanied by an itemized statement showing the names of each Employee from whose pay deductions have been made and the total amount deducted for the month. Such statements shall also list the names of the Employees from whom no deductions have been made and the reason, i.e. W.C.B., W.I., layoff, etc.
- (f) The Company agrees to print the amount of total deductions paid by each Employee for the previous calendar year on his/her Annual Statement of Remuneration (T4 Slip).
- (g) The Company will remit the dues deducted pursuant to such assignment (until and unless said assignment is revoked by the Employee) to the Local Union named above not less often than once each month, with a written statement of names of the Employees for whom the deductions were made and the amount of each deduction.
- (h) The Company shall furnish the Union with the Social Insurance number of each Employee on its payroll on the first occasion when dues are forwarded to the Union after the execution of this Agreement or after the Employee enters the employment of the Company, whichever date last occurs.

4.03 Employee's Failure to Maintain Membership in Good Standing: Upon notice in writing from the Union to the Company that an Employee:

- (a) is not a member of the Union; or
- (b) has revoked his/her written assignment of wages to pay Initiation Fees; Union dues or Union Assessments; and/or
- (c) has resigned from the Union, the Company will immediately discontinue the employment of such Employee. The Union will indemnify the Company and

hold it blameless against any and all suits, claims, demands and liabilities that may arise for the purposes of complying with the provisions of this clause.

Article 5: Hours of Work

- 5.01 The provisions contained in this Article are established for payroll calculation purposes only and will not be construed as a representation or guarantee by the Company of any work or employment.
- 5.02 The work day will begin at an Employee's regularly scheduled start time and end twenty-four (24) hours later.
- 5.03 The work week will consist of seven (7) consecutive days beginning at 7:00 a.m. Sunday.
- 5.04 The Company and the Union agree to the following shift schedules:
- (a) Twelve Hour Shift - Semi-Continuous: Twelve (12) hours per day (four (4) shifts on, four (4) shifts off). The normal hours of work shall be 7:00 a.m. until 7:00 p.m.
 - (b) Twelve Hour Shift - Continuous: Twelve (12) hours per day (four (4) shifts on, four (4) shifts off). The normal hours of work shall be:
 - (i) Two (2) day shifts of 7:00 a.m. to 7:00 p.m. followed by;
 - (ii) Two (2) night shifts of 7:00 p.m. to 7:00 a.m.
 - (c) Employees scheduled to work Continuous or Semi-Continuous shifting will be paid eleven and one half hours straight time and one half hour at double time for each shift worked. Employees will receive twelve (12) hours pay at straight time rates for Jury Duty Leave, Bereavement Leave and Sick Time. Overtime on paid absence (Vacation, Bank Time and Stat Holiday) will be paid rather than banked. ie: 12 hours absence (vacation, bank time or stat taken off) would be paid as 11.5hrs @ 1x and .5hr @ 2x. The .5hr @ 2x will be paid rather than banked.
 - (d) Ten Hour Shift: Ten (10) hours per day which is based on a work cycle that is one (1) week. The normal hours of work shall be:
 - (i) Four (4) day shifts of 7:00 am to 5:00 pm Monday to Thursday.
 - (ii) Four (4) days shifts of 7:00 am to 5:00 pm Tuesday to Friday.
 - (e) Eight Hour Shift: Eight (8) hours per day which is based on a work cycle that is one (1) week. The normal hours of work shall be five (5) day shifts of 7:00 am to 3:00 pm Monday to Friday.
 - (f) Twelve Hour Shift - Semi-Continuous: Twelve (12) hours per day which is based on a work cycle that is two (2) weeks. The normal hours of work shall be:
 - (i) Four (4) day shifts of 7:00 am to 7:00 pm Monday to Thursday.
 - (ii) Three (3) night shifts of 7:00 pm to 7:00 am Monday to Wednesday.

- (g) Twelve Hour Shift - Semi-Continuous: Twelve (12) hours per day which is based on a work cycle that is two (2) weeks. The normal hours of work shall be:
 - (i) Four (4) day shifts of 7:00 am to 7:00 pm Tuesday to Friday.
 - (ii) Three (3) night shifts of 7:00 pm to 7:00 am Tuesday to Thursday.

5.05 The parties acknowledge that the Company may require alternate schedules outside of the normal hours of work contained in article 5.04. The Parties agree to meet and attempt to negotiate terms and conditions of the Alternative shift to be voted by the affected members

- 5.06 (a) Eight (8) hour shift Employees shall have a paid lunch break of thirty (30) minutes designated by the Company between the start of the fourth and end of the fifth hour of the shift and two (2) fifteen (15) minute paid coffee breaks taken in the first and second half of each shift.
- (b) Twelve (12) hour shift Employees shall have a paid lunch break of thirty (30) minutes designated by the Company between the start of the fourth and end of the fifth hour of the shift and three (3) fifteen (15) minute paid coffee breaks.
- (c) Ten (10) hour shift Employees shall have a paid lunch break of thirty (30) minutes designated by the Company between the start of the fourth and end of the fifth hour of the shift and two (2) fifteen (15) minute paid coffee breaks to be taken in the first and second half of each shift.

- 5.07 (a) Break Times: Bargaining unit Employees within the group will take their breaks so as to ensure that the work of the group will continue uninterrupted at safe staffing levels throughout the shift. If Management had denied an Employee's Lunch Break and/or Coffee Break, or interrupted their break requiring the employee to leave their break area, the employee will receive double time for their break period. It is the intent of the Company that Employees will receive their break periods.
- (b) Employees are expected to provide themselves with meals covering the normal scheduled work period, including overtime scheduled with more than twelve (12) hours notice.
- (c) The Company will provide a hot meal allowance of \$18.00 to Employees who are required to work for two (2) hours or more of authorized overtime. In addition, should an Employee be required to work in excess of four (4) hours of unscheduled overtime within the day, a meal allowance or voucher and a thirty (30) minute paid break will be made available between the fourth and fifth hours.

- 5.08 (a) Employee shift changes shall be made and posted not later than forty-eight (48) hours preceding the scheduled change.

Where less than forty-eight (48) hours notice is given, the Employee(s) shall report for work and the Company shall pay, by the way of penalty, time and one-half (1½) for the first shift worked following such change. No Employee's regular schedule shall be reduced or interrupted to avoid payment of penalty.

- (b) When an Employee works one of his scheduled days off, he shall not be required to take another day off during his regularly scheduled work week to avoid the payment of overtime.
- (c) Where a change in a shift schedule causes an Employee to take more than his normal days of rest, he may elect to work on such day (including a normal day of rest) provided that:
 - (i) work is available; and
 - (ii) the performance of that work is approved by the Company in its sole discretion.

When work is performed pursuant to this sub-clause no overtime rates shall apply for regular hours worked and no hours worked shall be used to calculate overtime pay for hours worked in excess of normal hours worked on such days.

5.09 Overtime Distribution:

The Company will endeavour to distribute overtime as equitably as possible on an annual basis among the Employees in a particular job classification, as far as is practicable. Lowest total overtime worked, or overtime hours refused to work, or non-contact for an offer of overtime hours (collectively referred to as "Overtime Hours Worked") will be used to determine overtime distribution. When overtime arises in a classification, the Employee in that classification with the lowest total of Overtime Hours Worked will be called first. Only in an emergency situation may the Company assign overtime in reverse seniority when no volunteers are available. The Company will notify the Union Chairperson or Vice Chairperson in writing when such overtime has been assigned.

5.10 Authorized overtime rates will be paid for hours worked by an Employee outside of the regular scheduled shift pattern as follows:

Eight Hour, Ten Hour, and Twelve Hour Shifts:

- i. Overtime on a regular scheduled work day
 - All hours outside of the scheduled hours of the shift:
Double Time
- ii. Overtime on scheduled days of rest:
 - a. The first 6 hours worked outside of the regular days of the shift schedule:
Time and One Half
 - b. After working the first 6 hours in (a), all additional hours worked outside of the regular days of the shift schedule:
Double Time

- iii. Overtime on Sunday, provided a full overtime shift was worked on the preceding Saturday:
Double Time

- 5.11 For purposes of overtime calculations, time taken off as vacation, bank time, stat in lieu and night call recovery time counts as hours worked.
- 5.12 The Company will pay an Employee requested to work overtime at the applicable overtime rate for a minimum of one half ($\frac{1}{2}$) hour or for actual hours worked whichever is greater.
- 5.13 Overtime shall be calculated by rounding upwards to the nearest quarter ($\frac{1}{4}$) hour.
- 5.14 No overtime shall be paid for hours worked in excess of the Employee's regularly scheduled hours in a work day or work week because of personal arrangements between Employees. Any such arrangements must be made with the express permission of the Employee's Supervisor.
- 5.15 In the payment of overtime as defined in this Article, the one basis which results in the payment of the largest amount of overtime will be used. There will be no pyramiding of overtime.
- 5.16 Where an Employee who reports for work for his regular shift and who has not been notified not to report to work (except an Employee returning from an unauthorized absence):
 - (a) Is sent home because no work of any kind is available, he will be paid an amount equal to four (4) hours pay at his hourly wage rate.
 - (b) Is offered alternate work, the Company shall not pay a penalty. However, the Employee may choose to refuse alternate work and go home without pay or discipline for that shift.
- 5.17 (a) An Employee who has finished their shift, is off duty and is called out to work, shall be paid the applicable overtime rate for each hour worked, from the time he reported for work on call-out to the starting time of his next regular shift, but in any event, he shall be paid not less than the equivalent of four (4) hours at the employee's regular hourly rate.
 - (b) The process for assigning maintenance Employees to on-call or pager is as follows:
 - On call or pager shifts are outside scheduled maintenance shifts
 - One electrical, one mechanical
 - Employees to develop an annual on-call schedule
 - If problems arise the Company will consult and assign
 - (c) Maintenance Employees assigned to pager will be paid:
 - (i) One and one half (1.5) hours pay per week day
 - (ii) Three (3) hours pay per weekend day

(iii) Six (6) hours pay per Statutory Holiday

- (d) For maintenance Employees called in after midnight who work:
- (i) For more than six (6) hours, the Company will cover the Employee's wages for the next day if it falls on a regular scheduled shift.
 - (ii) 6 hours or less, extends to the regular scheduled shift, the employee would be required to work the equivalent amount of hours of their regular scheduled shift, and the company would allow that employee to go home (with pay) for the remainder of their shift.
 - (iii) 6 hours or less, but doesn't extend to the regular shift, the same would apply, with the exception that the time between the end of the call-in and the start of their regular scheduled shift, would be paid at straight time.
- (e) Employees requested by the Company to attend to Union business outside of regular working hours shall receive their regular rate of pay. The Company will wherever practicable schedule meetings either at the start or end of the Employees' shift.

5.18 Time Bank: Employees may bank overtime earnings as follows:

- (a) At an Employee's written request, a Time Bank will be established and the Employee's overtime wages may be credited to the Employee's Time Bank instead of paying the overtime wages earned each pay period.
- (b) Time off with pay is based on the Employee's regular hourly rate as of the date the time is taken off. Time off with pay is subject to approval by the Employee's Supervisor, is subject to operational needs and will not be granted where to do so will cause the Company to incur otherwise unnecessary overtime.
- (c) The Employee may at any time request:
 - (i) Payment of all or part of the wages credited to the Employee's Time Bank (submit written request to Administration Department);
 - (ii) Time off with pay or;
 - (iii) That the Time Bank be closed (submit written request to Administration Department).
- (d) Upon termination of employment, or upon receiving the Employee's written request to close the Time Bank, the outstanding balance will be paid to the Employee on the next pay day.
- (e) All bank time wages in the Employee's Time Banks that are not booked as of December 8th will be paid out on the first pay period in December of each year. As a special consideration around Christmas, any Employee wishing to use bank time between December 9th and December 31st must have their written request submitted to their Supervisor by November 30th.

5.19 Shift and Weekend Allowances: Shift Employees will receive \$175.00 per month in lieu of night shift or weekend shift allowances.

- 5.20 In the event of a work shortage or a reduction or discontinuance of operations the Company agrees to confer with the Union for the purpose of considering a work sharing program as an alternative to lay off. The Company reserves the right to base its manning requirements on ability to carry out the maintenance work required during a layoff period.
- 5.21 Employees who do not receive a rest day over a weekly cycle will be entitled to all overtime hours at double time rates until the employee receives a rest day
- 5.22 Where no Supervisor, Crew Leader or Backup Crew Leader is on hand for a shift, an off duty Crew Leader or Backup Crew Leader will be offered the overtime in accordance with Article 5.09. If no Crew Leader or Backup Crew Leader is available for a full shift, then the most senior Operator willing to fulfill the role will be paid step up pay to the Backup Crew Leader wage rate for that shift.

Article 6: Statutory Holidays

- 6.01 The following shall be the agreed Statutory Holidays:
- | | | |
|------------------|----------------|--------------------|
| - New Year's Day | - Victoria Day | - Thanksgiving Day |
| - Family Day | - Canada Day | - Remembrance Day |
| - Good Friday | - B.C. Day | - Christmas Day |
| - Easter Monday | - Labour Day | - Boxing Day |
- 6.02 Should any of the above Statutory Holidays occur during an Employee's vacation period, the Statutory Holiday will not be included in the calculation of vacation days taken.
- 6.03 The Company will give the Union at least two weeks notice of whether it intends the plant to run on a Statutory Holiday.
- 6.04 If an Employee is required to work on a Stat Holiday, the Employee will be paid as follows:
- (a) An 8 hour Employee will be paid 2 times their hourly rate for all hours worked, in addition to their stat pay, up to and including eight hours.
(2 x 8 + 8 = 24 hours of pay)
 - (b) A 10 hour Employee will be paid 2 times their hourly rate for all hours worked, in addition to their stat pay, up to and including ten hours.
(2 x 10 + 10 = 30 hours of pay)
 - (c) 4 x 4 Employees will be paid 2 times their hourly rate for all hours worked, in addition to their stat pay, up to and including twelve hours.
(2 x 12 + 12 = 36 hours of pay)
- 6.05 In order to qualify to be paid for the Statutory Holiday, an Employee must have completed thirty (30) calendar days employment with the Company.
- 6.06 If a plant is running on a Statutory Holiday the Company will not designate time off for regularly scheduled Employees at that plant unless through mutual agreement between the Employee and the Company. The Company agrees that in implementing

this clause the current practice with respect to maintenance employees will be maintained.

- 6.07 Christmas Day and Boxing Day will be operational down days. Employees will not work Christmas Day or Boxing Day unless emergency conditions exist. In this case the Company will consult with the Union.
- 6.08 For the purpose of Article 6.01 and 6.07, Christmas shall be defined as 19:00 on December 24 to 19:00 on December 25. Boxing day shall be defined as 19:00 on December 25 to 19:00 on December 26. New Years shall be defined as 19:00 on December 31 to 19:00 on January 1.

Article 7: Vacations

- 7.01 For the purpose of Article 7 the anniversary date will be the date of hire.
- 7.02 Employees will be entitled to the following vacation periods and vacation pay as follows:

Years of Continuous Service	Vacation Period	Vacation Pay (% of gross wages)
Continuous Service	Hours of Vacation	Pay
One (1) year but less than three (3) years of completed service	120 hours	5.8% of gross pay
Three (3) to Ten (10) Years	160 hours	7.7% of gross pay
Ten (10) to Thirteen (13) Years	168 hours	8.1% of gross pay
Thirteen (13) to Fifteen (15) Years	180 hours	8.7% of gross pay
Fifteen (15) to Twenty (20) Years	192 hours	9.2% of gross pay
Twenty (20) to Twenty Four (24) Years	204 hours	9.8% of gross pay
Twenty Four (24) Years or More	240 hours	11.5% of gross pay

- 7.03 (a) Vacation entitlement is forward accruing. Employees with a minimum of Five (5) years of continuous service may choose to carry forward eighty (80) hours of vacation to the following year which must be used in that following year. Declaration to carry forward vacation hours must be made in writing to the Administration Manager two (2) months prior to the Employee’s anniversary date of the year which the vacation which would normally have been taken.
- (b) The Company shall not schedule vacation without the consent of the Employee provided that the Employee has scheduled their vacation entitlements.

- 7.04 Upon termination, Employees will be paid all accrued and unused vacation pay.
- 7.05 Vacation requests are subject to operational requirements. Employees are to submit vacation requests to their Supervisor by February 28th of each calendar year:
- (a) Maintenance Department – 1st picks two sets then it rotates through the department seniority list.
 - (b) Production Department – 1st picks two sets then it rotates through the department seniority list.
 - (c) The week of spring break, Christmas, and New Year's, plus the months of July and August will be designated as "prime time" such that the Company may permit reduced staffing levels.
 - (d) The Company will allow two Bargaining Unit Employees by production shift and maintenance competency off on vacation or bank time at any one time during the year if the operational requirements of the plant are maintained.
 - (e) Once every five years, an Employee may use their 1st pick under 7.05(a) or (b) so that their entire vacation entitlement, including vacation carry forward, may be taken over one consecutive period.
 - (f) The Backup Crew Leader shall coordinate his vacation bookings with the Crew Leader so that at least one of them is present at work at any one time to ensure that operational requirements are maintained.
- 7.06 Vacations requested after March 31st of each calendar year must be requested a minimum of seven (7) calendar days in advance; requests given with less notice may be granted at the Company's absolute discretion. Employees will have preference in respect to these vacations on a first-come, first-serve basis.

Article 8: Seniority

- 8.01 An Employee will not have any seniority, and will be considered a probationary Employee until the Employee has actually worked four hundred and eighty (480) hours. Upon successful completion of this probation period, an Employee will acquire seniority status, and will have seniority date back-dated to his date of original hire.
- 8.02 Employees will have Company seniority and Departmental seniority. Company seniority means the length of an Employee's continuous employment with the Company. Departmental seniority means the length of an Employee's continuous employment within his Department.
- 8.03 The Company will post seniority lists of Employees on May 1st and November 1st of each calendar year and will provide a copy to the Union Chairperson. New Employees will be added to the list at the time they attain seniority. The seniority list will contain the following information:

- (a) The Employee's name;
- (b) The Employee's Company seniority and Departmental seniority; and
- (c) The Employee's classification.

8.04 Seniority will accumulate during absences due to:

- (a) Layoff further Article 8.06;
- (b) Leave of absence due to sickness, physical or mental disability or non-compensable accident;
- (c) Leave of absence due to accident or sickness covered by W.C.B.;
- (d) Leave of absence to serve in Canada's Armed Forces;
- (e) Authorized personal leaves of absence, including leave for Union business, to a maximum of three (3) months; and
- (f) Authorized leaves of absence to fill an elected Union position to a maximum of thirty six (36) months;
- (g) An Employee's transfer to a position not covered by this Collective Agreement to a maximum of three (3) months per calendar year; and
- (h) Authorized leaves under the Employment Standards Act (B.C.).

8.05 An Employee's seniority will be completely lost and the Employee's employment will terminate if the Employee:

- (a) Resigns (quits) or retires;
- (b) Has expired his recall rights or failed to return to work upon being recalled;
- (c) Has accepted severance pay;
- (d) Is discharged for just and reasonable cause and is not reinstated;
- (e) Takes an unauthorized leave of absence for five (5) or more consecutive work days.
- (f) Does not return to work upon the expiration of an authorized leave of absence further to Article 8, except in the case of unforeseen circumstances beyond his control and provided the Employee has made every effort to contact the Company and request a specific extension of time with reasons.

8.06 Recall Rights – seniority during lay off will be retained as follows:

- (a) Employees with less than one (1) years service will retain their seniority for a period of eight (8) months.
 - (b) Employees with one (1) or more years' service will retain their seniority for one (1) year, plus one (1) additional month for each year's service, up to an additional twelve (12) months.
 - (c) A laid-off Employee's seniority retention is reinstated on the completion of three (3) days work.
- 8.07 Employees with the least Departmental seniority will be laid off first from the Department experiencing the Work Shortage. These Employees may bump into another Department provided they have the Company seniority and have the qualifications, skills and abilities.
- 8.08 Employees will be recalled in order of Departmental seniority to the Department which they filled at the time of lay off.
- 8.09 Laid off Employees will be notified of recall by telephone, which will be confirmed by registered mail. An Employee being recalled must return to work as soon as reasonably possible, but no longer than fourteen (14) calendar days after posting of registered mail. Copies of the notices will be given to the Union Chairperson.
- 8.10 It is the responsibility of laid off Employees to keep the Company informed of their contact information.

Article 9: Safety and Health

- 9.01 (a) The Company and the Union acknowledge their common concern for maintaining a safe and healthy working environment to prevent Industrial injury and illness. The Company, the Union and the Employees agree to accept all duties, obligations, and responsibilities required by the Workers' Compensation Act. Health and Safety is the responsibility of all Employees and Management. Consequently, it is agreed that joint and cooperative methods shall be encouraged.
- (b) The Business Agent, Safety Director, and/or Safety Representatives of the Local Union shall have the right at any time to meet with Management to discuss matters dealing with health and safety conditions and shall have the right to participate in health and safety inspections and investigations.
- 9.02 Joint Occupational Health & Safety Committee ("OHSC")
- (a) One Joint Occupational Health & Safety Committee ("OHSC") will be composed of not more than three (3) members appointed by the Union, one (1) of which shall be the Union Safety Co-Chairman and two (2) members appointed by management, one (1) of which will be the Company Safety Co-Chairman. In addition, one (1) non-bargaining unit worker representative will be a member of the OHSC in accordance with Workers' Compensation legislation.

- (b) All accidents, dangerous occurrences and near-miss incidents shall be immediately reported and investigated in a timely manner by persons knowledgeable in the type of work involved.
- (c) The Company agrees to fully cooperate with the OHSC and will provide them with every reasonable facility for carrying out their inspections and investigations, and access to all reports, including government reports, plans and records pertinent to the work of the OHSC. Where OHSC members gain access to confidential information in the course of carrying out their responsibilities, such information shall not be disclosed without authorization from the Company.
- (d) The Company agrees to develop a Health & Safety program which includes the following sections:
 - (i) A written policy statement;
 - (ii) General safety rules;
 - (iii) Safe working procedures on a departmental basis;
 - (iv) A list of hazardous materials, safe handling procedures, and antidotes;
 - (v) Provisions for regular monthly crew safety meetings;
 - (vi) Procedures for accident and serious incident investigation: and
 - (vii) Procedures for safety tour inspections.
- (e) The Co-Chairpersons of the OHSC or their designates shall accompany an Officer of the Workers' Compensation Board during official investigations as per the Workers' Compensation Act.
- (f) The Union Safety Co-Chairman will be granted six (6) paid days per year to conduct business for the OHSC. They will be paid as if they were working at their usual job. The Union Safety Co-Chairman will make written application to their Supervisor for the Supervisor's approval. Such approval should not be unreasonably denied.

9.03 OHSC members shall be paid their regular hourly rate, including overtime, while attending OHSC meetings, inspection trips, accident or dangerous occurrence investigations, tours, training or other OHSC activities required by the Company which require time off work. As much as possible, OHSC tour meetings will be scheduled when the majority of the Union OHSC members are on day shift.

9.04 The Company will provide minutes of all OHSC meetings within five (5) working days following such meetings, exclusive of Saturdays, Sundays, and recognized holidays.

9.05 Reports and Claims

- (a) The Company will provide the OHSC with incident reports, crew safety meeting minutes and first aid reports. The Company will provide the Union Chairperson with a list of all Employees who have applied for Workers' Compensation Benefits, Short and Long Term Disability and are utilizing the Attendance Management Policy.

- (b) Should the Company request a meeting with an Employee to discuss his claim with the Workers' Compensation Board, he will be entitled to a Union representative.
 - (c) The Company shall provide the Union Chairperson with copies of claim related information it submits to the Workers' Compensation Board and the Union shall provide the Company with copies of claim related information it submits to the Workers' Compensation Board.
 - (d) Employees will be given a copy of the First Aid Report at the time it is completed by the First Aid Attendant.
- 9.06 (a) In the event of a serious accident or dangerous occurrence, the Union OHSC Co-Chairperson or his designate shall be notified immediately in order that he may be accompanied to the site.
- (b) In the event of a fatality, the accident or occurrence site shall not be disturbed in accordance with Workers' Compensation Board requirement.
- 9.07 If an Employee suffers a fatal accident while at work, the Company shall notify the President of the Local Union.
- 9.08 The United Steelworkers Safety and Health Complaint Form will be utilized so that Employees can document and register recommendations. Copies will be given to the Employee's Supervisor and the OHSC. Employees will also complete an electronic version of the Form. If the Supervisor cannot address the complaint immediately, the Supervisor will respond, within the Supervisor's four (4) working days, using the electronic version of the Form.
- 9.09 When an Employee is injured at work and the examining physician determines that the Employee is not able to return to work on the day of the injury, the Employee shall be paid at his hourly rate of pay for the remainder of the day on which he was injured. The Company shall provide any transportation required for Employees injured at work, to their final destination, whether it be a hospital or home.
- 9.10 Having recognized the value of having First Aid personnel on the Company property, First Aid Attendants (Level 2 or Level 3) to a maximum of three (3) production Employees per shift will receive a premium of \$160.00 per month.
- 9.11 The Company will provide coveralls (and their laundering) and all safety devices, including personal protective equipment which an Employee is required to wear under Company orders, rules or regulations, and the Workers' Compensation Act. The cost of safety boots will be reimbursed to a maximum of \$250.00 (including taxes) every eighteen (18) months or when the boots become unsafe to wear. Once every five (5) years the Company will provide either a winter coat with reflective material, an insulated vest with reflective material or thermal underwear. Both the insulated vest and the winter coat will be laundered by the company when required. The thermal underwear will be laundered by the employee at the employee's cost.

- 9.12 The Company shall inform all contractors of relevant Safety Rules and Procedures and shall ensure such Regulations and Safety Rules are enforced.
- 9.13 If there are changes to B.C.'s Workers' Compensation legislation that may enhance the safety standards of this workforce, then those enhanced standards will replace any existing in Article 9 of this Agreement.

Article 10: Consultation Committee

- 10.01 Each Party will appoint representatives to a Consultation Committee which will meet monthly during the term of the Agreement about issues relating to the workplace that affect the Parties or any Employee bound by the Agreement.
- 10.02 The purpose of the Consultation Committee is to promote the cooperative resolution of workplace issues, to respond and adapt to change in economy, to foster the development of work related skills and promote workplace productivity.
- 10.03 The Consultation Committee shall be comprised of not more than three Employees from the Union Plant Committee and two members of Management.
- 10.04 The Consultation Committee shall have a quorum to meet where there are at least two of the three Plant Committee members set out above and two Company representatives.
- 10.05 At its first meeting following ratification of this Agreement, the Consultation Committee will select Co-Chairpersons, being one of the Plant Committee members set out above and one Company representative and a Minute Taker.
- 10.06 The Co-Chairpersons shall prepare and post an agenda three calendar days before a scheduled Consultation Committee meeting.
- 10.07 Minutes will be taken of Consultation Committee meetings.
- 10.08 Consultation Committee Employee members will be paid for meetings attended by a quorum and meetings between Co-Chairpersons to develop the Agenda.

Article 11: Leaves of Absence

- 11.01 Employee Elected to Union Office
- (a) The Company shall grant an unpaid leave of absence to Employees requesting leaves for Union business or to fill an elected Union position in accordance with Article 8.
- (b) A request for such an approved leave must be given to the Company by the Union, in writing, on Union Letter head and

- (c) The Company will not unreasonably refuse to grant leave under this Article if such leave is requested with a minimum notification of five (5) working days prior to the date of leave.

11.02 Jury and Witness Duty

- (a) Any Employee who is required to perform Jury Duty, Jury Selection, Coroner's Duty or as a Crown Witness or Coroner's Witness on a day which he would normally have worked will be paid the difference between the Employee's straight time rate for the Employee's normally scheduled days and hours and the amount received from the Court.
- (b) Employees will not be required to return to work on the same day that they perform the duties covered under this section.
- (c) Employees will not be required to use banked time or vacation to cover leave under this section.

11.03 Maternity and Parental Leave

All Employees will be granted maternity and parental leave in accordance with the Employment Standards Act (B.C.).

11.04 Bereavement Leave

- (a) Employees will be granted a full shift rotation off with pay immediately after the death of the employee's immediate family member. The employee may postpone the leave for a later date when services are not held immediately after the death. An Employee can also request additional unpaid time off. Such requests will not be unreasonably denied.
- (b) "Immediate family" shall be understood to include the Employee's mother, father, spouse, step-parents, children, step-children, brothers, sisters, grandparents, grandchildren, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law and sister-in-law.
- (c) For the purpose of this Article, "spouse" shall be defined to include common-law spouse.

11.05 General Limitation on Leaves of Absence

- (a) All leaves of absence provided for in this Agreement are leaves without pay, unless it is specifically provided in the appropriate Article that the particular leave of absence is to be granted with pay.
- (b) Leaves of absence other than those specifically provided for in this Agreement may be granted to Employees where it is required by the Employment Standards Act (B.C.) or where deemed appropriate to do so by the Company,

but the granting of such leaves is within the discretion of the Company. The granting of such leaves will be in writing.

Article 12: Wage Schedule

12.01 Wage Level and Classifications

Classification	Effective 01-Jan-14	Effective 01-Jan-15	Effective 01-Jan-16
Student	75% of Classification	75% of Classification	75% of Classification
Floater/Trainee	\$26.27	\$27.32	\$28.41
General Labourer	\$28.38	\$29.52	\$30.70
Operator	\$30.08	\$31.28	\$32.53
Senior Operator	\$34.73	\$36.11	\$37.56
Back Up Crew Leader	\$36.70	\$38.17	\$39.70
Crew Leader	\$38.18	\$39.71	\$41.29
Back Up Crew Leader (Electrical/Mechanical)	\$41.57	\$43.23	\$44.96
Welder	(90% of Journey person)	(90% of Journey person)	(90% of Journey person)
Journey person Electrician/Millwright /Certified Welder*	\$39.56	\$41.14	\$42.79
1 st Year Apprentice	70% of Journey person	70% of Journey person	70% of Journey person
2 nd Year Apprentice	75% of Journey person	75% of Journey person	75% of Journey person
3 rd Year Apprentice	80% of Journey person	80% of Journey person	80% of Journey person
4 th Year Apprentice	90% of Journey person	90% of Journey person	90% of Journey person

*Having completed the 3 year apprenticeship program or having worked in the trade for six thousand (6000) hours as a Welder.

12.02 Job Classifications

- (a) The Company will maintain and provide Job Descriptions for all Job classifications.
- (b) It is agreed that the Company has the right to amend existing job classifications and create new job classifications not specifically set out in the attached Appendix of this Agreement. In such circumstances, the Company will set a rate for the new or amended classification and advise

the Union. The Union and the Company will discuss the new or amended classification and rate, and will be guided by the existing wage schedule in this Agreement.

- (c) Should a classification be significantly altered the Company will review the changes to the classification with the Union and jointly evaluate the job value. If the Parties cannot agree, they will forward the matter to an Arbitrator who will determine the job value in comparison to existing job classification within MOLY-COP Canada.

12.03 The Crew Leader & Backup Crew Leader will receive the rate as posted above irrespective of whether he is performing the normal duties of the Crew Leader or Backup Crew Leader or the particular duties necessitated by the absence of the Shift Supervisor.

Article 13: Benefits

The Company will maintain all current benefits summarized as follows:

Life Insurance – Company Paid

One and one half time annual salary.

Optional Life Insurance – Employee Paid

Up to \$100,000 in \$10,000 increments with an equal amount as spousal insurance. Medical Form is required; coverage may be refused.

Accidental Death & Dismemberment – Company Paid

Equal to amount of life insurance.

Optional Accidental Death & Dismemberment – Employee Paid

Up to an additional \$100,000 in \$10,000 increments.

Note: An equal amount of optional AD&D coverage is included with optional life insurance purchased.

Short Term Disability – Company Paid and Self Insured

The Company agrees to continue providing short term disability under the existing terms and conditions of the Short Term Disability Policy, Rev 3 dated 08/05/29.

Long Term Disability – Compulsory and Employee Paid

Provides 50% of base salary, up to a maximum of \$4,000 per month, which is tax free.

This income is available for a maximum of 2 years that the Employee is disabled from doing his own job, after which time the Employee must be disabled from doing any work.

Benefit is offset by any government benefit payments, frozen at the time of disability.

Premium on company paid and optional life insurance and AD&D is waived during period of disability.

Provincial Health Plan – Company Paid

Extended Health – Company Paid

Prescription drugs, private hospital room (in province), semi-private hospital room (out of province), nursing care, paramedical, massage, chiropractor.

- \$50 for each visit for chiropractor or massage.
- No single or family deductible.
- 80%/20% co-insurance on in Province expenses, 100% on out of Province expenses. Life time maximum benefit of \$100,000.
- An Extended Health Plan card to be provided to employees to allow for direct billing to the Benefit Provider.
- \$1000 Hearing aid coverage every 5 years

Dental – Company Paid

Basic Plan

Current B.C.D.A. rate scale. No deductible. 100% Coverage

Major Restorative Plan

Crowns, caps and dentures. 80%/20% co-insurance

**Basic and Major coverage subject to a combined maximum of \$4,000 per calendar year.

Orthodontics

80%/20% co-insurance; \$3,500 maximum lifetime benefit.

Vision Care – Company Paid

Up to \$250 subsidy for contact lenses or lenses and frames for eye glasses each 24 month period if 18 years or over or each 12 month period if under age 18.

Eye exams – 100% coverage once every two years.

Eligibility for Benefits

All benefits cease at the earlier of age 65 or date of retirement.

Life Insurance & AD&D

1st day of work coverage.

Provincial Health

1st month following month of commencement of work.

Extended Health, Salary Continuance, Long Term Disability, Vision Care and Dental

The first day of the month coinciding with or next following the date on which you complete 3 months of continuous employment.

Continuation of Coverage

For widows, twelve months.

Optional Life Insurance & AD&D

The first day of the month coinciding with or next following the date on which you complete 3 months of continuous employment.

For more detailed information please see your Group Benefit Provider's Folders. The employer has no liability relating to group benefits referred to in this Article. The employer's obligation is limited to payment of its portion of the benefits premiums as set out in this Article.

Company to provide a letter of intent undertaking to provide the Union with copies of the Benefit Plan. Changes to Benefits will be effective January 31, 2014 to allow for lead time to implement changes.

Article 14: Pension

Purpose

To provide retirement benefits for our Employees.

Eligibility

Compulsory membership commences on the first day of the month coincident with or next following his/her completion of three (3) months of service.

Type of Plan

Defined contribution.

Contributions

<u>Length of Service</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
< 10 yrs	5%	5% to 13%*
> 10 yrs	6%	5% to 12%*
> 15 yrs	7%	5% to 11%*

* Maximum Employee contribution is subject to RSP contribution limits.

Retirement

Normal retirement age is 65, however, a member may retire early upon attaining 5 years service and attainment of age 55.

Vesting

Attained in accordance with Provincial Law; two (2) years.

For more details, refer to Pension Plan Provider Information Package.

Company to provide a letter of intent undertaking to provide the Union with copies of the Pension Plan.

Article 15: Payroll

- 15.01 The Company will pay all wages by way of direct deposit to the Employee's bank account and will provide Employees with wage statements showing wages paid and all deductions.
- 15.02 The Company will honour an Employee's written assignment of wages.
- 15.03 Where the Company has underpaid or overpaid the Employee's wages, the Company will correct the underpayment or overpayment on the Employee's next pay day.
- 15.04 Where an Employee is discharged or laid off, or leaving of his own accord, the Employee will be paid all wages owing to the Employee's last day of work within five (5) business days.

Article 16: Grievance Procedure

16.01 Definition and Recognition of a Grievance

- (a) Any complaint, disagreement or differences of opinion between the Parties respecting the interpretation, application, operation or alleged violation of the Collective Agreement, including any dispute with regard to discipline or discharge, shall be considered to be a grievance.
- (b) Any such complaint, disagreement or difference of opinion will not be recognized as a grievance unless the grievance procedure is followed.

16.02 Grievance Procedure

Outline of Steps

The Company and the Union mutually agree that, when a grievance arises in the plant coming under the terms of the Agreement, it shall be dealt with without stoppage of work in the following manner:

- Step 1: The individual Employee, with or without a Job Steward, shall first take up the matter with the Non-Bargaining Unit Employee in charge of the work within fourteen (14) calendar days.
- Step 2. If a satisfactory settlement is not then reached, it shall be reduced to writing jointly by both Parties the same Employee and the Job Steward shall take up the grievance with the Employee's Department Superintendent. If desired, the Union Business Agent or Plant Chairperson shall accompany the Employee and the Job Steward.
- Step 3. If the grievance is not then satisfactorily solved, it shall be referred to an authorized representative of the Union and Management. The Plant Chairperson may attend if the Union deems it necessary.

Step 4. If a satisfactory settlement is not then reached, it shall be dealt with by Arbitration.

16.03 Abandonment

If a grievance has not advanced to the next stage under Step 2, 3 or 4, within fourteen (14) days after completion of the preceding stage, then the grievance shall be deemed to be abandoned, and all rights of recourse to the grievance procedure shall be at an end. Where the Union or Company is not able to observe this time limit by reason of the authorized absence of the aggrieved Employee, Job Steward or Company Representative the said time limit shall not apply. The Union and the Company shall be bound to proceed in such a case as quickly as may be reasonably possible.

16.04 Grievance Meetings

Grievance meetings or Arbitration hearings shall be scheduled as soon as possible. The Company will be responsible for its Employee's wages pertaining to their attendance at grievance meetings.

16.05 Arbitration

- (a) In the case of a dispute arising regarding the application, operation or any alleged violation of this Agreement which the Parties are unable to settle between themselves as set out previously, the matter shall be determined by Arbitration in the following manner:

Either Party may notify the other Party and the Arbitrator in writing, of the question or questions to be arbitrated.

- (b) No one shall serve as an Arbitrator who:
- (i) either directly or indirectly has any interest in the subject of the Arbitration;
 - (ii) has participated in the grievance procedure preceding the Arbitration;
 - (iii) is, or has been, within the period of six (6) months preceding the initiation of Arbitration proceedings, employed by any Local Union, United Steelworkers or a Company directly engaged in the Mining Industry.
- (c) The decision of the Arbitrator shall be final and binding upon the Parties.
- (d) If the Arbitrator finds that an Employee has been unjustly suspended or discharged, that Employee shall be reinstated by the Company without loss of pay and with all his rights and privileges preserved under the terms of this Agreement, provided always that if it is shown to the Arbitrator that the Employee has been in receipt of wages during the period between discharge (or suspension) and reinstatement, or date of failure to rehire and rehiring, the amount so received shall be deducted from wages payable by the Company pursuant to this Section.

- (e) The Arbitrator shall be required to hand down his decision within fourteen (14) days following completion of the Hearing.
- (f) The Parties will utilize an Arbitrator agreed to by the Parties.
- (g) In the event the Parties cannot agree on an Arbitrator, they will request the Honourable Minister of Labour of the Province of British Columbia to appoint an Arbitrator.

16.06 Cost Sharing

The Parties will share equally in the expense and charges of the Arbitrator.

16.07 Place of Hearing

Arbitrations will be held in Kamloops, B.C. unless the Parties otherwise agree.

Article 17: Bargaining Unit Work / Contracting Out

17.01 Non-Bargaining Unit Employees will not do work normally performed by Bargaining Unit Employees save and except:

- (a) In emergencies.
- (b) For the purposes of Training, Trials, Testing or Research & Development.
- (c) In other cases where Bargaining Unit Employees are not available on a straight time or overtime basis.

17.02 Management will not do any production or maintenance work that should be done by Bargaining Unit members unless invited by a Bargaining Unit member. If a dispute arises as to what is bargaining unit work, the matter will be resolved at the next scheduled Consultation Committee meeting.

- 17.03 (a) The Company will notify the Plant Committee of all work being contracted out prior to the contractor coming on site. As a standing agenda item at the monthly Consultation Committee meetings, the Company will review the forecast for contractors on site and discuss any potential issues relating to contracting out. When reasonably practical the Company will use Bargaining Unit Employees instead of contractors. The company will work with the Plant Committee to reduce the reliance of contractors.
- (b) Persons, including contractors, whose regular jobs are not in the Bargaining Unit shall not work on any jobs which are included in the Bargaining Unit which may result in temporary or permanent layoff, or failure to be recalled from layoff or cause any Employee to be displaced or discharged.
- (c) In plant maintenance shutdowns the following practices will be followed where practical:
- (i) Front end loading of overtime at commencement of shutdown.

- (ii) On a day when a contractor is on-site to perform work of a nature that is normally done by bargaining unit employees, all qualified Bargaining Unit Employees will be offered comparable hours and comparable work. This shall not apply when a contractor is brought in due to an Employee's refusal to work overtime.

17.04 When it is shown that contractor hours in a trade are sufficient to justify hiring a full time journeyman Employee, the work will be filled by posting an apprenticeship opportunity.

Article 18: Discipline and Discharge of Employees

- 18.01 (a) (i) Employees can only be disciplined or discharged for just and reasonable cause.
- (ii) A probationary Employee may be discharged if he is unsuitable, as determined by the Company.
- (b) In the event that an Employee is disciplined or discharged for any reason, the Job Steward and/or Plant Chairperson will be notified and be present at any meeting the Company has with the Employee.
- (c) When the Company finds it necessary to discharge a Job Steward, the Union Business Agent shall be notified prior to such discharge.
- (d) A copy of all disciplinary or discharge letters shall be sent to the Plant Chairperson.
- (e) In disciplining an Employee all records of written warnings or suspensions shall be deemed void after eighteen (18) months from date of issue providing the Employee does not receive another disciplinary record of a similar nature during that eighteen (18) month period. After twelve (12) months from date of issue the Employee may request the discipline be deemed void, approval of this request shall be at the discretion of the Company.
- (f) An employee, upon reporting to work, may voluntarily blow in the Company breathalyser. If, upon voluntarily blowing, the result is over .05 the Employee is not permitted to work and will not receive discipline. If an Employee is requested to blow and chooses not to, the Employee will not receive discipline.

Article 19: Technological Change

- 19.01 (a) Where the Company intends to introduce new technological equipment that shall result in decreased hours of work or layoff, the matter shall be discussed with the Union in advance to review the implementation process and discuss any other implications.
- (b) The Company and the Union agree that technological change is both necessary and desirable for the viability of the Company and the ongoing security of its Employees.

- (c) In recognition of the foregoing, the Company undertakes to reduce the effects of technological change on the job security and earnings of Employees who are laid off or permanently demoted as a direct consequence of technological change. Any dispute regarding the implementation of technological change shall commence at Step Three of the Grievance Procedure.
- (d) For the purpose of this Agreement, a technological change shall be defined as the automation of equipment, or the mechanization or automation of duties which adversely affects Employees in the Bargaining Unit through layoff or demotion from their present job classification.
- (e) In order to lessen the effects on Employees who are adversely affected as a result of technological change, it is agreed that:
 - (i) The Company shall notify the Union not less than three (3) months in advance of intent to institute technological change, setting forth the estimated number of Employees affected, together with the nature and extent of the change anticipated.
 - (ii) The Company will cooperate with the Provincial or Federal Governments and participate in training or retraining of Employees affected by technological change. This shall include educational leaves of absence for retraining, if required.
 - (iii) New jobs created by technological change shall be evaluated in accordance with Article 12.02.

19.02 Upon receiving notice from the Company of the Company's intent to institute technological change, the Company and the Union will each appoint two (2) members to a Committee which shall meet as a whole Committee for the purpose of making recommendations to the Company with respect to mitigating the impact of technological changes on the Employees of the Company. The Company will give due consideration to such proposals.

19.03 Severance Pay

Employees who are permanently laid off because of technological change shall be entitled to severance under the provisions of Article 20.01.

Article 20: Severance

20.01 Severance Allowance

In the event of a permanent closure of the operation resulting in the permanent layoff of Employees, severance will be paid under the following procedure:

- (a) Following completion of the probation period, all Employees, upon termination, shall receive two (2) weeks wages or a pro rated portion thereof for each year of continuous service with the Company.
- (b) This amount will not exceed fifty two (52) weeks pay.
- (c) An Employee shall have the option of accepting this severance allowance at any time during his/her period of seniority retention.

Article 21: Light Duties & Accommodation

21.01 Light Duties: Employees in receipt of Workers' Compensation, Disability Benefits or who are unable to perform their regular duties as a result of injury or illness, may be offered light duties, which duties will not be unreasonably refused. Such duties may be approved by the Employee's doctor. The nature of the duties will be designed bearing in mind the Employee's physical capabilities, his present skills and abilities. This may also require a functional assessment. The Company agrees that the light duties performed by the Employee will not affect his seniority nor result in the demotion of any other Employee. Either the Company or the Union may recommend candidates for light duties and the nature of the work to be offered.

The Company may request a professional's medical opinion relating to the Employee's fitness to work or to return to work from a qualified medical doctor or other specialist. This will be at the Company's expense.

Accommodation: The Parties agree to discuss and implement accommodations for an Employee who is experiencing physical or mental disability up to the point of undue hardship.

Article 22: Job Posting

22.01 All permanent vacancies will be posted. The posting will remain up for fourteen (14) calendar days.

Employees may put their names on a "temporary opportunities" list. Where a temporary opportunity arises which creates a learning or developmental opportunity for a bargaining unit Employee, management will offer the opportunity to an Employee on the list in order of seniority. Future opportunities will be offered on a rotational basis to Employees on the list in descending order of seniority.

This process may not apply where the work requires a specialty skill, in which case the Parties will confer and determine the appropriate action to be taken.

22.02 In all cases of promotion (except promotion to positions excluded from the Bargaining Unit or positions requiring technical training or special educational qualifications) and in all cases of decrease or increase of working forces the following factors will be considered by the Company:

- (a) Seniority
- (b) Knowledge, efficiency and ability to perform the work

(c) Physical fitness

Where factors (b) and (c) are relatively equal, factor (a) will govern.

Article 23: Training

23.01 All training will be done in accordance with the Departmental seniority provisions of the Collective Agreement with the exception of OHSC relevant training.

23.02 Where a journeyman provides the Company with sufficient notice of his resignation or retirement so as to allow the consideration of replacement by apprenticeship, and Management approves filling the vacancy, an apprenticeship opportunity will be posted.

23.03 Apprentices attending trades school outside of Kamloops will receive mileage of \$0.50/km for 3 return trips to the employee's place of residence

Article 24: Discrimination and Harassment

24.01 The Company and the Union will not discriminate against Employees because of race, colour, ancestry, place of origin, political belief, religion, marital status, family status, physical or mental disability, sex, sexual orientation or age of that person (as defined by the *Human Rights Code*), or because that person has been convicted of a criminal or summary conviction offence that is unrelated to the employment of that person.

24.02 The Company and the Union will not tolerate or condone behaviour that is likely to undermine the dignity or self-esteem of an individual, or which creates an intimidating, hostile or offensive environment.

24.03 When an Employee submits a written complaint of Harassment to the Administration Manager a joint investigation will be conducted by the Administration Manager and an outside Union Agent. The Administration Manager will maintain a confidential investigation file and will be responsible to see that the complaint has been appropriately responded to.

24.04 Management shall not discriminate against any person for Union involvement.

Article 25: Humanity Fund

25.01 For the purpose of international aid and development, the Company agrees to deduct on a bi-weekly basis the amount of not less than 1¢ per hour from the wages of all Employees in the Bargaining Unit for all hours worked to a maximum of forty (40) hours per week, and on a bi-weekly basis, to pay the amount so deducted to the "Humanity Fund" and forward such payment to:

United Steelworkers
National Office
234 Eglinton Avenue E., 7th Floor
Toronto, Ontario M4P 1K7

and to advise in writing both the Humanity Fund at the aforementioned address and the Local Union that such payment has been made, the amount of such payment and the names of all Employees in the Bargaining Unit on whose behalf such payment has been made.

- 25.02 The first Humanity Fund deduction as aforesaid shall be the fifteenth (15th) of the month following the ratification of this Agreement.
- 25.03 It is understood and agreed that participation by any Employee in the Bargaining Unit in the program of deductions set forth above may be discontinued by any Employee in the Bargaining Unit after the receipt by the Company and the Local Union of that Employee's written statement of his desire to discontinue such deductions from his pay which may be received during the four (4) weeks following ratification of the Agreement or at any time thereafter.
- 25.04 The total for each Employee's yearly deduction will be entered in Box 46 (Charitable Contribution) of the Revenue Canada T4 slip for the year it has been deducted. For this purpose, the payroll department will note the following Charitable Donation number for the "Humanity Fund": R119172278RR0001.

Article 26: General Provisions

- 26.01 Any notice required to be given to the Company under the terms of this Agreement will be given by hand and registered mail addressed to its plant in Kamloops, B.C. Any notice to be given to the Union under the terms of this Agreement will be given by hand to the Union Chairperson and registered mail addressed to the Union at its address in the city of Kamloops, B.C.
- 26.02 The Company may make reasonable rules and policies to be observed by all Employees. All changes of these rules and policies shall be provided to the Plant Committee for discussion at a Consultation Committee meeting prior to posting.
- 26.03 Headings are included in this Agreement for convenience of reference only and do not form part of this Agreement.
- 26.04 NO INDIVIDUAL CONTRACTS OR AGREEMENTS: No Employee will be compelled or allowed to enter into any individual contract or agreement with the Company concerning matters covered by the Collective Agreement.
- 26.05 Education: The Company will reimburse the cost of tuition and text books (text books payment not to exceed \$150.00 per course) provided that a passing grade level is achieved and the course of study is job related and meets the advance approval of the Administration Manager.
- 26.06 Should the Company implement a Drug Testing Policy the company will seek input from the Union through the Consultation Committee meeting prior to the policy's implementation.

- 26.07 Prior to a contractor coming on site to perform work traditionally done by the Bargaining Unit, they must first obtain a permit from the local Union USW 1-417.
- 26.08 The Company will allow Employees to use sick time for Doctor's appointments that can not be scheduled outside of scheduled work hours.
- 26.09 Tool Replacement: Journeypersons and apprentices are required to provide their own tools. The Employee will provide a list of tools to the Company. The Company will continue to provide financial assistance towards tool purchases. The Company will pay 100% of the replacement of lost or broken tools. Such replacement will be of the same make and brand of the lost or broken tool or of an acceptable substitute to the member. All replacement tools will be the property of the Employee

Article 27: Duration & Integrity of Agreement

- 27.01 This Agreement will become effective January 1, 2014 subject to the Memorandum of Agreement signed December 20, 2013 and will remain in full force and effect up to and including December 31, 2016.
- 27.02 Further to Section 40(4) of the *Labour Relations Code*, the Parties agree that Section 50(2) and 50(3) of the *Labour Relations Code* are excluded from this Agreement.
- 27.03 During the period when negotiations are being conducted between the Parties for the renewal of this Agreement, this Agreement will continue in full force and effect until:
- (a) The Union commences a legal strike; or
 - (b) The Company commences a legal lockout; or
 - (c) In the event there is no legal strike or lockout, the Parties enter into a new or further Agreement.

Article 28: Intent & Purpose

The intent and purpose of this Agreement is to promote and improve:

- (a) Mutually beneficial relationships between the Company, its Employees and the Union;
- (b) The safety, health and environmental conditions at the workplace;
- (c) The economic viability of the Company's business and so sustainability of the business and job security for the Employees; and also to
- (d) Set out the rates of pay, hours of work, and other conditions of employment for Employees covered by this Collective Agreement; and
- (e) Establish just and prompt procedures for resolving grievances.

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

LETTER OF UNDERSTANDING

RE: HEALTH & SAFETY

The Parties agree that the matters addressed in Attachment “1” will be raised at the first meeting of the OHSC following ratification of the Collective Agreement. The Parties agree that their respective representatives on the OHSC will support the concepts set out and develop mutually agreeable language.

ATTACHMENT “1”

- 1.01 Joint Safety Inspections shall be conducted once monthly at a mutually agreeable time within the Company’s operations. The Joint Safety Inspection shall report their findings to the OHSC and the appropriate department head immediately following the inspection. The OHSC shall meet, as soon as possible after the Joint Safety Inspection, to discuss its findings and any other matters concerning health and safety.
- 1.02 The Company and the Union agree to cooperate in developing and maintaining a strong sense of safety awareness among Employees and supervisors. It is, therefore, recognized that every Employee has the right to refuse work if he has reasonable cause to believe that to do so would create undue hazard to the health or safety of any persons.
- 1.03 (a) An Employee who refuses to carry out any work or operate equipment, tool or appliance in compliance with Article 1.02 shall immediately report the circumstances to his employer.
- (b) The supervisor receiving the report shall immediately investigate the matter and ensure that any hazardous condition is remedied without delay, or if in his opinion the report is not valid, he shall inform the Employee who made the report.
- (c) If the Employee continues to refuse to carry out the work the Supervisor shall make an investigation in the presence of the Employee who made the report, together with a Union member of the OHSC, or his designate, and the crew safety representative having knowledge of the work in question.
- (d) If following the investigation set out in 1.03 (c) above the matter is still unresolved, the matter shall be referred to the OHSC who, together with the Department Manager, shall investigate and make recommendations to the General Manager on a resolution to the matter. The General Manager shall make a final determination in the matter, subject to review by the Workers’ Compensation Board.
- (e) While the matter is under investigation, the Employee(s) who refuses to work is entitled to be reassigned alternate work with no loss of pay and to return to the job in question when it is determined safe to do so.

No Employee will be required or permitted to perform work, where another Employee has refused to work, unless the alternate Employee in the presence of the Union member of the OHSC has been informed by the supervisor of the reason for the refusal.

(f) A Supervisor shall not knowingly perform or permit a worker to perform work which is, or could create, an undue hazard to the health or safety of any person.

1.04 (a) The Company shall install, maintain in good condition and operate adequate heating and ventilating systems at work stations and shall comply with the requirements of all applicable laws.

(b) All lunchrooms to be adequately heated, lighted, supplied with hot and cold running water. Lunchrooms shall to the extent possible be sealed to prevent contaminants and noise from entering and shall be cleaned daily.

(c) Where it is not practicable to provide running tap water, potable drinking water in approved sanitary containers shall be provided. Paper cups will be supplied.

1.05 (a) A logbook shall be provided for and maintained by Employees in each unit of mobile equipment.

(b) The operator of any equipment shall examine and check the equipment before putting it into use and if an unsafe condition is discovered, he shall:

(i) Note the unsafe condition in the vehicle logbook, and;

(ii) Not operate the equipment until repairs have been made by a qualified person and noted in the logbook, or;

(iii) The qualified person has assured him it is not unsafe to operate the vehicle and noted the reason in his logbook.

(c) If no unsafe condition or problem is experienced, the operator shall also record this in the logbook.

(d) Prior to operating any unit of mobile equipment, the operator shall read any entries made in the logbook, and, if an unsafe condition has been recorded but not corrected, he shall not operate the equipment until repairs have been made by a qualified person and noted in the logbook, or the qualified person has assured him it is not unsafe to operate the vehicle and has noted the reason in the logbook.

(e) The Manager shall ensure that the logbook system is working effectively.

(f) A maintenance record shall be kept of all unsafe conditions reported and the repairs made to each individual piece of mobile equipment to correct unsafe conditions.

(g) Every notation made in the logbook, maintenance record, and every other record relating to the condition of the equipment shall show the time and date of the entry and the name of the person who made the entry.

1.06 The Company will continue with its Workplace Hazardous Materials Information System (WHMIS) Training Program to ensure that all Employees are kept up-to-date with material identification and use.

1.07 (a) Where an environmental problem exists in the workplace, at the request of either Party, the Joint OHSC shall investigate the problem.

The Joint OHSC shall conduct the necessary monitoring to determine the nature or degree of the hazard or potential hazard. Equipment required for such monitoring shall be made available by the Company.

(b) The Company agrees to train and instruct all members of the Joint OHSC in the correct use of monitoring equipment and in the techniques of sampling and analysis for potentially toxic substances occurring within the Company's operation. This training will be done within three (3) months of any Employee's appointment to the Joint OHSC.

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

LETTER OF UNDERSTANDING

STUDENTS / TERM EMPLOYEES

1. The Company may hire a student or term Employee without using the vacancy posting provisions.
2. The Students/Term Employees will be employed for a maximum of a six (6) month term. Should a permanent Bargaining Unit vacancy become available and no other permanent employee of Moly-Cop Canada apply to the vacancy, a Term Employee who has demonstrated the necessary competency to perform the job will have the first opportunity for the vacancy.
3. The student/term Employee will be paid as per the student/term Employee classification in the Wage Schedule.
4. Student/term Employees will not be covered by the pension, benefit or variable compensation plan.
5. Student/term Employees will become Union members and pay dues as per Article 4.
6. The student/term Employee will be covered by the grievance/arbitration procedure in Article 19.
7. No other Collective Agreement provisions will apply.

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

LETTER OF UNDERSTANDING

MOLY-COP CANADA VARIABLE COMPENSATION PLAN

The Variable Compensation Plan will be amended:

- (a) to extend the scope of the Plan to pay up to 15% of annual basic salary,
- (b) the subtraction from bonus for safety performance has been removed,
- (c) the influence of individual performance (multiplier) has been removed.

The basic design of the Variable Compensation Plan is attached.

The Plan will expire on January 1, 2017.

The initial payment to the Employees shall be for the period January 1, 2014 to December 31, 2016.

The EBIT calculation is shown as an example only.

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

MOLY-COP CANADA VARIABLE COMPENSATION PLAN FOR BARGAINING UNIT EMPLOYEES

1. PURPOSE

- 1.1 To provide a performance incentive to MOLY-COP Canada Employees with a system that aligns the interest of the Employees with those of the Partners.

2. ELIGIBILITY

2.1 Eligible Members

All permanent full-time Bargaining Unit Employees of MOLY-COP Canada, who are past their probationary period are eligible to participate in the Plan provided the Employee is employed by MOLY-COP Canada at the time the Variable Compensation is paid to Employees. Employees commencing employment after January 1 of the year the Variable Compensation is earned, payment will be made on a pro-rated basis for time an Employee is employed with the company. Employees who were employed with MOLY-COP Canada at the time the Variable Compensation was earned but had retired prior to the date that the Variable Compensation is paid will be paid the Variable Compensation on a pro-rated basis.

- 2.2 Employees will not be deducted hours for the first month an Employee was on an approved medical leave or during the first month of an approved unpaid leave of absence.

3. METHOD

- 3.1 The Maximum Total Variable Compensation Pool is 15% of the Actual Total Base Salaries (ATBS) paid to all Bargaining Unit Employees during the year.
- 3.2 MOLY-COP Canada's performance to Plan will be the basis for variable compensation. If Plan EBIT is achieved, the target payout of variable pay as a percentage of base salary is per the table below. The payout is to be increased or decreased based on MCC's performance relative to Plan.

VARIABLE COMPENSATION OPERATIONAL TABLE

PERFORMANCE						
	Threshold		Target		Previous Cap	CBA Extended Scope
	-10% avg Capital Employed	Midpoint	Plan EBIT	Midpoint	+10% avg Capital Employed	+15% avg Capital Employed
EBIT 2004	\$6.2 M	\$7.0 M	\$7.75 M	\$8.5 M	\$9.3 M	\$10.075 M
Bargaining Unit Employees	0%	2.5%	5.0%	7.5%	10%	15%

The range of payout is set at between a Threshold of Plan EBIT minus 10% of Average Capital Employed over previous three years and a revised Collective Agreement Extended Scope of Plan EBIT plus 15% of Average Capital Employed over the previous three years. Payout amounts are increased linearly for MCC EBIT which falls between the "Threshold" and the revised "Extended Scope". The VCP (Variable Compensation Pool) is equal to the ATBS of the employees multiplied by the percentage of base determined by MCC's performance and the table above.

EBIT is defined as Earnings Before Interest Income or Interest Expense.

4. TIMING

4.1 Payouts for any given business year will be made in the following year, once financial results are finalized and reviewed by the Partners.

Accruals of estimated payouts will be made on a monthly basis and registered against the month results. This will allow for accrual fine tuning as actual results become known as the year progresses.

5. GENERAL

5.1 The Management Committee has the sole authority to establish company operating budgets and resulting planned EBIT.

6. CONFIDENTIALITY

6.1 Management will provide information to Employees regarding key performance factors that they may influence, which impact upon EBIT e.g. production volumes, quality, costs, plant efficiency, etc. Such information will be considered confidential and not be disclosed to external Parties.

LETTER OF UNDERSTANDING

GENERAL PROVISIONS

For the purposes of setting out the practices of the Company:

Cameras may be installed in the plant only to monitor production equipment. These cameras will not be monitored in the Production Office.

Employees will be provided with computer monitoring data prior to being interviewed as part of an investigation.

ISO audits will be conducted only on day shifts where practical.

The company will change the Safety Award to a calendar year from date of occurrence.

It is not the intent of the Company to create a Production Mechanic classification. In the event that the Company intends to do so, it will first be discussed with the Union.

The Company will continue its practice of allowing employees who have taken a call in to be late for their regular shift so that the employee arrives at work in a rested condition. The Company will continue to allow napping in accordance with its policy.

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

LETTER OF UNDERSTANDING

BOOKING OF BANKED TIME

For the term of the current collective agreement, the Company will agree to the Union's request and treat all vacation, statutory holidays, stat bank and banked time the same for the process of requesting/taking time off.

Bank time booking per Article 5.18(b) will not be followed as per past practice. For the remaining term of the current collective agreement, the company will allow two Bargaining Unit Employees by production shift and maintenance competency off on vacation or bank time at any one time during the year if the operational requirements of the plant are maintained. The company will assess the time off requests according to Article 7.06 because there have been no reported problems with requests made under this article.

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

LETTER OF UNDERSTANDING

RETIREMENT

Upon retirement, which for this purpose will be defined as an employee with at least 25 years of service who has self terminated their employment, will receive a long term service award of \$500.00.

The Union and Company agree to meet during the term of this agreement and attempt to mutually agree on acceptable terms and conditions allowing employees to access graduated retirement

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

LETTER OF UNDERSTANDING

LTD PLAN

Parties agree to investigate increasing the LTD benefit to 60% of base salary, within the first 6 months following the date of ratification. Should such increase in benefits involve an increase cost to the Company or members the increase to the benefit shall be subject to mutual agreement of the parties.

The Parties have executed this Agreement this 20th day of December 2013.

**ON BEHALF OF THE COMPANY:
MOLY-COP CANADA**

**ON BEHALF OF THE UNION:
UNITED STEELWORKERS,
LOCAL 1-417**

