COLLECTIVE AGREEMENT

between

UNITED STEELWORKERS, LOCAL 1-417

and

MOLY-COP CANADA

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- 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 Bylaws 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

(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:

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 noncontact 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

 After working the first 6 hours in (a), all additional hours worked outside of the regular days of the shift schedule: Double Time attending the work site, will be paid one (1) hour pay at Straight time, the employee's regular 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).

- worked, in addition to their stat pay, up to and including ten hours. $(2 \times 10 + 10 = 30 \text{ hours of pay})$
- (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
	11	gross wages)
Continuous Service	Hours of Vacation	Pay
One (1) year but less than	120 hours	5.8% of gross pay
three (3) years of		
completed service		
Three (3) to Ten (10) Years	160 hours	7.7% of gross pay
Ten (10) to Thirteen (13)	168 hours	8.1% of gross pay
Years		
Thirteen (13) to Fifteen (15)	180 hours	8.7% of gross pay
Years		3.111
Fifteen (15) to Twenty (20)	192 hours	9.2% of gross pay
Years		
Twenty (20) to Twenty Four	204 hours	9.8% of gross pay
(24) Years		9,000 p.1.
Twenty Four (24) Years or	240 hours	11.5% of gross pay
More		J 3. 2. 2. p. 3.

- 7.06 Vacations requested after March 31st of each calendar year must be requested a minimum of seven (7) calendar days in advance and are subject to operational requirements being maintained; 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.
- 7.07 The Company will treat all vacation, statutory holidays, stat bank and banked time the same for the process of requesting/taking time off.

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;

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.

- 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 compliant 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 \$170.00 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.
- 9.14 The Parties agree that only employees classified as Operators and/or Senior Operators will be considered for minimum staffing levels.
- 9.15 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.
- 9.16 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.

- (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.
- 9.20 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.
- 9.21 (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.

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.

(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 Leaves for other Union business

Where an employee is absent due to an Approved Local Union Leave, for union business that does not exceed thirty (30) calendar days, the Company will continue to pay the employee their regular daily wages for each day of absence and then invoice the Local Union for the cost of those wages.

11.06 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.

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 4 dated 2014/11/06.

Long Term Disability - Compulsory and Employee Paid

Provides 60% 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.

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 April 1, 2017 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

Length of Service	Employer Contribution	Employee Contribution
< 10 yrs	5%	5% to 13%*
> 10 yrs	6%	5% to 12%*
> 15 yrs	7%	5% to 11%*
* Maximum Emp	loyee contribution is subject to	o 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.

Vestina

Attained in accordance with Provincial Law; immediately after meeting eligibility requirements.

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

- 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

- (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 journeyperson 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.

- (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 Job Vacancies

- a) All permanent vacancies will be posted. A permanent vacancy is any position that is not temporary in nature and will continue for the foreseeable future.
- b) All temporary vacancies will be posted. A temporary posting is any position that has been available for a minimum three (3) month period, but is not expected to continue on a permanent basis. Such postings shall only be posted where there are at least four (4) weeks of work remaining following the date of the posting. The Parties will review temporary positions quarterly to determine if any temporary positions should be posted permanent. The parties agree to attempt to resolve any posting concerns on a common sense basis if dispute arises.
- c) Positions that are less than three calendar months in duration will be filled by qualified available employees, who are not occupying a posted position, on a senior may junior must basis.

- 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.

- 26.14 ISO audits will be conducted only on day shifts where practical.
- 26.15 The company will change the Safety Award to a calendar year from date of occurrence.
- 26.16 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.
- 26.17 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.

Article 27: Duration & Integrity of Agreement

- 27.01 This Agreement will become effective January 1, 2017 subject to the Memorandum of Agreement signed February 24, 2017 and will remain in full force and effect up to and including December 31, 2019.
- 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.

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 24th day of February, 2017.

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 <u>Plan EBIT</u> 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%

LETTER OF UNDERSTANDING

SIGNING BONUS

The parties agree to a signing bonus of one thousand and five hundred dollars (\$1,500), to be paid to all full time bargaining unit members, employed as of January 1, 2017.

The Parties have executed this Agreement this 24th day of February, 2017.

ON BEHALF OF THE COMPANY: MOLY-COP CANADA

ON BEHALF OF THE UNION: UNITED STEELWORKERS,

LOCAL 1-417