AGREEMENT

between

PROCOR LIMITED
SARNIA CAR REPAIR SHOP

Hereinafter referred to as the "Company"

and the

INTERNATIONAL BROTHERHOOD OF BOILERMAKERS,
IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND
HELPERS, LOCAL 128

Hereinafter referred to as the "Union"

December 21, 2010
ARTICLE 1 – RECOGNITION

The Company recognizes the Union as the sole collective bargaining agency for the employees employed in its car repair shop located in Sarnia, Ontario. This Agreement shall not apply to Foremen and those above the rank of Foreman, Timekeepers, Engineers, Office and Clerical Staff.

ARTICLE 2 - MANAGEMENT RIGHTS

Section 1 The Union recognizes and acknowledges that the management of the operations and direction of the working force are fixed exclusively in the Company, and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:

(a) Hire, promote, demote, determine classifications, transfer, layoff, retire, suspend and rehire employees, and to discipline or discharge any employee for just cause provided that a claim by an employee that he has been discharged or disciplined without just cause may be the subject of a grievance and dealt with as hereinafter provided.

(b) Make, enforce and alter from time to time rules and regulations to be observed by the employees with the cooperation of the Union.

(c) Maintain order and efficiency.

(d) Determine the nature and kind of business conducted by the Company, the kinds and locations of services, equipment and materials to be used, the control of materials and parts, the methods and techniques of work, job content, standards of production, the schedules of production, the number of employees to be employed, the extension, limitations, curtailment or cessation of operations or any part thereof, and to determine and exercise all other functions and prerogatives which shall remain with the Company except as specifically limited by the express provisions of this agreement.

Section 2 The Company agrees that the rights set forth in this Article shall not be exercised in a manner inconsistent with the express provisions of this agreement.

Section 3 The Company and the Union agree that they will not discriminate against any employee because of race, religion, faith, creed, age, colour, sex or national origin nor shall the Company discriminate against any employee because of the employee's membership in the Union or by virtue of holding office in the Union.

Section 4 If an employee is to be given a documented warning, suspension or discharge for disciplinary reasons he/she will be given an opportunity to discuss the matter briefly with his/her Steward or designate, if the Steward or designate is on the Company's premises at the time. Following this brief discussion, the Company will discuss the facts giving rise to such discipline with the Steward or designate before taking such action, provided one of them is on the Company's premises at the time. If such Union representation is not available, the employee will be sent off the premises and a meeting will be held by the end of the next day shift on which a Union representative is at work, weekends and statutory holidays excluded. In the event the Company decides that no disciplinary action is to be taken, the employee will be paid for the balance of the shift on which he was sent off the premises.
**Section 5**: The Company shall not use any disciplinary notices or disciplinary actions against an employee after he has maintained a clear record for a twenty-four (24) month period if he has up to three (3) years seniority and for a period of twelve (12) months if he has three (3) or more years seniority.

**ARTICLE 3 - HOURS OF WORK**

**Section 1**: Eight (8) hours per day shall constitute a day's work. Starting and quitting time shall be subject to local and climatic conditions. Forty (40) hours per week shall constitute a week's work Monday to Friday inclusive.

Normally the hours of work will be as follows:

- **Day Shift**: 7:00 a.m. - 3:30 p.m.
  half (1/2) hour unpaid lunch period

- **Afternoon Shift**: See Letter of Understanding

- **Night Shift**: 12:00 midnight - 8:00 a.m.
  twenty (20) minute paid lunch period

**Section 2**: Where an employee reports for work at his regular starting time he will be paid reporting pay of four (4) hours at his regular hourly rate unless work is not available due to conditions over which the Company has no control.

In the event that work cannot be provided due to weather conditions, the Company will attempt to notify all employees concerned to this effect. An employee who cannot be reached and reports for work at or within one (1) hour of his/her regular starting time and performs the work assigned to him shall qualify for the reporting pay provided for in this Article, providing that his/her current telephone number is on record with the Company.

**Section 3**: When possible, suitable light duties will be provided to an employee who is injured on or off the job and who is authorized to perform light duties by his/her doctor for a temporary period of time.

**ARTICLE 4 - SHIFT WORK**

**Section 1**: In the case of a three (3) shift operation, involving equipment being operated on a continuous basis, the Company will provide a lunch period of twenty (20) minutes for employees assigned to work on such equipment during the designated shifts and the lunch period will be scheduled within the middle one and one-half (1 1/2) hours of the shift or at a time or times determined by mutual consent.

A list of employees to be assigned to a three (3) shift operation will be posted on Wednesday immediately preceding the shift rotation and a copy will be provided to the Chief Steward. For every employee assigned to the night shift, an equal number of employees will normally be assigned to the offsetting day shift and afternoon shift schedule.

**Section 2**: In the event an employee is required to change from his/her scheduled hours of work part way through a regular work week, he/she shall be paid at the rate of double (2)
time for all hours worked on the first scheduled shift following the change of shift. If an employee is required to change his/her scheduled hours of work over a weekend that falls midway through the employee's normal two week shift rotation, and fourteen (14) calendar days advance notice advising of the change has not been given, the first shift worked following the change of shift shall be paid at the rate of double (2) time.

The shift schedule shall be posted in January of each year for the calendar year.

Employees with the same classification and ability will be allowed to exchange shifts that will not exceed more than fifteen (15) shifts per year per employee and must be approved by their supervisors in advance with a notice of seven (7) calendar days. Five (5) of these fifteen (15) exchanges of shifts must be for one of the two weeks of a full rotation. The remaining (10) allowable exchanges may be in single days. These single exchanges must be approved by their supervisors in advance with a notice of forty-eight (48) hours. The shift exchange will be counted as one exchange for the asking employee of the approved exchange.

Section 3  Overtime worked either before or after an employee’s scheduled hours of work does not constitute a change of shift.

Section 4  When other than one shift is worked, a shift bonus of eighty-five cents ($0.85) per hour will be paid to all employees working on the (2nd) shift. When a third (3rd) shift is worked, a shift bonus of one dollar ($1.00) per hour will be paid to all employees working on the third shift. The shift bonus that is in effect for the employee’s regular scheduled shift will continue to apply for the period of overtime worked.

Section 5  Employees will be required to work the shift to which they are assigned on a rotational basis. However, the Company will undertake to allow employees with twenty or more year’s seniority, preferential treatment with regards to working shifts. Such employees however must work the shift assigned to them by the Company if sufficient numbers of qualified employees with lesser seniority are not available to fill the required shift quota, or to ensure that no employee with lesser seniority would be required to work more than one normal afternoon and night shift rotation before being provided with the opportunity to work on the day shift, or other situation which following discussion with the Union reveals that lesser seniority employees are being disadvantaged as a result of application of this provision. If all employees within a classification working in the same general area of the plant have more than twenty (20) years’ seniority, selection for a preferred shift will be made on the basis of seniority.

ARTICLE 5 - RATES OF WAGES

The following minimum rates of wages will be effective on the dates shown:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Dec 24, 1947</th>
<th>Jan 1, 1948</th>
<th>Dec 24, 1948</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance Line Work</td>
<td>$2.75</td>
<td>$2.80</td>
<td>$2.85</td>
</tr>
<tr>
<td>Maintenance Labor</td>
<td>$2.75</td>
<td>$2.80</td>
<td>$2.85</td>
</tr>
<tr>
<td>Car Repair</td>
<td>$2.65</td>
<td>$2.70</td>
<td>$2.75</td>
</tr>
<tr>
<td>Welder/Machinist</td>
<td>$2.65</td>
<td>$2.70</td>
<td>$2.75</td>
</tr>
<tr>
<td>Operator/Foreman</td>
<td>$2.65</td>
<td>$2.70</td>
<td>$2.75</td>
</tr>
<tr>
<td>Trackmotor Operator</td>
<td>$2.65</td>
<td>$2.70</td>
<td>$2.75</td>
</tr>
</tbody>
</table>
(a) Employees designated as Lead Hands shall be paid one dollar ($1.00) per hour more than the base rate of the highest classification in the occupational group immediately under their direction.

(b) The following premiums for possessing welding tickets in the following processes will apply to employees who are qualified Welder Mechanics, Maintenance Repair:

- 4 position Fluxcore (FCAW) $0.20
- Aluminum - 2 position $0.10
- or - 4 position $0.25
- Stainless Steel $0.10

The above premiums will be paid while holding a valid ticket in the process. If the ticket expires the premium for that ticket will be removed until production needs dictate and the ticket is reacquired. The most senior employees in the process will be given the first opportunity to reacquire their ticket. The basic Welder Mechanic qualifications must be met before any of these premiums apply.

ARTICLE 6 - HELPER IMPROVERS

Section 1 Helper Progression

Criteria for progression of Helpers - employees will be considered for suitable training opportunities to upgrade skills and advance towards a higher paying classification consistent with operational requirements using the following criteria:

a. Seniority standing.

b. Degree to which the new training will complement or advance training already completed, either prior to or during employment with the Company.

c. The amount of previous experience and/or formal education that demonstrates a record of success in previous training undertakings.

d. Skill, competence, efficiency, and experience as demonstrated in current work assignments.

Helper to Car Repair "C": The selected Helper will receive a $0.50 per hour increase after 9 months (3 months probation plus 6 months), and for each quarter thereafter until such time as they reach the Car Repair "C" rate.

In the case where the employee has not demonstrated the necessary capability for advancement, the circumstances shall be discussed with the Union and the employee shall be
advised of the required improvement(s). Thereafter the employee's progress shall be reviewed at least every Six (6) months with the objective of advancing the employee. Where it is found that the Helper is not making satisfactory progress, he or she will maintain their current rate of pay.

Progression to the higher classification will be discussed with the Union. The final decision shall be at the discretion of the company and based on business needs.

Section 2 Car Repair Progression

a) Car Repair 'C' to Car Repair 'B': advancement eligibility requires minimum of 4000 hours, and demonstrated ability.
b) Car Repair 'B' to Car Repair 'A': advancement eligibility requires minimum of 3000 hours.

The following guidelines will be used when advancing from his/her present classification to a higher classification.

On completion of hours worked as indicated above, in the present classification, the employee who has successfully demonstrated the capability of carrying out the required duties on a variety of job tasks in a qualified manner shall be eligible for progression to the higher classification.

In the case where the employee has not demonstrated the necessary capability for advancement, the circumstances shall be discussed with the Union and the employee shall be advised of the required improvement(s). Thereafter the employee's progress shall be reviewed at least every Six (6) months with the objective of advancing the employee to the next higher classification.

Progression to the higher classification will be discussed with the Union. The final decision shall be at the discretion of the company and based on business needs.

ARTICLE 7 - OVERTIME

Section 1 Overtime rates shall be paid for on the basis of time and one half (1-1/2) for the first two (2) hours of overtime required after the close of the regular working day, after which double (2) time shall be paid for all work performed. Following completion of eight (8) overtime hours worked in a regular one (1) week period (Monday to Friday), all additional overtime hours worked by that employee shall be paid at double (2) time rate. Overtime worked before the start of an employee's regular shift shall be paid for on the basis of time and one half (1-1/2) time rate. Time and one half (1-1/2) shall be paid for all work performed on Saturdays. Double (2) time shall be paid for all work performed on Sundays and recognized holidays.

In the event of a (2) shift operation (2nd shift, four (4) ten (10) hour shifts), should overtime be required in excess of 8 hours of overtime has been worked, Monday to Friday, the rate for the Saturday would be double time (2 times).

Overtime may be banked in order to be used for paid time off, to a maximum of 40 hours banked in a 12 month period. Any residual amount of banked time will be paid to the employee no later than the 2nd pay period in December. Banked time must be withdrawn in minimum half day (4 hour) increments. Seven (7) calendar days advance notice must be given to the Supervisor to withdraw banked hours.

Section 2 If an employee is not advised of overtime work on the day prior to the day the overtime is required, a fifteen dollar ($15.00) meal allowance will be paid in the next pay
cheque to the employee affected who works more than (2) two hours overtime immediately following his/her normal end of work day or shift period. The employee shall have the option of either receiving the meal allowance on his/her cheque or be allowed to have a quick meal during a twenty (20) minute paid lunch break following the first two (2) hours of overtime.

**Section 3** When overtime is required on Saturdays, Sundays or recognized holidays, the Company will schedule a minimum of four (4) hours work. The employee affected shall receive a minimum of four (4) hours pay at the applicable overtime rate. In the case where an employee who has left the premises is called in on overtime after the close of his/her normal work day or shift, the Company may normally schedule a minimum of four (4) hours work. The employee affected shall receive a minimum of four (4) hours pay at his/her normal straight time rate or the applicable overtime rate for hours actually worked whichever is the greater amount. If the employee leaves the premises at his/her request he shall be paid only for the hours actually worked. If overtime is cancelled during the day it would otherwise have been worked, a payment of two (2) hours pay at the applicable straight time rate will be made to the individual so affected by the cancellation.

**Section 4** It is the intent of the Company to distribute overtime in a fair and equitable manner amongst those employees qualified to perform the work available. When overtime is required, it will be offered to the employee(s) who normally work in the same general area of the plant with due regard to the work in question, the classification(s) affected and the employees who have the required skills and who have a lower accumulated overtime record than other similarly skilled employees. When an employee is unavailable for, or refuses overtime work, or not present to be asked, the requested overtime hours will be charged against the employee on the list as having worked.

The Chief Steward may review the overtime record at the Personnel Office and discuss the distribution of overtime with management if an apparent inequity exists.

New employees will be assigned the average overtime of employees in the same classification following completion of their probationary period. Similarly, employees absent from work shall be assigned the average overtime of employees in their classification in their department that accrued during their absence upon their return to work.

As the intent is to emerge with a fair distribution over an annual period, the overtime record will be reviewed with the Chief Steward quarterly and the overtime distribution list will be returned to zero at the end of each calendar year. A claim by an employee that overtime has not been fairly distributed must be initiated within ten (10) working days following posting of the overtime record at the time of each quarterly review.

Overtime shall be accepted or refused by employees by signing the record slip provided to them when overtime is requested.

**Section 5** Overtime is considered voluntary except in emergency situations. For the purposes of this Article, the word emergency means an unforeseen situation whose solution cannot be postponed and which requires an immediate intervention and in such event the Chief Steward will be informed when feasible to do so. When a sufficient number of qualified employees cannot be scheduled to perform the work, overtime may be cancelled with no compensation to employees who have already been scheduled or have agreed to such overtime.

**Section 6** When overtime is required on a weekend, notice will be given to employees affected by the overtime requirement by noon on Friday, whenever possible.
ARTICLE 8 - VACATIONS WITH PAY

Section 1 All employees shall be paid holidays with pay by the Company at the rate of four percent (4.25%)** of the employees' total earnings, provided this is not less than Provincial Statutes call for.

Section 2 (a) All employees with three (3) or more years of service with the Company, as of June 30th of the vacation year, shall be entitled to two (2) weeks vacation and at the rate of six percent (6.25%)** of the employee's total earnings.

Section 2 (b) All employees with five (5) or more years of service with the Company, as of June 30th of the vacation year, shall be entitled to three (3) weeks vacation and at the rate of six percent (6.25%)** of the employee's total earnings.

Section 3 All employees with ten (10) or more years of service with the Company as of June 30th of the vacation year, shall be entitled to four (4) weeks vacation and at the rate of eight percent (8.25%)** of the employee's total earnings.

Section 4 All employees with twenty (20) or more years of service with the Company as of June 30th of the vacation year, shall be entitled to five (5) weeks vacation and at the rate of ten percent (10.25%)** of the employee's total earnings.

Synopsis of Vacation Provisions:

<table>
<thead>
<tr>
<th>Years of service as of June 30th</th>
<th>Time off</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 2 years</td>
<td>2 weeks</td>
<td>4.25%</td>
</tr>
<tr>
<td>3 to 4 years</td>
<td>2 weeks</td>
<td>6.25%</td>
</tr>
<tr>
<td>5 to 9 years</td>
<td>3 weeks</td>
<td>6.25%</td>
</tr>
<tr>
<td>10 to 19 years</td>
<td>4 weeks</td>
<td>8.25%</td>
</tr>
<tr>
<td>20 years or more</td>
<td>5 weeks</td>
<td>10.25%</td>
</tr>
</tbody>
</table>

Note : The above rates are inclusive of vacation pay on vacation pay.

Section 5 If a paid recognized holiday falls within an employee's regular vacation period, the vacation period will be extended by one day for which the employee will be paid eight (8) hours at his/her regular straight time rate.

Section 6 The plant vacation shutdown will normally be scheduled during the last two (2) weeks of July, except depending on operational requirements, the Company under extenuating circumstances may change the vacation period. The employees will be notified as to the date of the vacation period in January of each year and the date vacation pay will be available by May 15th of each year. Employees actively at work at the time of shutdown who have five (5) or more years of service shall receive two (2) weeks straight time pay or the applicable percentage as outlined in this Article whichever is the greater amount if they had been off work during the year on Weekly Indemnity benefits.

Section 7 Requests for vacation shall be made by the employee on Company vacation request forms by March 31st. To change scheduled vacation weeks after March 31st, approval must be
received at least (2) two weeks prior to leaving on vacation (1 week if the request arises because of a shift change imposed by the Company).

Section 8: Preference for granting the vacation weeks requested shall be determined on the basis of seniority provided that the request does not conflict with operational requirements of the plant.

Section 9: Employees are required to take at least a one (1) week block of their vacation entitlement.

Section 10: Commencing December 4, 2006, all earned vacation pay will be paid out to each employee and included in their weekly earnings.

ARTICLE 9 - RECOGNIZED HOLIDAYS

The following paid holidays will be recognized by the Company and be paid for at the employee's regular hourly rate for the standard hourly day prevailing at the time of the holidays:

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

Rememberance Day: If an employee is a war veteran he/she shall be entitled to this day as a paid holiday. Satisfactory documentation to confirm war veteran status must be provided.

In order to qualify for the holiday pay, the employee concerned must have worked both the working day immediately before the holiday and the first working day after the holiday unless absent with permission of an authorized Company Representative. If unable to work the day before or the day after a holiday due to sickness, the employee must have a doctor's certificate stating he/she was unable to be at work. In any event, employees absent due to illness or accident in excess of two (2) calendar weeks at the time of the holiday will not be entitled to receive pay for the holiday.

An "attendance incentive" will apply during the term of the present agreement. Employees who have been absent less than ten (10) days (less than 80 hours), or pro-rated portion thereof per year but more than five (5) days or pro-rated portion thereof (excluding scheduled vacation, paid holidays, Workers' Compensation or Weekly Indemnity cases) (CH1012) will qualify for a payment at the Christmas/New Year holiday period equivalent to the employee's regular hourly rate for the standard hourly day prevailing at the time of the Christmas/New Year holiday period. Employees who are absent ten (10) or more days or pro-rated portion thereof per year or employees hired after August 31st of the current year, or employees not actively employed or who would not otherwise qualify for the normal paid holidays provided for under the Agreement at the Christmas/New Year holiday period will not qualify for any payment whatsoever under this payment provision. Employees who have been absent five (5) days or less, or pro-rated portion thereof per year will qualify for a payment of two (2) days instead of one (1) day at the Christmas/New Year holiday period.

When the Company does not necessitate the use of the incentive day/s to affect the closure of the shop during the period between Christmas and New Years or at any other occasion that may necessitate such a need, the incentive day/s (maximum of 2) earned in 2005 may be used
as floating vacation day/s during the first quarter (by March 31st) of 2006. Requests to take this/these floating vacation day/s must be made on Company vacation request forms and approval must be received at least (2) weeks prior to taking the day. If the day/s is not taken then the day/s shall be paid out in the 1st pay period in April 2006. Employees who qualify for an incentive payment, have the option to request payment at the Christmas/New Year holiday period.

ARTICLE 10 - UNION SECURITY AND CHECK-OFF

Section 1 The Company agrees that all employees covered by this Agreement who are members of Lodge #128 shall maintain their membership in said Lodge during the life of this Agreement as a condition of employment, and that all new employees must become members of Lodge #128 within sixty (60) work days or shifts from the start of employment and remain members during the life of this Agreement.

Section 2 The Company will deduct from the first pay period of each month, Union dues covering all employees engaged on work coming within the scope of this Agreement, also initiation fee or reinstatement fee covering new employees within the probationary period. Such amounts will be remitted together with a list of names from whom the deductions have been made to the Secretary of the Local Union designated by an official representative of the Union.

Section 3 The Company shall deduct from each pay period, one half of one percent (1/2%) (Shop Dues Assessment) of the gross hourly wages and shall be submitted along with the monthly dues, initiations and reinstatements and a list of those for whom the deductions were made, no later than the fifteenth (15th) day of the following month.

ARTICLE 11 - CONDITIONS

Section 1 For the purpose of carrying out this Agreement, the Company concerned shall deal only with the accredited Representative of the International or the Local Union.

Section 2 These new rates and conditions will apply to all work coming under the jurisdiction of the Local Union executed by the Company.

ARTICLE 12 - SENIORITY

Section 1 (a) New employees will be considered probationary employees until they have completed sixty (60) work days or shifts after which their service and seniority will date back to the date of hiring. Seniority is defined as length of service with the Employer in the bargaining unit as provided in this Article.

(b) The senior employee shall be the last to be laid off and conversely the first to be recalled from layoff provided that such employee has the ability and qualifications to perform the required work.

(c) Layoffs:

(i) Reduction of forces shall be by seniority within the classifications. Probationary employees shall be laid off first within the classification effected.

(ii) An employee who is to be laid off shall have the choice to displace an
employee of lesser seniority in an equal or lower paying classification providing he has the ability to perform the work required except as in c (iii) or take the layoff. An election to displace another employee must be exercised within three (3) days of notice or one-quarter (1/4) of the notice period, whichever is greater.

(iii) The ability factor is not in question if the employee chooses to displace a Labourer, or Helper.

(d) Recalls; (i) Recall of employees shall be made as required into their classifications and in inverse order of the procedure outlined for the reduction of forces.

(ii) A laid off employee or an employee working outside his/her classification as a result of reductions will be subject to recall according to seniority to his/her own classification.

(iii) A laid off employee is also entitled to recall to any classification which he travelled downward into during layoff procedures.

(iv) An employee may refuse a recall to any classification other than the classification held prior to invoking any rights to displace a less senior employee without losing recall rights.

(v) Failure to report to work after permanent recall to his/her own classification as outlined above will activate Section 4(c).

(e) (i) No "B" level welders or car repair persons shall be recalled until all "A" welders or car repair persons have been recalled subject to seniority and ability to perform the required work.

(ii) If seniority in the classification effected by a layoff is equal, then attendance over the past twelve (12) month period shall be the determining factor. Absence on Worker's Compensation benefits, Weekly Indemnity benefits or approved leave of absence shall not be included when determining attendance for this purpose.

Section 2  Seniority plus the ability to perform the work required shall govern when forces are reduced, or on recall to work. In the event it becomes necessary to reduce the working force of employees, the employees so affected with over one (1) year of service with the Company shall be notified three (3) days prior to the employee's last scheduled day of work; employees with less than one (1) year of service with the Company shall be notified four (4) hours prior to the end of the shift on the employee's last scheduled day of work. In any event, it is agreed that the Company will give the Chief Steward or designate twenty-four (24) hours advance notice before notifying employees of an impending lay-off. The notification in this Section will apply in cases of temporary lay-off whenever circumstances permit. In the event of an indefinite lay-off, the Shop Steward concerned and Chief Steward shall be consulted regarding employees to be affected. In the case of recalls the Chief Steward or designate shall be consulted twenty-four (24) hours in advance of the recall.

Section 3 Employees promoted or transferred to a position outside of the bargaining unit shall maintain seniority for a period of six (6) months from the date of promotion or transfer. Where
the assignment is of a temporary nature or due to special circumstances, except in the case of
promotion to the position of Foreman, seniority will be maintained for the duration of the
assignment and the Union will be advised regarding the nature and expected duration of the
assignment.

Section 4. An employee shall lose seniority and be considered terminated due to the following
conditions:

(a) Discharged for just cause.

(b) Voluntary termination of employment.

(c) Failure to report for work within seven (7) normally scheduled working days of
recall, measured from the date notification is sent by registered mail to his/her last address
on file with the Company, without permission.

(d) Lay-off for a period equaling length of service at the time of layoff to a maximum
of two (2) years except the period shall be three (3) years for an employee with ten
(10) or more years of service at the time of layoff, or absence due to illness or injury for a
period in excess of eighteen (18) months.

(e) Failure to return to work following an authorized period of leave of absence, without
permission.

(f) If he is absent from work for more than two (2) scheduled working days without
notifying the Company, and fails to respond to a registered letter sent to his/her last
address on file with the Company within five (5) scheduled working days from the date
such notification is mailed. The Chief Steward or designate shall be provided with a copy
of the letter at the time of mailing.

(g) (a) Employees with five (5) or more years of service when laid off and who lose their right
to recall shall be paid a single one time severance payment amounting to two weeks
pay for each full year of service, to a maximum payment of fifty two (52) weeks.
Payment shall be based on the average weekly earnings over the last twelve (12)
month period when last actively employed and shall be considered a special deferred
severance allowance when paid at the time of the loss of recall rights.

(b) Employees with five (5) or more years of service that are laid off may elect to waive
their recall rights within 2 weeks of lay-off and receive the severance package as per
section 4 g) (a). This amount includes pay in lieu of notice, as per ESA 2000.

Section 5. Subject to Section 4, during periods of layoff, seniority for the purposes of layoff,
recall and vacation entitlement will accumulate for a period equal to length of service to a
maximum of eighteen (18) months duration. Seniority shall accumulate for a period of up to
eighteen (18) months in the case of absence from work due to illness or injury. In the case of
an authorized leave of absence, seniority will accumulate for a period of no more than thirty
(30) days.

Section 6. In the event of layoff and as long as there is work available that he is qualified to
perform, the Chief Steward shall be considered as having the highest seniority for the purpose
of layoff and recall after layoff, providing he/she has a minimum of five (5) years seniority
standing with the Company. In any event, the Union agrees to indemnify the Company against
any complaint or grievance by any employee that his/her seniority rights have been violated as a result of application of this Section.

ARTICLE 13 - RETIREMENT PLAN

The Company has a non-contributory retirement plan for all employees covered by this Collective Agreement. The Plan which is covered by its own terms meets the requirements of the applicable laws and will be compulsory for all employees beginning January 1, 1986.

Employees with ten (10) or more years of service and who retire on or after age sixty-two (62), (pension funds must be utilized as retirement income within a three (3) month period) will have life insurance AD&D, major medical and dental coverage continue to apply at their then present level until they reach age sixty-five (65), at which time they will reduce to the retiree level.

ARTICLE 14 - GRIEVANCE PROCEDURE

Any complaint or grievance must be adjusted as quickly as possible. The Foreman or Supervisor shall be given the first opportunity of adjusting such a complaint.

Step 1 - On the failure of the Foreman or Supervisor to adjust such a complaint, the employee will be entitled to have the complaint dealt with on his/her behalf by the Steward of the Department and Chief Steward. The Foreman or Supervisor shall reply to the complaint or grievance within twenty-four (24) hours from being notified by the Steward.

Step 2 - If the complaint or grievance is not settled at Step 1., it shall be reduced to writing and referred to the Shop Superintendent who shall reply in writing to the complaint or grievance within three (3) normally scheduled working days from being notified.

Step 3 - If the complaint or grievance is not settled at the above Steps and after discussion between the accredited representative of the Union, the Chief Steward and the Director, Mechanical Services or designate, the dispute is still not satisfactorily resolved, it may be submitted to Arbitration no later than ten (10) calendar days following the reply at Step 3 in accordance with Article 15 of this Agreement.

All grievances must be initiated within three (3) normally scheduled working days of the incident giving rise to the grievance and pursued to the next step of the grievance procedure within three (3) normally scheduled working days of Management's reply. At Step 3, the Company's reply following the meeting between the accredited representative of the Union and the Director, Technical and Mechanical Services shall be rendered within three (3) normally scheduled working days.

Time limits where specified in this Article may be extended by mutual agreement in writing between the Company and the Union.

ARTICLE 15 - ARBITRATION

Should any difference of opinion arise as to the proper interpretation of this Agreement, the case must go to arbitration as is provided for in the Ontario Labour Relations Act.
ARTICLE 16 - CO-OPERATION

The employees mentioned in this Agreement, agree to co-operate and assist in every legitimate way with the Company, to conduct a successful business, bearing in mind that both parties must give service to the public.

ARTICLE 17 - NO STRIKE, NO LOCK-OUT

During the term of the Agreement, the Union agrees that the employees will not participate in any strike, slow-down, sit down, or any other action which will interfere with work or production and the Company agrees there will be no lock-out of employees.

ARTICLE 18 - PROTECTIVE CLOTHING AND WASH UP PERIOD

Section 1 - The company agrees to issue a one time payment equal to $250.00 for each year of this contract towards the cost of safety boots and rubber overshoes (combined) for all eligible employees. This payment shall be made no later than the second pay period in December of each year of this contract.

For new employees, this payment will be made following completion of three (3) months of active service and this will represent the payment for that year.

Section 2 - The Company agrees to supply work gloves to employees working in those areas of the plant where work gloves are required and to issue gloves to such employees on a replacement basis following normal wear. In addition, the Company agrees to keep a supply of protective trousers and jackets for employees performing a gouging operation, and welding aprons for welders performing overhead welding, all on a return (tool tag) basis.

Section 3 - Suitable coveralls or parkas used during the winter months (either full or ¾) will be replaced whenever they are in an unfit condition. The company will arrange for the cleaning of these winter garments as required.

Section 4 - As a condition of employment, employees are required to perform duties outside during inclement or extreme weather. Outside work during such inclement weather shall be distributed in a fair and practical manner. However, the Company will agree that during the term of the current Agreement, weather conditions will be monitored by the Supervisor and the Union. In the event of heavy rain, suitable protective clothing or alternate work under protective cover will be provided. At the discretion of the Supervisor, employees will be permitted to "punch out" and leave the premises. Employees who leave work without permission shall be subject to disciplinary action.

Section 5 - The Company agrees to allow ten (10) minutes immediately prior to the completion of each full shift as a wash up period without loss of pay. If an employee is scheduled to work overtime following the end of his/her regular shift, he shall be granted a ten (10) minute paid break in lieu of his/her wash-up period and shall be granted a five (5) minute paid wash-up period at the conclusion of his/her scheduled overtime.

Section 6 - The Company will provide a ten (10) minute break period during each half shift.
ARTICLE 19 - HEALTH & WELFARE

Section 1 - Life Insurance and A.D.& D. Coverage will be thirty-six thousand ($36,000) in the first (1st) year, and thirty-seven thousand ($37,000) in the second (2nd) year of the contract for eligible employees with the option to purchase an additional five thousand ($5,000) of Life Insurance only at a cost of one dollar and seventy-five cents ($1.75) per month, or ten thousand ($10,000) of Life Insurance only at a cost of three dollars and fifty cents ($3.50) per month, or fifteen thousand dollars ($15,000) of Life Insurance only at a cost of five dollars and twenty-five cents ($5.25) per month, or twenty thousand dollars ($20,000) of Life Insurance only at a cost of seven dollars ($7.00) per month or twenty-five thousand dollars ($25,000) of Life Insurance only at a cost of eight dollars and seventy-five cents ($8.75) per month.

Section 2 - The weekly Sickness and Accident Benefit will be sixty-six percent (66%) of base pay per week for employees qualifying for the benefit whose claim is incurred after January 1, 2002. The Company shall provide a Long Term Disability benefit of fifteen hundred dollars ($1,500.00) per month, as outlined in the Group Insurance Plan descriptive document, effective with all new claims from December 4, 2006.

Section 3 - The Company agrees to provide a major medical benefit. Details of the Plan are contained in a separate descriptive document. Major medical applies during periods of total disability. A retired employee's spouse will continue to receive the remainder of the benefit to the two thousand and five hundred dollars ($2,500) lifetime maximum following the death of the retiree. New employees hired as at December 4, 2008 and thereafter, will not be eligible for retiree life insurance or retiree major medical for themselves or their spouse.

Section 4 - The Company agrees to provide a dental plan for employees who complete three months of continuous service. Details of the plan are contained in a separate descriptive document.

Section 5 - The Company's normal contribution toward the cost of the coverage as provided under the above sections shall be as follows:

(a) For employees who have completed ninety (90) days of active service with the Company, the Company's contribution toward the cost of the coverage shall be one hundred percent (100%).

(b) The Company contribution for Health & Welfare purposes will be based on hours of active employment; however, employees absent due to sickness, off the job accident, or accident covered by Worker's Compensation will continue to receive the Company contribution to which they are entitled, for a period of up to twelve (12) months duration following disability.

(c) Employees with five (5) or more years of service at the time of lay off shall continue to receive Life Insurance, Dental and Major Medical (Drug Plan) coverage for up to three (3) months duration following lay-off. Except where the employee has elected to waive their recall right as per Article 12-Seniority, Section 4 (g) (b).
Section 6 - The Company will provide a vision care plan (prescription eye glass purchase plan) for an employee and his/her dependent family members (dependents shall be those family members who qualify for coverage under the major medical benefit provided under Section 3 above) following three months of continuous service. Payment towards the cost of prescription eye glasses and/or prescription contact lenses shall be one hundred and $100.00 on presentation of a receipt for purchase made during the period extending from January 1, 2023, to December 31, 2023. Any amount not used during this period can be combined with the one hundred and $100.00 maximum authorizing $200.00 toward the purchase of prescription eye glasses and/or prescription contact lenses.

Section 7 - Employees who are injured on the job will be paid for the balance of the shift on which they are injured providing that absence is recommended by a doctor resident in Sarnia, Ontario or they qualify to receive Worker's Compensation lost time benefits.

ARTICLE 20 - Bereavement Leave

In the event of the death of a Father, Mother, Wife, Common law spouse, Son or Daughter of an employee who has completed the probationary period and is actively employed at the time of the bereavement, the Company shall grant a leave of absence with pay not exceeding three (3) consecutive and continuous days excluding Saturday and Sunday starting no later than the date of the funeral providing these are days the employee would normally have reported to work. In the event of the death of a Mother-in-Law or Father-in-Law, Brother, Sister, Grandchild or Grandparents of the employee, the Company shall grant three (3) consecutive and continuous days leave of absence with pay excluding Saturday and Sunday for the purpose of attending the funeral, providing these are days the employee would normally have reported to work. If the employee does not attend the funeral, the employee shall be granted one (1) days leave rather than three (3) days leave as provided for in the previous sentence. In the event of the death of a Brother-in-Law, Sister-in-Law, Grandmother-in-Law, Grandfather-in-Law, Stepfather or Stepmother of the employee or Aunt and Uncle of the employee, the Company shall grant one (1) days leave of absence with pay for the purpose of attending the funeral, providing this is a day the employee would normally have reported to work.

ARTICLE 21 - Jury Duty & Subpoenaed Witness

The Company shall pay to any employee who is actively employed and who may be required to serve as a juror or is subpoenaed as a witness in any court of law in the Province in which he resides, the difference, if any, between the amount paid to him for his/her jury service or witness service and his/her regular rate for the standard hourly day prevailing during the same period of time, upon presenting to the Personnel Department, proof of the amount of payment received for such service, providing these are days the Employee would normally have reported for work and providing the Employee has given notice to the Personnel Department of the requirement to be absent from work at least one full shift prior to leaving work to act as a juror or witness.

ARTICLE 22 - Safety Committee

There shall be a Safety Committee consisting of two (2) representatives designated by the Company and two (2) Representatives designated by the Union to discuss safety measures. In addition, a Chairman of the Safety Committee shall be appointed by the
Company to supervise and assist in all Committee activities and to ensure compliance with all applicable laws regarding joint health and safety committees. Meetings of the Committee shall normally be held once every two (2) months. The Company shall provide the Safety Committee with a copy of each Lost Time Accident report, and in the event of an investigation of a Lost Time Accident, the Company shall provide the Safety Committee with a copy of the Investigation Report. If requested by the Employee, the Company will provide a duplicate copy of the First Aid treatment record of injury stating time and date of injury and treatment. The Safety Committee will be notified of all lost-time injuries.

ARTICLE 23 - DURATION OF AGREEMENT

This Agreement is effective on December 1, 2010, and is to remain in full force and effect to December 31, 2012, and from year to year thereafter. Should either party to the Agreement desire any changes, written notice must be given by the party desiring the change, stating in full the desired change, or changes, no more than ninety (90) days and no less than thirty (30) days prior to December 31, 2012, or any subsequent anniversary date of this Agreement.

ARTICLE 24 - JOB POSTINGS

a) When the Company intends to increase the numbers of hourly employees within a classification, the position will be posted for a period of three full working days.

b) The Job Posting shall include the following information:
   - Job Classification
   - Wage Rate
   - Date initially posted and expiry date
   - Approximate number of positions available.

c) Upon expiry of the posting, the Company shall be free to recruit externally until the vacancy(s) is/are filled. An employee may respond to the original posting during this external recruiting period if the available positions have not yet been filled.

d) All applications must be made to the Company in writing. Applications received within the posting period will be answered to the Employee and the Union in writing within a further 5 day period.

e) Seniority shall govern in the selection of applicants, providing the applicant demonstrates the skill and ability to perform the normal requirements of the classification.

f) The applicant chosen shall enter a familiarization period (not a trial period) of 10 working days or shifts. If poor performance is demonstrated or the Employee so chooses, he/she shall be returned to his/her previously held classification at any time within the familiarization period.

Consideration will be given to those who are eligible under Step Progression, Article 6.

Signed this ___________ day of __________________, 2011.
For:

Procor Limited

Maria Freitas

David Thorpe

Craig Rioux

International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local 128

Per Uly Atkinson

President / Business Representative

David Jarvis/ Chief Steward

Gord Neely
Letter of Understanding
between
The International Brotherhood of Boilermakers, Local 128
and
Process Samia Car Repair Shop

During the process of our negotiations it was agreed that certain provisions would apply during the life of the renewal Agreement:

1. It is agreed that salaried employees shall not work on jobs normally performed by bargaining unit employees within the shop, except for the purpose of instruction and/or experiment.

2. A notice board for Union business will be provided in the lunchroom. Notices must be approved for posting by the Superintendent or designate in advance and such approval shall not unreasonably be denied.

3. Coveralls will be provided to employees on the established basis without charge; however, as in the case of other supplied equipment employees will be responsible for replacement if coveralls are lost or damaged through abuse.

4. An incident that may give rise to disciplinary action should be investigated without undue delay and the penalty imposed as soon as possible thereafter except in the case of a suspension which will commence within five (5) working days of the incident under normal circumstances.

5. An employee being time studied shall be advised when a time study is being conducted.

6. When the Company plans to undertake formal training a notice will be posted, with a closing date indicated on the posting. This list of employees shall be valid for 6 months from the date the posting is closed, or once the formal training has occurred. The Chief Steward will be given copies of all postings and sign-up lists.

Selection for training of existing employees will be made from this list with consultation from the Union. If relevant skill level and personal suitability are similar seniority will be the deciding factor. The Company may choose not to select an employee where it is apparent that the additional skill will not be used on a regular basis following completion of the training.

7. The Company will inform the Union of technological changes.

8. The Company will recognize completion of service for additional vacation entitlement if an employee’s seniority date falls between July 1st and December 31st, instead of using the standard June 30th cutoff as outlined in Article 8 in the current Collective Agreement.

9. The afternoon shift will work four (4) ten (10) hour days Monday to Thursday from 3:15 p.m. to 1:45 a.m. In the event a third (3rd) (night shift) is scheduled, such shift will be scheduled from 12:00 midnight to 8:00 a.m. with a paid twenty (20) minute lunch period. In the event a third (3rd) shift is to operate over an indefinite period of time, the afternoon shift shall revert to a five (5) day, eight (8) hour schedule.
10. In the event that a bereavement occurs while an employee is on vacation, the Company will consider a compassionate unpaid leave of absence corresponding to the bereavement entitlement and will be scheduled consistent with manning requirements (vacation commences upon leaving the premises following the last shift worked).

11. The Company will take into account seniority as well as ability, and will post for, as well as consider all employees for the position of lead hand. Following a review of the applicants and discussion with the Union, the Company shall designate an employee to fill the position. The final decision remains that of the management. This does not apply to the selection of an employee to temporarily fill the position of lead hand.

12. Activities not to be done by a car repair "B"
   a. Running of Boiler
   b. Four position welding
   c. M214 Truck refurbishment
   d. Brake testing
   e. Operate shear
   f. Operate Iron worker
   g. Operate Cutting table
   h. Jack cars without an "A" mechanic present
   i. Rebuild or test any safety device without an "A" mechanic's guidance or assistance
   j. Rebuild brake pots, unless properly trained
   k. Rebuild or test bottom outlet valves without an "A" mechanic's guidance or assistance
   l. Off load acid cars

13. Activities not to be done by car repair "C"
   a. Everything a car repair "B" does not do
   b. Rebuilding of all rail car valves (angle, ball, safety)
   c. Rebuild gauge rods (excludes replacement of mag rods)
   d. Track mobile or switchmaster operator
   e. A.E. work
   f. Welding
   g. Truck work
   h. Jacking of cars
   i. Final bubble leak test
   j. Brake testing
   k. Running boiler
   l. Off load cars including draining of G.P. cars into yellow pit (except for L.P.G. cars)
   m. Will not go on rack repairs by themselves
   n. Will not operate cranes for the application of manway's without assistance
   o. Brake pots

14. Activities NOT to be done by experienced helpers
   a. everything a C or B cannot do
   b. Rack repairs
   c. All valve work
d. Includes angle valves, safety valves, and bottom outlets

e. Operate track mobile or switch master

f. Tank test

g. No AE work

h. Thermowell, sample line, gauge rods

i. Manway buttoning and unbuttoning

j. Jacking of cars

k. No hot work - cutting and welding

l. Truck work

m. No liquid off loading

n. No coating repairs (interior)
o. No flaring

p. Leak testing

q. Nitrogen purge

r. No brake work

s. No crane operation

t. No boiler work

15. This letter is written to clarify the provisions that apply to employees who work on the four (4) day, ten (10) hour afternoon shift schedule:

a) During a week in which a recognized holiday falls as outlined in Article 9 of the Collective Agreement, the Company may schedule an additional two hours work for the afternoon shift at straight time rates on one of the three work days, or one hour on two of the three work days depending on the volume of repairs that week. The recognized holiday during that week will be paid at the rate of eight hours. If the Company does not schedule an additional two hours work during that week, the holiday will be paid at the rate of ten hours for employees working the afternoon shift.

b) Subject to the approval of the Director of Employment Standards for a ten hour, four day afternoon shift, this shift schedule will be maintained for the life of the current Collective Agreement if there is the requirement to schedule the shop to work two shifts (days and afternoons).

c) In the event the need for bereavement leave occurs while an employee is scheduled to work an afternoon shift, the employee will be entitled to three continuous days as bereavement leave. The days of bereavement leave will be paid at his/her applicable straight time rate for the number of hours the employee would have otherwise been scheduled to work on those days. Since Friday is a non-work day for the afternoon shift, this day will be counted as one of the three continuous days and will not be paid.

d) Forty hours per week constitutes a week's work. An employee taking vacation during a week in which he would otherwise have been scheduled to work an afternoon shift shall be considered as having taken a week (i.e. five days) of vacation as provided for in Article 8 of the Collective Agreement.
Signed this __________ day of __________, 2011

For:

Procor Limited

International Brotherhood of
Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers
Local 128

Maria Freitas
David Thorpe
Craig Rioux

Davie A. Lewis/President / Business Representative
David Jarvis / Chief Steward
Gordon Neely / Steward