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00140 (09)

THIS AGREEMENT made this 29 day of May 2012

BETWEEN

IRON ORE COMPANY OF CANADA, a corporation duly incorporated according to the Law to carry on business in the Province of Newfoundland – Labrador hereinafter called "the Company"

OF THE FIRST PART,

AND

UNITED STEELWORKERS (Local 6731), a voluntary non-incorporated organization of employees hereinafter called "the Union",

OF THE SECOND PART,

WHEREAS by a certificate issued by the Newfoundland Labour Relations Board, dated the 1st day of June, 1965, the Union is certified as the bargaining agent for all warehouse employees employed by the Company at its Carol Project, Labrador City save and except Team Leader and those above the rank of Team Leader, office personnel and employees covered by the order of certification issued to United Steelworkers, (Local 6731) on June 1st, 1965.

NOW THIS AGREEMENT WITNESSETH that the parties hereto mutually agree as follows:

ARTICLE I

PREAMBLE

1.01 – The present Agreement is for the purpose of setting wage rates, hours of work and other working conditions as set out in this Agreement.

ARTICLE II

SCOPE OF THE AGREEMENT

2.01 – The words «employee» or «employees» wherever used in this Agreement shall mean respectively any employee or employees included in the decision of the Newfoundland Labour Relations Board dated 1^{st} day of June, 1965

2.02 – The words "student" or "students" wherever used in this Agreement shall mean respectively any person or persons who have been admitted to a college or university and are employed by the Company during the period from May 1st to September 21st. This will encompass the period of orientation and training in addition to the performance of bargaining unit work. Any student wishing to leave after the last Friday in August will notify Human Resources by August 15th. Such leave will not be denied provided the student provides verification of early program start date. MT students may be employed to perform bargaining unit work during the normal Christmas period.

2.02 a) Union and management agree to continue their current commitment to support work term placements for students performing work as part of an educational program. When the students are to perform bargaining unit work, the Union and the Company must agree to the number of work terms, students, and the occupations involved.

2.03 a) – Team Leaders, supervisory personnel, employees excluded from the bargaining unit, shall not perform bargaining unit duties where the effect is to deny an employee of the bargaining unit work for which he/she would otherwise be available. It is understood that the similarity of work and office equipment used by both groups creates duplication of duties.

2.03 a) (i) - In the interest of Security and third-party verification the Company agrees that it is the function of a store person to verify and deliver (where applicable) all material procured by Purchase Order, Supplier Contract, Purchasing Card (P-card) or any other method by the Iron Ore Company of Canada or it's employees.

If Team Leaders, supervisory personnel, other employees excluded from the bargaining unit perform work in violation of this paragraph and the employee and the work can reasonably be identified, the Company shall pay a griever working in the same classification in the bargaining unit the applicable standard wage for the time involved or for four (4) hours, whichever is greater. The Union will be advised of such payment.

ARTICLE III

MANAGEMENT RIGHT

3.01 - The Union recognizes the right of the Company to operate and manage its business in all respects and in accordance with its commitments and responsibilities. Subject to terms of this Agreement, such rights include but are not limited to the following rights to:

- a) hire, manage, promote, determine qualifications and competencies, demote, discipline for just cause, transfer, assign and direct employees;
- b) issue, enforce, change, or terminate Company policies, and work standards;
- c) introduce new or improved production methods or equipment, determine the services and location of plants, scheduling of hours of work and production, training of employees and manage procurement of material, supplies and inventory; and
- d) install, eliminate, change or consolidate operations

3.02 - The Company has the right to make and alter from time to time reasonable rules and regulations to be observed by the employees. New or modified rules and regulations of general application shall be published ten (10) days after being sent to the Union by registered mail or e-mail. At the request of the Union a meeting will be held to inform how the rules and regulations will be implemented. This meeting will be held no later than five (5) days before they are put into effect.

ARTICLE IV

RECOGNITION OF THE UNION

4.01 - The Company recognizes the Union as the exclusive bargaining agent for all employees in the bargaining unit.

4.02 - All employees covered by this Agreement must pay dues whether or not they wish to become a member of the Union.

4.03 - The Company and the Union agree that no employee shall in any manner be discriminated against or coerced, restrained or unduly influenced on account of membership or non-membership, activity or lack of activity in any labour organization, or any other discrimination covered in the Newfoundland and Labrador Human Rights Code.

4.04 a) - The Company will deduct monthly from the earnings of each employee dues authorized by the constitution of the United Steelworkers and remit to the National office of the Union by the 15^{th} of the month following deduction, with a copy to the local Union.

4.04 b) - The Union agrees to indemnify the Company for any recourse, damages or otherwise against the Company for making the above deduction and payments during the term of this Agreement.

4.04 c) - Errors in deductions will be corrected on the next payroll.

4.04 d) - New bargaining unit employees will sign an

authorization for the deduction, as per the constitution of the United Steelworkers.

4.04 e) - The Company will furnish the Union with a list of employees who have moved in or out of the bargaining unit upon request. Such list will include all pertinent data.

4.05 - When a Union representative, wishes to have discussions with an employee, the Union representative will make sure that the meeting is scheduled after hours except as permitted by this agreement so that it will not affect Company operations.

4.05 a) - When an employee is asked to attend a meeting where written discipline and/or suspension is intended, he/she will be notified of the intent of the meeting and the employee may arrange to have a Union representative accompany him/her at the employee's discretion.

4.05 b) - The Union Recording Secretary will be copied on correspondence sent to all employees. Where possible, the communication will be sent to the Union in advance.

4.06 - Bulletin boards will be provided for posting of notices of meetings and/or officers. Any additional notice requires the approval of management.

4.07 a) – During the life of this Agreement, the Company will grant leave of absence without pay to employees for the purpose of attending Union courses, conventions, conferences and committee meetings. Such leave, if granted, shall not exceed an aggregate of ten (10) weeks (70 days) in any year, and, in order not to interfere with the efficiency of operations, no more than two (2) employees

will be granted leave at a time.

4.07 b) - The Union agrees to give at least one (1) week's notice in writing to the Company requesting such leave and designating the employees for whom it is desired. Such leave will not be arbitrarily denied. All requests for Union leave of seven (7) days or less will be made to the Team Leader at least one week in advance if possible. If such leave is denied, or if the request is for leave of greater than seven (7) days a discussion will be held between the Union, Operations, and Employee Relations to further discuss the request. Such leave will not be arbitrarily denied however, operational requirements will have priority.

4.07 c) – Leave of absence without pay will be granted for the purpose of instructing at Union sponsored courses for IOC employees and the time will not exceed an aggregate total of ten (10) weeks per year.

4.08 - The Company will pay to the Executive of Local 6731, in excess of the negotiated wages, the following:

President - \$0.68/hr Vice-President - \$0.50/hr Recording Secretary - \$0.25/hr Treasurer - \$0.25/hr

4.09 - The Company will grant leave of absence without pay during the life of this Agreement for the purpose of working full time for the International Union, the Newfoundland and Labrador Federation of Labour or the C.L.C. under the following conditions:

4.09 a) - not more than one (1) employee may be on such

leave at one time;

4.09 b) - the leave must be for a period of not less than two (2) months or for not more than the life of the Agreement;

4.09 c) - It is understood that requests for such leaves or extensions thereof will not be arbitrarily denied; however, the efficiency of operations must be taken into account. As indicated in 4.09a) & 4.09b), only a limited number of employees may avail of this article. Therefore, employees granted leave will return to their previous role and shift after such leave.

4.10 - Regular scheduled shifts lost by employees for authorized leave of absence on Union business will count as shifts worked for the purpose of computing overtime. Overtime hours refused by employees on account of Union business will not be debited under the provisions of Paragraph 11.04.

4.11 – During the Induction process, a new employee will have a reserved period of time with the union.

ARTICLE V

PROBATIONARY EMPLOYEES

5.01 - A probationary employee is one with less than fortyfive (45) calendar days employment since his/her most recent date of hire. He/she shall have no seniority rights under this Agreement and the Company shall be free to release such a person. He/she may discuss with management a complaint, including termination, at a meeting with the assistance of the Union if he/she so desires.

5.02 - If after forty-five (45) calendar days' employment since his/her most recent date of hire, his/her services are satisfactory in the opinion of the Company, the employee's name shall be placed upon the Company seniority list as of the date of his/her first shift since his/her most recent date of hire.

5.03 - If a probationary employee is rehired within one (1) year of termination, he/she will be allowed to count the last accrued period towards completion of his/her probationary period.

ARTICLE VI

SENIORITY

6.00 – Definitions

For the purpose of this article, the following definitions apply:

6.00 a) – Seniority - Shall be the length of continuous service in the Labrador City bargaining unit, Local 6731.

6.00 b) - Laid off - An employee who does not maintain active employment following a reduction.

6.01 – If employees are to be laid-off the Company will post a notice fourteen (14) days prior to the layoff stating the numbers affected. Failure to give this notice will result in employees directly affected receiving pay for the regular scheduled shifts they would have worked. Any delays of three (3) days or less caused by the displacement procedure or by emergencies or reasons beyond the control of the Company shall not be subject to the grievance procedure. Copy of fourteen (14) days notice to be sent to the Union.

6.01 a) - In cases of layoff, the junior employee according to 6.00 a) so affected will be laid off.

6.01 b) - In cases of recall, the procedures in Paragraph 6.01 a) will be followed in reverse.

6.01 c) - If more than one employee is hired on the same date they shall be ranked by order of Company seniority and sequence number.

6.02 - Layoff due to curtailment of work shall not constitute a termination provided that the employee notifies the Personnel Office within five (5) days of the date of receipt of the recall notice advising whether or not he/she intends to accept. If the employee advises that he/she accepts, the employee will be obligated to return to work within fifteen (15) days of notice of recall.

6.02 a) - An employee recalled to work for a period of less than forty-five (45) days may refuse such a recall. The employee who refuses such a recall will keep all rights to a

subsequent recall. Due to the details involved, the Company will not be liable for any financial obligation as a result of errors arising out of the administration of this paragraph.

6.03 – TERMINATION

An employee shall be terminated for any of the following reasons:

6.03 a) - if the employee quits;

6.03 b) - if the employee is discharged for just and sufficient cause and is not reinstated pursuant to the provisions of the grievance procedure;

6.03 c) - if the employee is absent without permission for a period of three (3) consecutive scheduled work shifts, which case shall be considered as though the employee quit as of the day before the commencement of such absence, unless the reasons which prevented the employee from requesting such leave of absence are judged valid by the Company.

6.03 d) - if the employee does not comply with 6.02 and 6.02 a)

6.03 e) - if the employee is laid off by the Company due to curtailment of operations for seventy two (72) consecutive months;

6.03 f) - if an employee is unable to return to work within thirty-six (36) months of the commencement of his/her non-compensable sickness, injury or other disability, in the case

of an employee who has less than two (2) year's service;

6.03 g) - If an employee is unable to return to work after exhaustion of Company Long Term Disability benefits in the case of an employee with more than two (2) year's service.

6.04 EMPLOYEES TRANSFERED OUTSIDE THE BARGAINING UNIT

6.04 a) - A regular employee transferred by the Company from one United Steelworkers bargaining unit in the Company to a different United Steelworkers bargaining unit in the Company, will not be required to complete a new probationary period as a result of such transfer.

6.04 b) - In the event that an employee covered by this Agreement should be transferred to a Staff or Team Leader position outside the bargaining unit, he/she shall retain for a maximum of six (6) months, or two (2) assignments the seniority date or dates previously acquired while serving in such capacity in the event that he/she is transferred back to the bargaining unit.

6.05 - POSTING OF SENIORITY LISTS

The Company will post a seniority list in suitable locations every January 1st and July 1st and provide a copy to the Union. An employee may file a complaint, in writing, to the Personnel office as to the correctness of his/her seniority date, within thirty (30) days following the first posting of the employee's seniority date, and, subsequent to this period, the date (corrected if required) shall become final. Subsequent errors will be corrected to the aforementioned final date, and the Company will not be liable for any financial obligation as a result of errors arising out of the administration of these postings until seven (7) days after the filing of the grievances calling attention to the errors.

6.06 - SPECIAL CIRCUMSTANCES

There are special circumstances during which an employee can be reassigned without a reduction:

6.06 a) - The Company will assess, using qualified medical practitioners, employees who, due to minor disability, advancing age or other causes, are unable to maintain necessary standards of efficiency or safety for the occupation. These employees may be moved to some other occupation for which they are qualified. The Company in consultation with the union accommodation committee and with the advice from qualified medical practitioners will discuss such situations with the permission of the employee as they occur.

6.06 b) - An employee whose driver's license is suspended.

ARTICLE VII

GRIEVANCE PROCEDURE

7.01 - There shall be a Union Grievance Committee, composed of three (3) members of the Bargaining Unit. In dealing with the Company, no more than three (3) members may act on the Union Grievance Committee at any one time.

7.02 - The Union will notify the Company in writing of the names of the Union Grievance Committee members and of any changes that may occur in same. The Company shall not be required to recognize members of the committee until it has been notified in writing by the Union of the names selected.

7.03 - Not more than 5 days following the occurrence of the event giving rise to the issue or the employee becomes aware of the issue and prior to accessing the grievance process, a regular employee who feels that his/her complaint or problem could result in a written grievance must meet with his/her supervisor to discuss the issue. The employee may arrange to have a Union representative accompany him/her at the employee's discretion. Should a regular employee feel that his/her complaint or problem has not been resolved, he/she shall take the following steps in order:

GRIEVANCE PROCEDURE

Originate at Step	Time Limits to Originate Grievance	Time Limits To hear/and answer	Heard by	Maximum Union Rep. (paid regular wages or 1 hr. on own time)	Company Rep	Time Limits for Answer
Step I – Individual or Group*	5 days	5 days	Superintendent Supervisor (if requested by either party)	1 Grievance Representative Union Co Chair (if requested)	1 Company Representatives Additional Company Representative if requested by Superintendent	Included in 5 days to hear
Step II - Individual or Group* or Policy	5 days	10 days to hear plus additional 5 days to answer	Manager or designate HR Representative HR Manager (Policy) Supervisor (if requested by either party)	3 Grievance Representatives	3 Company Representatives	Included in 10 days to hear plus additional 5 days to answer
Arbitration	Union has 30 days to refer to Arbitration		Rotational list of arbitrators			Arbitrator has 30 Days to answer grievance

* For group grievances - 1 grievor will represent the group and can be accompanied by no more than 3 grievance representatives

7.03 a) STEP 1

Not later than five (5) days following the 7.03 meeting the supervisor will set up a Step 1 meeting with the superintendent. A copy of the step 1 meeting request will be given to the employee and the supervisor will forward a copy to the union and superintendent. The superintendent will arrange to hold a meeting within five (5) days to discuss the matter. When a Step 1 meeting is scheduled the employee may be assisted by one (1) member of the Grievance Committee and the Superintendent may be accompanied by another Company official. If the Supervisor was involved in the circumstances of the alleged violation of the collective agreement he/she may also attend the meeting at request by either party. The Union Co-Chair may attend if requested by the Grievance Committee member. The grievance shall state the nature of the grievance, articles violated, and settlement sought as clearly as possible on the grievance form provided. The Superintendent will issue a signed, dated reply within five (5) days of receipt of the grievance to the employee.

7.03 b) - STEP 2

Failing settlement with the Superintendent in Step 1, the grievance shall be submitted to Employee Relations within a further five (5) days. The Company will inform, when possible, two (2) days in advance but in no case less than one (1) day in advance the Union at Step 2, of the date, place and hour of the hearing of the grievance. Within ten (10) days, the Manager and/or their representative along with the superintendent and the HR Representative will meet

each grievor accompanied by no more than three (3) Grievance Committee members, to discuss grievances presented at Step 2. At the same time, the grievor may submit any information relating to the grievance, which may help to clarify the matter. If the Supervisor was involved in the circumstances of the alleged violation of the collective agreement he/she may also attend the meeting. In order to give the matter proper consideration the Manager will render a decision in writing, stating the reasons, within five (5) days following the meeting in which the grievance was discussed at Step 2. Settlement or withdrawal of a grievance at Step 1 or Step 2 shall not set precedent.

7.04 - No Company representative can hear more than one (1) step of the grievance procedure.

7.05 - If the grievance is not settled as a result of the Step 2 meeting, and the grievance is one which concerns the interpretation or alleged violation of the Agreement the grievance may be referred by either party to arbitration as provided in article VIII, however it is hereby agreed that no grievance may be referred to arbitration after a period of thirty (30) days from the date of the decision in writing of the Step 2 answer.

7.05 a) - In an effort to settle outstanding grievance files, the parties may mutually agree to refer a grievance that has not been resolved at Step 2 to the A.D.R. process as outlined in 7.18 within thirty (30) days of the Step 2 response.

7.05 b) - All grievances not referred to A.D.R. will be referred to arbitration as per Article 7.05.

7.05 c) - The company and the union further commit that in an effort settle outstanding grievance files a department grievance review will be held. The company and the union will endeavor to hold these meetings on a quarterly basis. This meeting will involve the area General Manager, Employee Relations, Chair and Co-Chair of the grievance committee.

7.06 a) – Infraction reports, including infractions which could result in discharge, will not be issued later than seventy-two (72) hours from the time the Company has determined there is an infraction.

7.06 b) – Notice of disciplinary action, including discharge, will not be issued later than forty-eight (48) hours from issuance of the infraction report.

7.06 c) - In assessing discipline the Company will not consider any infraction of the same nature that occurred more than one (1) year from the current infraction. Should a disciplinary action be reduced through the grievance or arbitration procedure only the resulting discipline will be recorded in the employee's file.

7.07 - Differences arising between the Union and the Company regarding the interpretation or alleged violation of this agreement shall be taken up at Step 2 of the grievance procedure and shall be heard by the Manager of Human Resources or designate.

7.08 - The Company agrees that one (1) area grievance committee member or the designated representative for

Step 1 meetings, and three (3) area grievance committee members or designated representatives for Step 2 meetings, and the employee working during a regular scheduled shift who must leave work to attend a grievance meeting will be paid for such absence from work. Grievance meetings will be held during normal business hours at times that do not interfere with production or the orderly operation of the business. Should it be necessary for an employee to be absent during working hours for the presentation of or representation for a grievance, the employee shall obtain prior permission from the Supervisor; such permission will not be arbitrarily denied.

When Step 1 grievance meetings are scheduled outside of or go beyond the regular scheduled working hours of the grievor or the two (2) grievance committeepersons, the two (2) grievance committeepersons and the grievor shall be paid one (1) hour at straight time rate.

When Step 2 grievance meetings are scheduled outside of or go beyond the regular scheduled working hours of the grievor or grievance committeepersons, the three (3) grievance committeepersons and the grievor shall be paid one (1) hour at straight time rate.

7.09 - A group grievance shall be referred to Step 1. For group grievances, one grievor representing the group will be accompanied by no more than two (2) members of the Grievance Committee at the Step 1 meeting. Such group grievances shall bear the signatures of all employees involved with the grievance.

7.10 - The Union and Company may agree to group

individual grievances when the facts alleged are identical and the remedy sought is the same. The Union shall select one of the individual grievances and the decision on this grievance will be applied to the other grievances.

7.11 – Should differences arise between the Company and the Union as to the establishment of a new occupation and rate as set out in 13.06, the matter shall be taken up at Step 2 of the grievance procedure outlined above at the request of either party. If a satisfactory settlement of the dispute is not reached within thirty (30) days, the matter may be referred within (30) days by either party to arbitration as provided in Article VIII below.

7.12 - The party initiating the procedure provided for in this article and in Article VIII shall take each step in such procedures within the time limits set forth, or as extended by mutual agreement in writing and, upon failing to do so, the grievance or matter in dispute shall be deemed to have been abandoned and may not be filed as a new grievance.

7.13 - In the event of the absence of either party at any step it shall be permissible at the expiration of the time limits specified for the other party to proceed to the next step of the grievance procedure.

7.14 - Saturdays, Sundays and the day a holiday is celebrated shall not be included when determining the time within which any action is to be taken in article VII or article VIII. Any and all time limits fixed by article VII and article VIII may only be extended by mutual agreement in writing between the Company and the Union.

7.15 - No settlement of a personal complaint shall be in violation of this Agreement, nor shall it be used as a precedent with other grievances.

7.16 - It is understood that management may bring forward at any meeting held with the Union Grievance Committee any complaint in respect to the conduct of the Union in its dealings with the Company and if such complaint by the Management is not settled to the mutual satisfaction of the two parties, it may be treated as a grievance filed under the procedures set out in article VII, Step 2 and referred to arbitration in the same way as the grievance of an employee.

7.17 - Any exercise of the rights and functions in conflict with Management's Rights or any other provisions of this entire agreement inclusive of any appendices or Letters of Intent and Letters of Understanding entered into between the Company and the Union within the duration of this agreement shall be subject to the grievance procedure.

7.18 – Alternative Dispute Resolution (A.D.R)

- a) PROCEDURE The A.D.R. can only be used to settle outstanding grievances that have been referred in 7.05 a).
- b) GENERAL PRINCIPLES The purpose of

establishing this process is to both save cost and time while providing a means for the effective disposition of unresolved grievances. Grievances may be grouped as per Article 7.10.

c) ARBITRATORS - An arbitrator will be selected in accordance with the process as outlined in Article VIII. The arbitrator in this instance shall have the same powers and be subject to the same limitations except as expressly provided herein.

> The decision of the arbitrator shall only be applicable to the case in question and shall not constitute a precedent nor be used by either party as a precedent in future cases. Notwithstanding anything contained in the Collective Agreement, the decision of the arbitrator shall:

> (a) be consistent with the provisions of this Agreement, and

(b) be confined to the grievance referred to him/her.

The Union and the Company shall each be responsible for one-half (1/2) of the fees and expenses of the arbitrator.

d) HEARING - Where practical, hearings are to be held in Company or Union facilities to reduce costs. The Local Union shall appoint two of its officers or another person to represent the Union, and the Company shall appoint two of the management staff or another person to represent the Company.

The parties will endeavor to schedule up to three consecutive days each quarter for hearings. Each arbitrator can hear as many cases as have been referred to that arbitrator per day as time will permit. Each party will have a maximum of ten (10) minutes to present their case, unless otherwise mutually agreed by both parties.

When an issue is referred to the arbitrator he/she shall be provided with the following information:

- The written grievance at Step Two
- The written reply of the Company at Step Two, and
- Not later than ten (10) days before the hearing, concise and brief written representations on which the parties intend to rely, including any documentary evidence as related to the grievance that was previously presented during the grievance procedure. (These will be supplied to the other party also.)

The purpose of the hearing is to clarify the issues or facts in dispute. At the hearing the parties may make representations or bring forward previously submitted evidence to support their case. But, the intention of the parties to ensure speed and informality is paramount. Legal counsel will not be used during the hearing, and no external jurisprudence will be presented, unless otherwise agreed between parties. The arbitrator will not be obliged to follow rules of evidence and post-hearing submissions will not be permitted.

e) AWARD - The award of the arbitrator sets no precedent and is not to be referred to by either party in any subsequent proceeding. The award will be final and binding. The award is to be in written form; it should be a summary sheet, outlining grievance number and reason/s for decision. The arbitrator shall render his/her written decision within fourteen (14) days of the hearing.

ARTICLE VIII

ARBITRATION

8.01 - Both parties to this Agreement agree that the provisions specified in this Agreement are the sole source of any rights the Union might assert in arbitration and only those management rights that are abridged by specific provision of this Agreement are arbitrable. Any dispute or grievance concerning the interpretation or alleged violation of this Agreement, which has been properly carried through all the steps of the grievance procedure outlined in Articles VII or X and which has not been settled, will be referred to an arbitrator, at the request of either of the parties hereto.

8.02 - Should the parties fail to agree on an arbitrator within five (5) days of receipt of the request for arbitration, the parties shall choose the arbitrator in rotation from the

following mutually agreed list of arbitrators:

- D. Alcock
- D. Buffet
- J. Clarke
- J. Oakley
- J. Scott
- W. Thistle

8.03 - An arbitrator unable to act when his/her turn comes up will be replaced by the following person in the list and, except by mutual agreement between the parties will not be used again until his/her name returns in the normal order of rotation.

8.03 a) - Unless mutually agreed otherwise between the Company and the Union, the following time limits will be adhered to by the parties:

8.03 a) (i) - It is understood that the hearing at arbitration must commence within thirty (30) days from the date of acceptance by the arbitrator to hear the grievance;

8.03 a) (ii) - A decision will be rendered by an arbitrator who will also give the reasons in writing within thirty (30) calendar days following the end of the hearing, unless this time limit is extended with the agreement of the parties.

8.04 - The decision of the arbitrator shall be binding on both parties.

8.05 - The arbitrator shall have jurisdiction and authority only to interpret and apply the provisions of this Agreement

so far as shall be necessary to the determination of the grievance and shall not have any power to alter or change in any way the provisions of this Agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement; nor shall any past practices or customs become binding unless they are in writing between the Company and the Union. Where the arbitrator determines that an employee has been disciplined for just cause, he/she may review and modify the penalty imposed.

8.06 - The expenses of the arbitrator shall be paid equally by the Union and the Company.

8.07 - Arbitration cases will be processed at the city in which the grievance was filed unless otherwise mutually agreed. Should there be more than one (1) grievance pending at arbitration at the same time, the Company and the Union may mutually agree to have one (1) or more of these grievances processed at the same arbitration session.

8.08 - Discharge cases shall have preference over other cases submitted to arbitration.

8.09 - The Company and Union representatives for the arbitration will co-operate in the exchange of information to be introduced at the hearing five (5) days prior to commencement of the hearing.

8.10 - Expedited Arbitration

a) EXPEDITED ARBITRATION PROCEDURE - The

Expedited Procedure can only be used by mutual agreement of the parties to the collective agreement.

- b) GENERAL PRINCIPLES The purpose of developing this expedited arbitration system is to both save cost and time while ensuring fair and reasonable decisions. To that end, presentations made in expedited arbitration should be short and concise and should include a comprehensive opening statement.
- c) ARBITRATORS An arbitrator will be selected in accordance with the list.
- d) HEARING Where practical, hearings are to be held in Company or Union facilities to reduce costs. Where the parties mutually agree lawyers will not be used to represent either side. In such instances the Local Union shall appoint one of its officers or another person to represent the Union, and the Company shall appoint one of the management staff or another person to represent the Company.
- e) AWARD All decisions of the expedited arbitrator are limited in application to that particular dispute. The award of the expedited arbitrator sets no precedent and is not to be referred to by either party in any subsequent proceeding. The award will be final and binding. The award is to be in written form; it should be a one to two page award setting out briefly the reasons for the decision. The arbitrator shall render his/her written decision within five (5) days of the hearing.

ARTICLE IX - Number not used.

ARTICLE X

DISCHARGE CASES

10.01 a) - If an employee who has acquired seniority feels he/she has been discharged without just and sufficient cause, the case may be taken up as a grievance and processed according to the following provisions which shall be taken in order.

10.01 b) - If the employee so desires and before presenting his/her case as a formal grievance, he/she may discuss the case with his/her immediate Team Leader with the assistance of a grievance committeeperson. The immediate Team Leader will be accompanied by another Company representative other than the representative responsible for settling the grievance at a higher step.

10.02 - Such grievance (on a form provided by the Company) must be lodged with the head of his/her department or the personnel supervisor or Employee Relations not later than two (2) days after the employee has received a written notice of the disciplinary action taken. The department head will arrange a mutually satisfactory time to meet with the employee to discuss the grievance. He/she may be accompanied by another Company representative (other than a representative responsible for settling the grievance at a higher step) and the employee may be accompanied by the Union Grievance Committee. Witnesses either party may require may also be heard. If a

settlement satisfactory to the employee concerned is not reached within two (2) days of receipt of the grievance, the grievance may be presented as follows at any time not later than two (2) days thereafter.

10.03 - The aggrieved employee shall present his/her grievance to the Union Grievance Committee who, if they decide to continue the grievance, will forward it by registered mail or e-mail to Employee Relations for referral to the Manager/General Manager. The Union Grievance Committee and the Manager/General Manager, or some other person designated by him/her, shall meet as promptly as possible and not later than three (3) days from the postmark date of the registered letter or e-mail to consider the grievance. At this stage, they may be accompanied by a representative of the Local Union and/or the International Union if their presence is requested. Other representatives of the Company may also be present at the meeting. At the request of either party, the aggrieved employee shall be Witnesses either party may require may also be heard. heard and at this time the aggrieved employee may also be in attendance. At this meeting, decisions in writing made at will be presented. The decision of the 10.02 Manager/General Manager shall be given in writing not later than two (2) days after the meeting with the Union Grievance Committee.

10.04 - If final settlement of the grievance is not completed within two (2) days after the closing of the meeting referred to in 10.03, the grievance may be referred within ten (10) days by the Union Grievance Committee to arbitration as provided in Article VIII above.

10.05 a) - The party initiating the procedure provided for in this article and in the arbitration article shall take each step in such procedures within the time limits set forth, or as extended by mutual agreement in writing and upon failing to do so, the grievance or matter in dispute shall be deemed to have been abandoned and may not be filed as a new grievance.

10.05 b) - In the event of the absence of the authorized agent or agents of either party at any step, it shall be permissible at the expiration of the time specified in 10.02 to 10.04 for the other party to proceed with the next step of the foregoing procedure.

10.06 - Such grievance may be settled by confirming the management's action in dismissing the employee, or reinstating the employee with compensation for lost time, or by any other arrangement which is just and equitable in the opinion of the conferring parties. If the matter is not settled through the procedure outlined in this article and is taken to arbitration, the arbitrator will have full jurisdiction to uphold or reject the discharge or change the discharge to a lesser penalty of suspension and fix the duration of such suspension. In the event that the arbitrator rejects the discharge or changes the discharge to a lesser penalty of suspension, the employee shall be reinstated and paid his/her wages at his/her regular basic rate (less amounts earned by him/her during the time lost) for the time lost since the date of discharge, or for the period of time not covered by the suspension, limited to the scheduled work week for a maximum period of one hundred and eighty (180) days on which he/she would have been scheduled to work on an eight (8) hour shift or one hundred and twenty (120) days on which he/she would have been scheduled to work on a twelve (12) hour shift, to which will be added the number of days that the arbitration was delayed at the request of the Company. On the other hand, should the arbitration be delayed at the request of the Union, the number of days that the arbitration was delayed at the request of the Union will be deducted from any days to be paid.

ARTICLE XI

HOURS OF WORK AND OVERTIME PAY

11.01 - The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or days of work per week.

11.02 a) - For the purpose only of computing overtime, and not as limitation upon the scheduling of employees for work, the work week shall be a period of seven (7) consecutive days commencing with the beginning of the day shift on Monday, and the work day shall be a period of twenty-four (24) hours commencing at the beginning of the day shift of the plant as scheduled by the Company.

11.02 b) - Where such a twelve (12) hour schedule applies, it is understood that it will not result in any additional cost to the Company or loss of regular earnings to the employee over the same period with the same coverage.

11.03 a) - 8 hour shifts

The first four (4) hours worked in excess of eight (8) hours in any day or hours worked in excess of forty (40) hours in any work week or on assigned days off shall be paid at the rate of one and one half (1½) times the regular rate. Hours worked in excess of twelve (12) in any day shall be paid at the rate of twice (2) the regular rate.

Work scheduled and performed on Sunday will be paid at the rate of time and one half $(1\frac{1}{2})$. Work performed on Sunday in excess of eight (8) hours, or in excess of forty (40) straight time hours in the work week will be paid for at double (2) time.

11.03 b) - 12 hour shifts

The first four (4) hours worked in excess of twelve (12) in any day shall be paid at the rate of one and one half $(1\frac{1}{2})$ times the regular rate. Hours worked in excess of sixteen (16) in any day shall be paid at twice (2) the regular rate. Hours worked on an assigned day off shall be paid as follows: the first twelve (12) hours at one and one half $(1\frac{1}{2})$ times the regular rate.

Work scheduled and performed on Sunday will be paid for at the rate of time and one half $(1\frac{1}{2})$ for the first eight (8) hours and double (2) time for all hours in excess of eight (8). Work performed on an assigned day off on Sunday will be paid for at double (2) time rates should the employee have worked eighty (80) straight time hours in the pay period (two weeks). Should he/she not have eighty (80) straight time hours in the pay period, the first twelve (12) hours worked on his/her assigned day off on Sunday shall be paid at time and one half $(1\frac{1}{2})$.

11.03 c) - 10 hour shifts

The first four (4) hours worked in excess of ten (10) in any day shall be paid at the rate of one and one half $(1\frac{1}{2})$ times the regular rate. Hours worked in excess of fourteen (14) in any day shall be paid at twice (2) the regular rate. Hours worked on an assigned day off shall be paid as follows: the first ten (10) hours at one and one half $(1\frac{1}{2})$ times the regular rate.

Work scheduled and performed on Sunday will be paid for at the rate of time and one half $(1\frac{1}{2})$ for the first ten (10) hours and double (2) time for all hours in excess of ten (10). Work performed on an assigned day off on Sunday will be paid for at double (2) time rates should the employee have worked forty (40) straight time hours in the week. Should the employee not have forty (40) straight time hours in the pay period, the first ten (10) hours worked on assigned day off on Sunday shall be paid at time and one half $(1\frac{1}{2})$.

Any time allowed and paid as overtime in any working day shall not be used to compute overtime during the work week and to the extent that hours are compensated for at overtime rates under one provision they shall not be considered as hours worked in determining overtime under the same or any other provision.

11.03 d) - In any period of overtime which ends with an incomplete half hour $(\frac{1}{2})$, that portion of the half hour $(\frac{1}{2})$ will be rounded to a full half hour $(\frac{1}{2})$ for pay purposes.

11.04 - Overtime hours will be worked on a voluntary basis provided the requirements of the service are met and it will be distributed equitably in rotation. Overtime lists will be based on seniority and a list of overtime worked by all eligible employees will be posted. It is understood that employees who refuse overtime or are unavailable will be debited with the number of hours they would have worked had they accepted or were available.

It is also understood that employees who consistently refuse overtime may be temporarily dropped from the eligible list, and may be reinstated on the list upon request.

11.05 - Employees shall be allowed a lunch period of twenty (20) minutes inclusive of said eight (8) hour, ten (10) hour or twelve (12) hour period and coffee on a reasonable basis. Such periods will not be changed unnecessarily and shall be discussed with the Union in advance. However, employees will maintain normal warehouse services during this lunch period.

11.06 - Number not used

11.07 - Short pays for regularly scheduled shifts will be rectified and the payment will be deposited within five (5) business days after the employee has reported the error.

Short pays for overtime shifts will be rectified on the next regular pay following the reporting of the error. Should it not be rectified in this time frame, payment will be deposited within five (5) business days after the employee has reported the error was still not corrected. **11.07 a)** – Pay stub codes will be sent to all employees in January of each year. A copy of the codes will also be posted on the Company's Intranet.

11.08 - Number not used

11.09 a) - For the purpose of ensuring equitable distribution of overtime the Company will review with the Union, at least once per month if necessary through the use of a joint committee, overtime records and methods of recording overtime credits. This committee may also review and revise if necessary:

11.09 a) (i) - existing work schedules to ensure the proper distribution of shifts by day, afternoon, night and shifts off. In the distribution of shifts it is the intention of the parties to respect the structure of the normal week;

11.09 a) (ii) - proposed changes in scheduling or the scheduling system;

11.09 b) - Such schedules or changes mentioned in Paragraphs 11.09 a) (i) & (ii) will be posted when possible seventy-two (72) hours prior to the change taking effect.

11.09 c) – Should an employee's shift schedule be changed without having given him/her at least forty eight (48) hours notice of the change, he/she will be paid at the rate of double time (2) for hours worked on the first shift of the changed schedule.

RATES OF PAY

8 HOUR SHIFT SCHEDULE				
		Monday to Saturday	Sunday (premiun	
Daily	0 – 8 hours	1.0	1.5	
Daily	8.01 – 12 hours	1.5	2.0	
Daily	12.01 + hours	2.0	2.0	
Weekly	0 – 40 hours	1.0	1.5	
Weekly	40.01 + hours	1.5	2.0	
Scheduled Day Off	0 – 8 hours	1.5	2.0 (if 40 in w	
Scheduled Day Off	8.01 – 12 hours	1.5	2.0	
Scheduled Holiday	0 – 8 hours	1.5	2.0 (if 40 in v	
Scheduled Holiday	8.01 – 12 hours	2.0	2.0	
Scheduled Holiday	12.01 – 16 hours	2.5	2.5	

12 HOUR SHIFT SCHEDULE				
		Monday to Saturday	Sunday (premiun	
Daily	0 – 8 hours	1.0	1.5	
Daily	8.01 – 12 hours	1.0	2.0	
Daily	12.01 + hours	1.5	2.0	
Weekly	0 – 80 hours	1.0	1.5	
Weekly	80.01 + hours	1.5	2.0 (if 80 in pay	
Scheduled Day Off	0 – 8 hours	1.5	2.0 (if 80 in pay	
Scheduled Day Off	8.01 – 12 hours	1.5	2.0 (if 80 in pay	
Scheduled Holiday	0 – 8 hours	1.5	1.5	
Scheduled Holiday	8.01 – 12 hours	1.5	2.0	
Scheduled Holiday	12.01 – 16 hours	2.0	2.0	

10HOUR SHIFT SCHEDULE				
		Monday to Saturday	Sunday (premiun	
Daily	0 – 10 hours	1.0	1.5	
Daily	10.01 – 14 hours	1.5	2.0	
Daily	14.01 + hours	2.0	2.0	
Weekly	0 – 40 hours	1.0	1.5	
Weekly	40.01 + hours	1.5	2.0	
Scheduled Day Off	0 – 10 hours	1.5	2.0 (if 40 in w	
Scheduled Holiday	0 – 10 hours	1.5	2.0 (if 40 in w	
Scheduled Holiday	10.01 – 14 hours	2.0	2.0	
Scheduled Holiday	14.01 – 16 hours	2.5	2.5	

ARTICLE XII

SHIFT PREMIUMS

12.01 - For the purpose of this Article:

12.01 a) - All shifts beginning after six (6:00) a.m. and up to noon (12:00) will be day shifts.

12.01 b) – All shifts beginning after noon (12:00) and up to eight (8:00) p.m. will be afternoon shifts, for which a shift premium of thirty five cents (0.35) per hour shall be paid. This amount will increase to forty cents (0.40) per hour effective March 01, 2016.

12.01 c) – All shifts beginning after (8:00) p.m. and up to six (6:00) a.m. will be night shifts, for which a shift premium of fifty-five cents (0.55) per hour shall be paid. This amount will increase to seventy cents (0.70) per hour effective March 01, 2016.

12.02 - Shift premiums shall be computed in overtime.

12.03 - Premium time shall be determined by the shift for which the employee is scheduled.

ARTICLE XIII

WAGES

13.01 - The Company and Union agree that the rate of pay

for the occupation of Store person is a negotiated rate. In the event the Company changes the way work is organized or performed, there will be a joint meeting of the Company and the Union within thirty (30) calendar days to discuss the impact of any such changes.

13.02 – The rate of pay as set out in 13.03 shall apply to all Store persons.

13.03 - The standard rates of pay of the scale shall be:

Iron Ore Company of Canada (IOC) ---- Standard Hourly Wage Schedule

Occupation	March 1, 2012 ⁽¹⁾	March 1, 2013 ⁽²⁾	March 1, 2014 ⁽³⁾	March 1, 2015 (4)	March 1, 2016 ⁽⁵⁾	March 1, 2017 ⁽⁶⁾
Storeperson	33.52 \$	35.01 \$	36.56 \$	38.17 \$	39.85 \$	41.59 \$

NOTES:

- (1) Rates include base wage increase plus \$1.15 fold in from the COLA.
- (2) Rates include base wage increase plus a minimum guaranteed fold in from COLA of \$0.15. In addition any amount of 1/3 of actual COLA float above the guaranteed minimum will be added at March 1, 2013.
- (3) Rates include base wage increase plus a minimum guaranteed fold in from COLA of \$0.15. In addition any amount of 1/3 of actual COLA float above the guaranteed minimum will be added at March 1, 2014.
- (4) Rates include base wage increase plus a minimum guaranteed fold in from COLA of \$0.15. In addition any amount of 1/3 of actual COLA float above the guaranteed minimum will be added at March 1, 2015.
- (5) Rates include base wage increase plus a minimum guaranteed fold in from COLA of \$0.15. In addition any amount of 1/3 of actual COLA float above the guaranteed minimum will be added at March 1, 2016.
- (6) Rates include base wage increase plus a minimum guaranteed fold in from COLA of \$0.15. In addition any amount of 1/3 of actual COLA float above the guaranteed minimum will be added at March 1, 2017.

Note: Rates for 2012 a market adjustment. In the subsequent years the increases are as follows: 2013, 2014, 2015, 2016, and 2017 – 4% increase per year include

13.04 – No employee shall be entitled to any salary as set forth in this article unless he/she is ready, able and willing to perform the duties required in his/her occupation.

13.05 – The rate of pay, and any subsequent rate of pay during the life of this collective bargaining agreement, shall stay in effect as of the date or dates in this agreement and these rates of pay will not be reduced at any time but will be subject of the next set of negotiations.

13.06 – In the event the Company establishes a new occupation they will notify the Union within thirty (30) calendar days and such rate of pay for such occupation will be finalized within sixty (60) calendar days. Should the parties fail to reach agreement within the agreed time frames then the rate of pay for such occupation will be subject to the appropriate step of Grievance procedure.

13.06 a – 13.06 c) – Number not used.

13.07 – Any mathematical or clerical errors made in the preparation, establishment or application of the standard salary rates shall be corrected to conform to the provisions of this Agreement.

13.07 a) – 13.41 – Number not used

13.42) - Employees who attend required scheduled training outside working hours will be paid at a rate of time and one half (1.5) for each hour in attendance at such training.

NORTHERN ALLOWANCE

13.43 – Effective March 1, 2012, a Northern Allowance of three hundred and twenty five (\$325.00) per month will be paid to each employee. Effective March 1, 2013, and each year thereafter, the Northern Allowance increases by ten (\$10.00). Payment will be subject to the following conditions:

13.43 a) – Number not Used

13.43 b) (i) – Eligible employees must have earnings or be on annual vacation or extended vacation in order to receive Northern Allowance.

13.43 b) (ii) – Annual or extended vacation pay received at layoff or while on layoff or upon termination of employment is not considered as vacation taken or as earnings for the purpose of Northern Allowance.

13.43 b) (iii) - At time of termination or layoff employees with regular earnings for less than a full calendar month will receive prorata Northern Allowance for that month based on the number of days in that month to date of termination or layoff divided by 30.

13.43 c) - Northern Allowance is not considered as earnings for the purpose of computing vacation pay.

13.43 d) – An employee will be eligible for Northern Allowance following completion of his/her probationary period and shall be paid on a pro-rated basis.

13.43 e) - An employee changing {status} as outlined above

must notify the Personnel Office of such change.

13.44 – Employees retiring or permanently disabled are eligible for relocation benefits of three thousand (\$3000.00) with receipts and three thousand (\$3000.00) cash payment if they relocate outside the immediate area within a maximum period of twenty four (24) months immediately following their official retirement date. In the event an employee relocates between twenty five (25) and thirty six (36) months immediately following their official retirement date, they will be eligible for relocation benefits of two thousand (\$2000.00) with receipts and two thousand (\$2000.00) cash payment.

ARTICLE XIV

REPORTING AND CALL BACK

14.01 – Number not used

14.01 a) - If an employee reports for work on his/her regular scheduled shift without having been notified previously not to report and if sufficient work is not available, the employee shall be given at least four (4) hour's pay at his/her regular rate for that day at the standard rate for his/her occupation and will be allowed to go home.

14.01 b) - Should the employee actually begin work in accordance with his/her regular job description and on his/her regular shift the employee will be provided four (4) hours work at the prevailing hourly wage of that occupation,

after which he/she may be sent home by the Team Leader provided the employee is so notified before the end of the first half (1/2) of the shift.

14.01 c) - The above shall not apply in cases where work is not available due to causes beyond the reasonable control of the Company.

14.02 - Employees called out to work outside their normal and regular hours shall be paid a minimum of four (4) hours at straight time rates or twice the regular rate for actual hours worked on the call-out, whichever is the greater. Work required under the foregoing circumstances will be confined to work necessitated by the call-out. If, however, employees are informed before the end of their regular shift to commence work before their next regular starting time, the time will be computed continuously with the regular day's work and the time worked before the regular starting time will be paid for at the applicable rate.

14.03 - Article 14.02 will be applied on the following basis:

«Normal» Overtime will be paid for:

14.03 a) - Continuous hours worked following his/her regular shift.

14.03 b) - All hours worked in continuity with the start of the next shift, where employee is advised before end of his/her preceding shift.

14.03 c) - Work performed on assigned rest days where

employee is advised before end of last shift he/she works before his/her rest day.

14.03 d) - Replacing an absentee for a complete shift or part of a shift and the employee will be told who he/she is replacing and the work to be done when called or when reporting to work. The employee on regular annual vacation or extended vacation is not considered an absentee.

14.03 e) - The employee called in to work and advised at least four (4) hours before the start of the work and for the day shift he/she will be advised before midnight.

Call-Out time will be paid for:

14.03 f) - Subject to item d) and item h), employees called after leaving the job, to perform a specific job. Work to be performed will be specified and the employee is expected to work the hours required by the call-out or until he/she is relieved.

14.03 g) - Employee called on assigned rest day and who is not advised as in e) above and who is not called as a replacement.

14.03 h) - Employee called to work for less than full shift and continues working on regular shift without relief (hours prior to regular shift paid as call out).

14.04 - An employee unable to report for his/her regularly scheduled shift shall advise the Company in accordance with Article 17.01 b).

ARTICLE XV

VACATION WITH PAY

15.01 – Vacations shall be granted through all the year, based on a schedule worked out by Company and Union representatives with the aim of posting such schedule on or before November 30th. The schedule may be reviewed periodically as the need arises as to the number of employees to be released; however, except in the case of unforeseen circumstances, the schedule will not be altered without consent of both parties. The objective is to allow the maximum number of employee's vacation in the period of their preference based on the operational requirements of the Company. A copy of the posted schedule will be sent to the Union.

15.02 – Employees shall be allowed annual vacation with pay varying with the number of years of continuous service and prorated with the months actually worked during the year according to the following scale:

Length of	Maximum Days	% Factor
Continuous Service	Allowed Vacation	of Earnings
After 1 years service	18 days	5.33%
After 2 years service	23 days	6.81%
After 3 years service	28 days	8.29%
After 4 years service	33 days	9.77%

Continuous service shall be defined as commencing on the January 1st immediately following the employee's most recent date of hire and will include any time an employee is on layoff from active employment, during which that employee retained and continued to accumulate seniority.

Annual vacation pay shall be computed by multiplying the employee's gross earnings for the preceding payroll year by the appropriate percentage factor outlined above.

byees hired before December 31 will be entitled to vacation with pay varying with the length of their continuous service prorated for months worked between their date of hire and December 31, in accordance with the scale of the first year.

15.03 - Employees should they so desire and within the guidelines of this article, may choose to split their annual vacation subject to the following criteria:

15.03 a) - An employee will be permitted to split annual vacation only twice.

15.03 b) - Minimum allowable vacation is seven (7) days.

15.03 c) - Subject to provisions of Appendix <<G>>, the employee will receive their Travel Allowance subsidy on the first calendar portion of their vacation.

15.03 d) - Vacation pay will be paid for each portion of the vacation based on the number of days taken.

15.03 e) – With respect to annual vacation pay, all employees will be paid by the continuous pay model.

15.04 a) - Maximum calendar days shall not be reduced as a result of authorized absences due to Union business. Maximum calendar days shall be reduced for any other authorized leave over one (1) month.

15.04 b) - Maximum days allowed vacation shall be reduced, on a prorata basis, by complete months not worked due to layoff or medical but in no case will the maximum days allowed be less than fourteen (14). At time of vacation, an employee will be allowed a leave of absence without pay for any vacation time cut due to layoff or medical, if he/she wishes. However, an employee's medical leave must cover a period of not less than two months during the calendar year to be prorated.

15.04 c) - An annual vacation bonus of one hundred and ten dollars (\$110.00) per week or fifteen dollars and seventy-one cents (\$15.71) for each day of annual vacation granted will be paid for vacation days taken from October 1st to December 14th and January 16th to May 31st. The vacation bonus will also be paid if annual vacation pay is given to an employee at time of layoff, provided such layoff falls in the above mentioned periods.

15.05 - Vacation pay or the equivalent of vacation pay without taking such vacation shall be considered as earnings for computing subsequent vacation pay.

15.06 - Management shall have the option of buying out unused vacation entitlements with the employee's consent. However, all employees must take a minimum of fourteen (14) days vacation per year, except under extenuating circumstances acceptable to the Company. An employee who is on medical may cancel his/her vacation or portion thereof upon returning to work. However the Union will be notified of all employees who request to cancel their vacation prior to the Company making such decision.

15.07 a) - Employees who are entitled to vacation upon layoff shall receive vacation pay at time of layoff if the employee so specifies or in accordance with a vacation schedule established prior to his/her layoff.

15.07 b) - Employees who are eligible for vacation pay will receive same at the time they are discharged.

15.08 a) - Employees with less than one (1) year's continuous service, for vacation purposes will receive, upon a break in continuous service, four percent (4%) of gross earnings since their date of hire. Employees with more than one (1) year's continuous service for vacation purposes will receive, upon a break in continuous service, four percent (4%) of gross earnings since the date of the pay period nearest to their last hiring anniversary date in addition to vacation pay to which they may be entitled under Paragraph 15.02 or whatever is provided by Law, whichever is greater.

15.08 b) - Employees who retire will receive their regular annual percentage of earnings from the common anniversary date of December 31st to their retirement date.

15.09 - An employee who returns from vacation will be entitled to overtime for days worked in the week he/she returns on the same basis as for the same week as if

he/she had not been on vacation and had worked his/her regular scheduled week.

15.10 a) - Employees and their immediate dependents will be entitled annually, provided the employee has acquired vacation rights, to two (2) free return passages Labrador City to Sept-Iles or Schefferville via Quebec North Shore & Labrador Railway/service provider. At vacation time and for the same purpose the employee will be entitled to free return transportation twice per year, as provided by the Quebec North Shore & Labrador Railway/service provider. for his/her personal automobile and one (1) space in a "car carrier" for his/her personal trailer, motor home, camper, cance or boat on trailer. In the event that the trailer, motor home, camper, camper pick-up or boat on trailer, exceeds the normal limits of the "car carrier", one (1) space on a flat car will be provided for the trailer, motor home, camper, camper pick-up or boat on trailer. Any charges incurred in excess of 6,000 pounds will be at the employee's expense. For the purpose of this article the personal automobile may be in the spouse's name. A rented and/or leased trailer will be permitted with proof of rental or lease agreement in the name of the employee or the spouse.

15.10 b) (i) - Employees on long term disability, Workplace Health, Safety and Compensation (WHSCC) and retirees, and their immediate dependents, all of whom must be permanently residing in Labrador West, will be entitled, twice per year, to a free return vehicle and passenger pass from Labrador City to Sept-Iles or Schefferville via Quebec North Shore & Labrador Railway/service provider.

15.10 b) (ii) - Families of deceased employees shall

receive the benefits provided under 15.10 b) (i). Such return passage shall continue under the same terms as other benefits entitlement.

15.10 c) - The Company agrees that an employee who is terminated by the Company for medical reasons which prevent his/her further employment by the Company at Labrador City, or who is retired under Sub-section 3.6 of the Pension Plan, will be provided with free transportation on the Quebec North Shore & Labrador Railway/service provider to Sept-Iles for himself/herself, immediate dependents, personal automobile and household effects and one (1) space in a <<car carrier>> for his/her personal trailer, as set out in 15.10 a).

15.10 d) – During the term of the current collective agreement, the Company will administer the provisions of Paragraph 15.10 a) as follows:

15.10 d) (i) – the space in the car carrier shall not be more than $6\frac{1}{2}$ X 7' X 18' in dimension;

15.10 d) (ii) – the automobile may be replaced by an employee's personal motorcycle or snowmobile with sled and contents;

15.10 d) (iii) – should an employee decide to utilize the annual transportation provided for under 15.10 a), at one time during the year rather than at the time of his/her annual vacation, he/she may do so only for medical leaves of absences requiring hospitalization.

15.11 – EXTENDED VACATIONS

15.11 a) – Each five (5) year period of completed continuous service with the Company qualifies the employee for extended vacation (EV) based on five (5) weeks of EV after five (5) years of service and nine (9) weeks of EV after ten (10) years of service. Each additional five (5) year period of continuous service, after ten (10) years of service, qualifies the employee for EV based on nine (9) weeks of EV.

15.11 b) – The date of entitlement of the second EV establishes the start of the third five (5) year period of service. The start of each subsequent five (5) year period of service is established in the same manner as the third five (5) year period.

15.11 c) – For an employee entitled to EV before signature date of the 1981-1984 Agreement:

15.11 c) (i) – EV days and pay will be in addition to annual vacation and shall be added to, paid and taken with an employee's annual vacation;

15.11 c) (ii) – All or any portion of EV days entitlement may be cancelled in the year an employee is scheduled for EV pay; if the employee opts for EV days he/she must specify his/her option for EV days entitlement at the time of application for annual vacation. The employee will receive pay for the full EV entitlement if he/she opted not to take the EV days entitlement.

15.11 d) - For an employee becoming entitled to EV on or after the signature date of this Agreement:

15.11 d) (i) – EV will be paid in full in the six (6) weeks following the end of the pay period in which the service anniversary date completing the 5-year period entitling the employee to EV falls, if the employee so desires. Otherwise the employee will be paid in full at the time he/she takes the extended vacation time;

15.11 d) (ii) - All or any portion of EV days entitlement may be cancelled. If an employee wishes to have EV days, they can be scheduled with any one annual vacation of the five (5) years following EV entitlement; however, the employee must specify his/her option for EV days entitlement at the time of application for annual vacation and Paragraph 15.12 g) applies.

15.11 e) - EV days and EV pay will be calculated in the same manner and will be subject to the same conditions as annual vacation except that a five (5) year base will be used for EV instead of the one (1) year base. The maximum number of calendar days allowed EV multiplied by .29606 will establish the percent (%) of earnings to be granted as EV pay

15.11 e) (i) – Extended vacation pay calculations will be sent to employee at time of EV payout

15.11 f) - EV will be scheduled in accordance with the vacation scheduling procedures that apply to the bargaining unit. The desires of the individual employee will be taken into account insofar as practicable but final allotment must be approved by the Manager to insure orderly operation.

15.11 g) - Only in the case of termination will the Company be required to allot EV time or pay in excess of 20% of the employees entitled to EV in the calendar year in question.

15.11 h) - In cases of employment termination due to Technological, Organizational or Operational Changes, Extended layoff, death of an employee, retirement (normal, early, special early, postponed) under the Pension Plan Agreement governing this bargaining unit, employees or beneficiaries of deceased employees so terminated will be entitled to a prorata EV based on the service period completed at such termination date since last previous entitlement date to EV or since hiring date, as the case may be.

15.11 i) – Service Bonus:

For the second and each subsequent year of service completed after February 28th, 1979, and for which an employee receives an annual vacation pay, extended vacation pay will be increased by a 20-hour service bonus. Such service bonus will be paid at the same time as extended vacation pay and at the standard hourly rate of the regular job held at each service year anniversary date in the applicable period of years preceding the date EV is paid.

15.12 - Should production requirements necessitate a temporary shutdown of the Carol Project, vacations will be scheduled during the temporary shutdown.

ARTICLE XVI

HOLIDAYS

16.01 a) - For each of the holidays hereafter mentioned each employee will receive a holiday pay equal to eight (8) times the applicable hourly rate for work which the incumbent is regularly assigned, exclusive of shift and overtime premiums, provided that the employee is not absent without leave on his/her scheduled shift immediately preceding or following the holiday:

New Year's Day	Regatta Day
St. Patrick's Day	Labour Day
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day

16.01 b) - The above listed holidays shall be observed on the day they occur. Such holidays are regular scheduled shifts for all employees so scheduled. The present practice as defined in the current overtime rules and regulations will apply to work performed by 8-hour, Monday to Friday day shift workers. Should a holiday fall on a weekend, for those employees who work a Monday to Friday eight (8) hour schedule, the Company will review its work requirements for the week in question and, if possible, reduce the manpower requirements in these departments on the designated Monday or Friday of the holiday.

16.01 b) (i) - Employees will receive two (2) floating holidays per year. Employees will not be allowed to work on a chosen floating holiday and approval is subject to operational needs and must be secured in advance. When a floating holiday is taken, the employee will receive pay based on the

regular shift assignment (8, 10, 12 hours).

16.01 c) – Notwithstanding 16.01 a) employees on vacation or who are laid off the day following or preceding a holiday shall be entitled to holiday pay.

16.01 d) - To be entitled to holiday pay set out in 16.01 a) an employee must have worked during the course of the two (2) weeks that precede the holiday.

16.02 - In addition to the holiday pay mentioned in Paragraph 16.01 a), eight (8) hour shift employees required to work on a holiday will be paid as follows: 150% of their regular rate for the first eight (8) hours; 200% of their regular rate for the next four (4) hours: 250% of their regular rate for all hours worked over twelve (12) hours. Employees on a twelve (12) hour shift required to work on a holiday will be paid as follows: 150% of their regular rate for the first twelve (12) hours; 200% of their regular rate for the next four (4) hours; 250% of their regular rate for all hours worked over sixteen (16) hours. Employees on a ten (10) hour shift required to work on a holiday will be paid as follows: 150% of their regular rate for the first ten (10) hours, 200% of their regular rate for the next four (4) hours, 250% of their regular rate for all hours worked over fourteen (14) hours.

16.03 – Holiday pay hours shall be considered as hours worked only to make the hours actually worked after the holiday within the work week (i.e. Monday through Sunday) eligible for overtime. If the holiday falls on a day following the last day worked by the employee in the work week, the

holiday pay hours shall not be considered as hours worked for the purpose of computing overtime.

ARTICLE XVII

LEAVE OF ABSENCE

17.01 a) - An employee may be granted a leave of absence upon submitting a written request to his/her Team Leader outlining the reasons for the leave and its length. Approval or refusal of a leave of absence and its length will be made by the Team Leader based on departmental requirements and will be communicated to the employee. Leaves of absence will not arbitrarily be denied. The only benefits accrued during leave will be seniority and those other benefits the collective agreement specifically states will be accrued.

17.01 b) – Employees unable to report to work because of sickness or other valid reasons shall advise their Team Leader directly or leave them a voice mail at least one (1) hour prior to the beginning of the shift so that a replacement may be arranged. An employee who is absent for reason of sickness for more than three (3) days shall present a medical certificate covering the time lost upon returning to work.

17.01 c) - The Company will administer fit to return to work slips concerning lost time accidents resulting from accidents during working hours, and medical leaves of absence requiring hospitalization in a city other than the city of

residence, on the following basis:

17.01 c) (i) - Accident during working hours:

An employee returning to work following a lost time accident provided the normal procedure was followed in conformity with the rules of the Workplace Health, Safety and Compensation Commission, will report to the Occupation Health Department with proof of physical fitness from his/her attending physician. Should the Company require further evidence of physical fitness through a Company designated physician, the Company will pay for the required examination and will pay the employee at his/her regular rate for scheduled hours lost resulting from such an examination.

17.01 c) (ii) - Leave of absence requiring hospitalization:

An employee returning to work after hospitalization in a city other than his/her city of residence will report to the Occupational Health Department with proof of hospitalization and proof of physical fitness from his/her attending physician. If the Company requires further evidence of physical fitness, cost of the examination and pay for time lost if any, will be handled as in Paragraph i) above.

17.02 a) - In case of death of an employee's spouse, (step) mother, (step) father, brother, sister, (step) child, an employee will be allowed a maximum of seven (7) consecutive calendar days, based on the day of the death. The employee will be paid his/her straight time rate for a

maximum of five (5) working days.

In case of death of an employee's father-in-law, mother-inlaw, brother-in-law, sister-in-law, son or daughter-in-law, grandparents (in law) or (step) grandchild an employee will be allowed a maximum of five (5) consecutive days. The employee will be paid his/her straight time rate for a maximum of three (3) working days.

17.02 b) - The provisions of Paragraph 17.02 a) will apply to an employee who was not scheduled to work due to being on an authorized leave of absence for reason of illness of a member in his/her immediate family which resulted in the death of that member of his/her immediate family during the period of the employee's authorized leave of absence.

17.02 c) - Number not used

17.03 – During the life of this Agreement, to further an employee's educational standard, a leave of absence may be granted without pay to two (2) employees at any one time, who has at least two (2) years seniority in the bargaining unit to attend on a full time basis, a course of studies of at least six (6) months duration at a recognized educational institute. Employees must submit a letter of acceptance from the institute not less than two (2) weeks prior to the start of the leave requested. Such leave shall at no time exceed the time required to complete the course of study in that academic year and Paragraph 17.01 shall apply. Seniority will be considered in granting leaves of absence, however if the course of studies lasts more than one (1) year, renewal of the leave will be considered ahead

of new leaves.

17.04 - Employees are entitled to maternity, paternity or adoption leave without pay for a period of 52 weeks or in accordance with applicable legislation and regulations.

17.04 a) - The period of such leave shall count for seniority, and service for accrual of annual and sick leave but not entitlement to those benefits in respect of the period of such leave. Maternity, paternity or adoption leave of absence will be granted to employees who have acquired seniority in the bargaining unit. Such request for leave shall not be refused by the Company. For the first 12 weeks of this leave, an employee who qualifies for Maternity or Parental EI Benefits will be provided a top up to bring them to the short term disability rate in effect at that time.

17.04 b) - Such employees shall be restored to their former position if work is available and they are capable of performing the work, providing they return to work as out lined in Article VI. If the Company hires a new employee to fill a vacancy resulting from a pregnancy or parental leave of absence, such employee may exercise any seniority rights that apply.

Upon returning from pregnancy or parental leave, the Company will return the employee to the same department, and shift where possible. Movement to a different shift or department will not be done arbitrarily; however, operational requirements will have priority.

JURY DUTY

17.05 - An employee who is summoned for jury duty or

serves as a juror or is required to attend upon a court as a witness in a criminal or quasi criminal case is required to lose time, shall be paid for the actual regularly scheduled time lost with a maximum of one (1) basic day's pay at the straight time rate of the position for each day lost, less the amount allowed him/her for jury or court duty for each such day. Subject to the following requirements and limitations:

1) - an employee must provide the Company with a statement from the Court of jury or witness allowances paid and the days on which jury duty was performed;

2) - no jury duty pay will be allowed for any day for which the employee is entitled to vacation or holiday pay. An employee who is scheduled for his/her vacation while acting as juror may reschedule his/her vacation in a free period;

3) – Minimum of three (3) days notice, when possible, along with copy of the summons must be provided to the employees Supervisor.

ARTICLE XVIII

SAFETY & HEALTH

18.01 a) - The Company, the Union and the employees recognize their obligations and rights according to the laws in force with respect to matters of safety, health and environment.

18.01 b) - The parties recognize that it is the responsibility of the Company to make necessary provisions for the safety, health and environment of its employees at the work place. In their desire to maintain high standards of safety, health and environment at the work place, the Company and the Union will cooperate in the continuing objective of eliminating accidents and health and environmental hazards and in advocating observance of safety, health and environment rules, procedures and policies.

18.01 c) – The Company and the Union agree that in order to achieve high safety standards, proper attitudes must be developed by all concerned due to the primary role of the human element in any sound accident prevention, industrial disease and environmental programs with visible support from senior management and the union executive.

18.02 a) – The Company recognizes the importance of an Environment, Safety & Health Committee to further safety and promote desirable communications to this effect. An Environment, Safety & Healthy Committee composed of up to two (2) members appointed by the Union and up to two members appointed by Management (2) shall be established. The Union and the Company shall designate their respective Co-Chairs and shall give written notice to each other of their respective Co-Chair and committee As far as possible, members should be members. representative of all work areas.

18.02 b) - Inspection tours of Company facilities by the Environment, Safety & Health Committee shall take place monthly or at other intervals as mutually agreed, to seek out

unsafe acts and unsafe conditions, and this without loss of pay.

18.03 a) - In the discharge of its functions the committee shall: consider existing practices and rules relating to environment, safety and health, review and formulate appropriate and necessary suggestions for changes in existing practices and rules, recommend adoption of new practices and rules, review and revise proposed new safety, health and environmental programs, review and analyze the cause and means to be taken in case of unsafe acts and conditions, accident statistics and trends as well as noise, dust, fumes, gas, hazardous chemicals, cold and heat reports and make appropriate and necessary recommendations concerning the functions and duties set out above.

18.03 b) - Recommendations of the Environment, Safety and Health Committee together with supporting documentation and reasons shall be submitted to the Manager for his/her consideration in order to provide for the safety, health and environment of its employees during working hours and at all times when legitimately on Company property. The Manager will advise the committee of the appropriate action to be taken by the Company on the recommendations submitted.

18.04 - Number not used.

18.05 - The Committee shall hold a monthly meeting at a time determined by the Co-Chairs of both parties. Each Co-Chair shall submit a proposed agenda to the other Co-Chair at least five (5) days prior to the monthly meeting.

The Company Co-Chair will provide the Union Co-Chair with minutes of the monthly meeting within five (5) days following this meeting (excluding Saturday, Sunday and holidays). Furthermore, should conditions warrant, the Co-Chairs, by mutual agreement, may call such meetings as they deem necessary. Members shall not lose their regular earnings while in attendance at the meetings.

18.06 – Prior to the monthly meeting, the Co-Chairs, or the designate of each Co-Chair, may inspect mutually selected work areas in respect of such matter as: accident investigation follow-up; excessive noise, heat, cold and hazardous chemicals, fumes, dust or vibration as they pertain to employee's health and reported unsafe conditions. A report of the inspection shall be prepared by the Company and transmitted to the Union Co-Chair setting forth their findings. The Company agrees to pay up to eight (8) hours per month for regular work hours lost due to such inspections and such noise tests and air samplings as the Union Co-Chair or delegate requests under this paragraph and Paragraph 18.09.

18.07 - In the case of accidents which result in disabling injury there will be a fact finding investigation and the Company will immediately, but not later than 24 hours from the time of the accident, notify the Union Co-Chair or a member of the Environment, Safety & Health Committee. In the case of accidents which did not, but could have resulted in disabling injury, such investigation will also be carried out if the Co-Chair deems it necessary. The Union Co-Chair, or the Environment, Safety & Health Committee designate, may visit the scene of the accident with the Company Co-Chair or designate. Each will submit his/her

report to the Environment, Safety & Health Committee.

18.08 - At any time a safety hazard develops it may be addressed by the appropriate Union Environment, Safety & Health representative and brought to the attention of the area manager. This person will then advise the Union of the appropriate action to be taken by the Company.

18.09 - The Company will continue its program of air samplings and noise testing. Where the Union Co-Chair of the Environment, Safety & Health Committee alleges a significant on-the-job health hazard due to air pollution or noise, the Company, in the presence of the Co-Chair (or the regular designate if the Co-Chair is not at work), will also make such additional noise tests and air samplings as are necessary. A report based on such additional noise tests and air samplings shall be forwarded to the Environment, Safety & Health Committee.

18.10 a) - Should an employee or a group of employees believe that there exists an unsafe, unhealthy or dangerous condition with respect to the area in which he/she is working, other than the normal hazards in his/her work or working area, the employee shall have the right to stop working and he/she shall immediately report the condition to his/her supervisor who shall immediately investigate the condition and take steps necessary to correct it:

18.10 b) - If the employee is not satisfied with the decision of his/her Team Leader, he/she shall have the right to be relieved from duty on the job in respect of which he/she has complained and will be assigned to another job at his/her regular rate. Should the stoppage of work due to an alleged

unsafe, unhealthy or dangerous condition affect other employees, such employees will be reassigned to other jobs at their regular rate.

18.10 c) - As soon as possible a Union and a Company representative of the Environment, Health and Safety Committee will be called in by the Team Leader to inspect the alleged unsafe condition. The employee may be called in at the request of a committee representative.

18.10 d) - If the representatives agree that the condition was in fact unsafe, the employee shall be reassigned to the job when the unsafe condition has been remedied.

18.10 e) - If the representatives disagree as to the safety of the condition, the Union shall have the right to file a grievance at Step 2 of the grievance procedure in accordance with Article 7 or request appropriate governmental intervention. On the other hand, the employee shall have the right to file a grievance at Step 2 of the grievance procedure for wages he/she claims to have lost as a result of the alleged unsafe condition.

18.10 f) - A grievance filed under e) above which is advanced to arbitration must be scheduled as soon as an approved arbitrator is available but in any case shall be no later than thirty (30) days from the date the grievance was denied at Step 2 unless mutually agreed upon by the parties.

18.10 g) - Pending resolution of the matter, the Company has the right to offer the work in dispute to another hourly employee who will be advised of the refusal by the regular

employee to perform the work for safety reasons. If this hourly employee refuses to perform the work in dispute, while awaiting the resolution of the problem by one or the other of the methods set out in e) above, the Company will have the right to continue to have the work performed.

18.10 h) - The Company may present a grievance in the event that Paragraph 18.10 is subject to vexatious or abusive treatment.

18.11 - Protective devices, wearing apparel and other equipment necessary to properly protect employees from injury shall be provided by the Company in accordance with Appendix "H" as such practices may be improved from time to time by the Company. The Environment, Health and Safety Committee may make recommendations with respect to this paragraph.

When the Company introduces new personal protective apparel or extends the use of protective apparel to new areas or issues new rules relating to the use of protective apparel, the matter will be discussed with the members of the Environment Safety & Health Committee in advance in order for the committee to form an opinion as to the adequacy of the protective apparel and with the objective of increasing co-operation.

18.12 - The Company shall provide adequate first-aid during working hours.

18.13 a) - If time is needed by an employee during his/her normal working hours to visit the doctor as a result of a work accident and the time for such visit is not

compensated for under the Workplace Health, Safety and Compensation Act, no loss of pay shall result.

18.13 b) (i) – Employees shall be allowed a complete annual industrial examination which will be carried out in accordance with the prescribed medical examination.

18.13 b) (ii) - The examination may be carried out by the physician designated by the Company or by the physician of the employee's choice. Should the employee not use the services of the physician designated by the Company, the Company will pay an amount up to the cost of providing the complete industrial examination through the Company. Where the employee uses the services of the physician of his/her choice for the industrial examination, the examination results required for employment purposes shall be forwarded to the Company designated physician.

18.13 b) (iii) - The above examinations will be carried out outside the employee's work hours and the employee will be allowed one (1) hour at his/her regular straight time rate for attendance at such examination. The employee will receive an invoice form from the Company. The form will state that the employee has taken the prescribed examination. On receipt of the invoice the Company will pay the doctor's fee up to the agreed amount prescribed for such examination.

18.13 b) (iv) - Should the Company require an employee to be examined by the Company designated physician during the employee's regular scheduled shift, no loss of pay shall result.

18.13 b) (v) - Employees who are required to obtain a Miner's Medical will be allowed two (2) hours at their regular straight time rate for attendance at such examination.

18.14 a) - A copy of the Safety Department's report on losttime accidents and a first-aid station report shall be forwarded to the Union Co-Chair of the Environment, Safety & Health Committee. Such report may be discussed at committee meetings.

18.14 b) – When an employee signs a form prescribed by the Workplace Health, Safety and Compensation Commission, a copy of such form, as submitted by the Company to the Commission, will be made available to the Union upon request.

18.14 c) – When the Company contests a request for indemnity the Union will be advised of such contestation.

18.15 – During the life of the present Collective Agreement, it is the intent of the Company to provide for eye examinations and prescription safety glasses under the following conditions:

18.15 a) - The Company will reimburse the full cost of the eye examinations related to prescription safety glasses, not more than once a year, upon presentation of a proper doctor's invoice.

18.15 b) - the Company will pay an amount up to the cost of providing the safety glasses through the Company twice per year;

18.15 c) – under the same conditions as b) above, the Company will replace safety glasses broken or damaged on the job.

18.16 a) - Should an employee contract an industrial disease from Company work processes which renders the employee unable to maintain necessary standards of health on the job he/she was regularly performing, the employee will be moved to some other job for which he/she is qualified. The foregoing will also apply to an employee who contracts an industrial disease for which a permanent partial disability is recognized under the Workplace Health, Safety and Compensation Commission Act.

18.16 b) - If as a result of medical disability an employee is unable to perform certain duties they will be assigned to other duties which they are physically able to perform.

18.16 c) - If there is disagreement as to the employee's medical condition rendering the employee unable to perform a job under the terms of 18.16 a), the employee shall be examined by a physician chosen by the employee's physician and the Company designated physician. The medical opinion of the third physician after examination of the employee and consultation with the other two physicians shall decide the matter. The fees and expenses of the third physician shall be paid by the Company. Regular wages lost and reasonable expenses incurred by the employee as a result of an examination required by the third physician will be paid by the Company.

ARTICLE XIX

NOTICES

19.01 - Any notice in writing which either party desires to give to the other shall be given by registered mail, postage prepaid, or e-mail, addressed as follows:

To the Company:

Manager of Human Resources Iron Ore Company of Canada P.O. Box 1000 Labrador City, Newfoundland & Labrador A2V 2L8

To the Union:

Recording Secretary, Local 6731 United Steelworkers 105 Hudson Drive Labrador City, Newfoundland & Labrador A2V 1L4

19.02 - Any notice so mailed shall be deemed given as of the next business day after date of mailing. The registration receipt or e-mail confirmation shall establish the date of mailing.

19.03 – Provisions of this Article apply to all Articles having time limits.

19.04 - Either party may change its address for service of notices at any time by notice as above mentioned.

ARTICLE XX

CONTRACTING OUT

20.01 - The Company will do work normally performed by the employees of the bargaining unit with its employees as defined in the Collective Agreement. Contracting out will be kept to a minimum.

20.02 a) - No employee in the bargaining unit will be laid off or displaced because of work normally accomplished by the employees in the bargaining unit being contracted out, or such work being performed on site by a contractor. Furthermore, before contracting out such work, the Company will recall, in accordance with 6.05 e), qualified employees who are laid off or displaced, for such work, provided these employees are available.

20.02 b) - No employee working in a job in the department or departments in which a contractor is employed will be displaced from his/her department, because of the contractor's work, during the period of time a contractor's employee is working in a similar occupation on site. Employees working in the department or departments where a contractor is employed will be scheduled for not less than the same number of hours per week as employees in the bargaining unit working in other departments.

20.03 - In accordance with Paragraph 20.04, before the Company finally decides to contract out work normally performed by the bargaining unit employees, the Company

will provide the contracting out committee with detailed information as set out in Appendix "D" so that the Union members of the committee can adequately form an opinion as to whether or not such work should or should not be contracted out. Should the scope of the contractor's work be changed during the contract period the changes will be treated as a new contract.

20.04 – Not less than ten (10) days before the Company finally decides to contract work which is normally carried out by its regular qualified employees, the Company will notify the Union committee in writing including a time and place for a meeting. The notice provided will include detailed information as set out in 20.03. The meeting will take place five (5) days before commencement of the work. When the Company cannot give the ten (10) days' notice, a verbal notice will be given immediately when it becomes possible to do so and confirmed by e-mail.

20.05 - The Committee mentioned in 20.03 shall be composed of three (3) Union representatives and three (3) Company representatives. If a meeting is desired, the Union committee members shall not lose regular earnings while in attendance at this meeting. Upon request, one (1) member of the Union committee will be allowed four (4) hours per month at his/her regular rate to investigate contracting out matters in conjunction with a Company representative.

20.06 - Any alleged violation of the provisions of Article XX shall be subject to the grievance procedure and processed in accordance with Article 7.

20.07 - An individual employee who has been laid off or displaced in violation of the provisions of Paragraph 20.02 may file a personal grievance for the pay he/she claims to have lost.

20.08 - A contractor working on site under Paragraphs 20.03 and 20.04 will not perform work normally performed by bargaining unit employees. Should this occur an employee may lodge a grievance at Step 2 in accordance with the provisions of Paragraph 2.03 and any claim payable will apply from the date the grievance was filed.

20.09 - SPECIAL ACCELERATED ARBITRATION PROCEDURE

20.09 a) - Purpose

The purpose of this special accelerated arbitration procedure is to settle expeditiously disagreements relating to contracting out work within the context of Article XX of the Collective Agreement. These provisions are not necessarily related to an announced layoff.

20.09 b) - Nomination of the Arbitrators

Both parties agree to name six (6) arbitrators who will, be available on request. They must devote the time, necessary to carry out their functions and responsibilities. The expenses of the arbitration shall be paid equally by the Union and the Company.

20.09 c) - List of Arbitrators

D. Alcock D. Buffet J. Clarke J. Oakley J. Scott W. Thistle

20.09 d) - Arbitration Procedure

Once a written grievance has been filed according to the provision of Article XX, it may be referred to an arbitrator provided for in the accelerated procedure. The following procedure will be followed:

20.09 d) (i) - Once the grievance has been filed, either Co-Chair of the parties' Contracting Out Committee will contact one of the arbitrators in rotation so that he/she may set the grievance hearing as soon as possible. The hearing will take place as soon as the arbitrator has indicated his/her availability.

20.09 d) (ii) - The arbitrator will examine the facts and the parties will proceed with their argument. When one or more witnesses are deemed necessary to clarify facts, they will be heard promptly.

20.09 d) (iii) - If the arbitrator deems it advisable he/she may visit the site with one or more representatives of both parties.

20.09 d) (iv) - If objections are raised during the hearing and if the arbitrator does not rule on them immediately, he/she will take them under advisement and will rule on

them at time of decision.

20.09 d) (v) - The arguments of the parties will be heard during the hearing.

20.09 e) – Responsibilities and Duties of the Arbitrator

20.09 e) (i) - Subject to the foregoing, the arbitrator will render his/her decision on the bench and will confirm his/her decision in writing within five (5) days of the hearing.

20.09 e) (ii) - The authority of the arbitrator is limited to the application and interpretation of the Collective Agreement and to the grievance in dispute.

20.09 e) (iii) – The arbitrator is prohibited from rendering a decision inconsistent with the provisions of the Collective Agreement. The decision will be binding on both parties and shall not create a precedent.

ARTICLE XXI

STRIKES AND LOCK-OUTS

21.01 - The Company agrees that there shall be no lock-out during the life of this Agreement.

21.02 - On the other hand and for the same reason the Union agrees that there shall be no strike, picketing, concerted slowdown or stoppage of work.

21.03 - The Union further agrees that it will not involve any employee of the Company, or the Company itself, in any dispute which may arise between any other employer and the employees of such other employer. An employee who holds a Union position at the Company and is granted a leave of absence under the provisions of Article 4.09 is not touched by the above provision in exercising a Union representative function in a difference involving another employer.

ARTICLE XXII

AUTHORITY OF THE UNION

22.01 - The United Steelworkers (Local 6731), and its duly appointed or elected representatives agree that they have authority from the members of the said Union to enter into this Agreement and agree that this Agreement shall be binding upon the same Union and/or its members under the Laws of the Province of Newfoundland and Labrador.

ARTICLE XXIII

VALIDITY OF THE AGREEMENT

23.01 - If any provision of this Agreement is void in view of the provisions of the Labour Relations Act of the Province of Newfoundland and Labrador, the other provisions of the Agreement shall not be affected in any way by such nullity.

ARTICLE XXIV – Number not used.

ARTICLE XXV

LEGAL TEXT

25.01 - The English text is the legal text of this collective agreement.

ARTICLE XXVI

DURATION OF THE AGREEMENT

26.01 - This Agreement shall become effective on March 1, 2012 and shall remain in full force and effect until the 28th day of February 2018.

26.02 - Within the ninety (90) days preceding the expiration of this Agreement, either party may notify the other party of its desire to negotiate the terms and conditions of a new Agreement.

IN WITNESS WHEREOF Iron Ore Company of Canada has caused its corporate seal to be affixed under the hands of its proper officers in that behalf and the duly appointed or elected representatives of United Steelworkers (Local 6731) have hereunto set their hands and seals this 1st day of June, 2012.

IRON ORE COMPANY OF CANADA

UNITED STEELWORKERS LOCAL 6731

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APPENDIX "A"

JOB EVALUATION PLAN

Appendix Not Used

APPENDIX "B"

Appendix not used.

APPENDIX "C"

CONSULTATIVE MACHINERY

Appendix not used.

APPENDIX "D"

CONTRACTING OUT REQUIREMENT LIST

1. Description of proposed work:

2. Manpower (including special skills):

3. Equipment and/or facilities:

4. Material:

5. Planned Starting date:

Planned completion date: _____

6. Other	remarks:
----------	----------

7.	Date of Meeting:	
	Time of Meeting:	

Signature

APPENDIX "E"

COST OF LIVING ALLOWANCE

Iron Ore Company of Canada

And QNS&L

Unionized Employees

APPENDIX "F"

HEALTH CARE PLAN

Iron Ore Company of Canada

And

QNS&L

Unionized Employees

APPENDIX "F-1"

DENTAL PLAN INSURANCE

Iron Ore Company of Canada

And

QNS&L

Unionized Employees

APPENDIX "F-2"

RETIREMENT PLAN

FOR THE UNIONIZED EMPLOYEES OF

IRON ORE COMPANY OF CANADA

QUEBEC NORTH SHORE & LABRADOR RAILWAY

AND ASSOCIATED AND SUBSIDIARY COMPANIES

March 1, 2012

Plan Name: Pension Plan for Employees of Iron Ore Company of Canada, and Associated and Subsidiary Companies

Plan Numbers: OSFI Registration Number: 55315 Newfoundland and Labrador Registration Number: 24889 Canada Revenue Agency Registration Number: 0382150

APPENDIX "G"

Travel Allowance

The Travel Allowance Benefit is provided for employees and their families permanently residing in Labrador West once per year per family at the time of his/her annual vacation. For married employees, the benefit will be provided for the employee, the spouse and their children. Children are defined as not fully employed children under 18 or who are full time students under 24. The Travel Allowance benefit will be in the amount of \$1450 per eligible claimant, 100% of which will be advanced before leaving for annual vacation.

APPENDIX "H"

A) - The following protective clothing and equipment will be provided at Company expense to provide safe job working conditions:

- 1. The Company will supply to all employees leather, rubber and cotton gloves as well as mitts, according to the requirements of their job.
- 2. Rubber gloves as used by linepersons or protective leather mitts will be supplied to electricians.
- 3. Leather gloves, jackets, cape sleeves, leg protectors and welder masks will be supplied to welders.

- 4. Neoprene gloves will be supplied to employees working with acids or strong detergents.
- 5. Rubber gloves, lab coats and protective masks will be supplied to laboratory employees.
- 6. Life jackets will be supplied to employees working where there is danger of falling in the water.
- 7. Liners for safety hats will be supplied to employees according to the requirements of their job.
- 8. Ear plugs or muffs will be supplied to employees according to the requirements of their job.
- 9. Adequate additional protective clothing (waterproof jackets and pants) or rubber boots will be supplied to all employees for weather protection according to the requirements of their job.

The above-mentioned items will be replaced as required provided the worn-out item is returned to the Company.

B) - Safety hats:

All employees will be supplied a safety hat;

- 1. The Company will replace lost hats at employee's expense;
- 2. Hats broken, damaged or lost at work will be replaced free, provided they were properly worn or used at the time they were damaged or lost.

- C) Face masks/Respirators:
- 1. Face masks or respirators will be supplied to all employees before working in areas contaminated by dust, gas or fumes;
- 2. The Company will replace lost face masks or respirators. Face masks or respirators lost will be replaced at employee's expense;
- 3. Broken, damaged or lost masks or respirators will be replaced free, provided they were properly worn or used at the time they were damaged or lost.
- D) Safety Glasses:
- 1. All employees will be supplied one (1) pair of safety glasses;
- 2. The Company will replace lost safety glasses lost at employee's expense;
- 3. Broken, damaged or lost safety glasses will be replaced free, provided they were properly worn or used at the time they were damaged or lost.

E) - Safety Locks

Safety locks and keys used for lock-out procedure will be supplied to all employees required to use same.

All of the above-mentioned items must be turned in when

the employee quits the Company, otherwise he/she will be charged for these items.

- F) Personal Protective Apparel
- The Company shall provide, on April first of each year commencing on April 1, 2012, a voucher for a local supplier for the purpose of purchasing approved personal protective apparel. This voucher shall be in the amount of three hundred and ten dollars (\$310.00) for Storepersons. There shall be no replacement of lost, damaged or stolen items excepting as provided for by the voucher.

New Hires will be provided their vouchers during their Induction period.

- 2. Personal Protective Apparel eligible for procurement with the above voucher shall include:
- i) approved safety footwear
- ii) regular work coveralls
- iii) insulated work coveralls
- iv) industrial work shirts and work pants
- v) fire retardant coveralls for Maintainer Operator Mechanical 2 employees and Maintainer Operator Electrical 1 employees.
- 3. The Company shall continue its practice of providing apparel washing facilities at the workplace for coveralls only.

4. The Union President or his/her designate and representatives of the Procurement Department and Human Resources Department shall meet annually for the purposes of reviewing bids and awarding annual supply contracts. The purchase of said protective apparel shall be conducted in a manner so as to maximize available product quality at minimum cost and reduced administrative burden for the Company.

APPENDIX "I"

AGREEMENT ON TECHNOLOGICAL ORGANIZATIONAL OR

OPERATIONAL CHANGES

APPENDIX "J"

EMPLOYMENT BENEFITS AND SPOUSE OR FAMILY STATUS

- 1. For the purposes of application of Company employment benefits, the Company will recognize as spouse, not only legally or religiously married couples, but also upon designation in writing by an employee, filed with the employer, such an employee and their partner, if they have been publicly represented as common law spouses and still are at the time an event occurs that may entitle them to a Company benefit, provided they have been living together.
- a) At least one (1) year, if none of them is still married to any other person, or
- b) Three (3) years, if one or both of them is still married to another person.

If the marital union has not been legally contracted, the spouse will not be considered as such if a period of three (3) months has elapsed during which the spouse has not cohabited. In case of divorce or annulment of marriage, the spouse will not be considered as such from the date that the divorce or annulment is declared.

 Benefits covered under this appendix include Life and Death or Dismemberment Accidental Insurance, Medical & Hospital Expense Insurance, Pension Plan, Northern Allowance, Travel Allowance, Dental Insurance and any other benefits for which family status is of concern, whether or not the persons are employees and whether or not they are covered or not covered under a collective agreement.

- 3. Company benefits will be applied on the following principles:
- a) Where both spouses are employed by the Company, it is understood that the Company's intent in the administration of any employee benefit is to avoid overlapping payments to the spouses and/or the dependents if any.
- b) Any person eligible for a Company benefit as company employee is excluded from claiming the same benefit as a dependent of that employee, and neither of them can claim at the same time the benefit as supporting the other as a dependent.
- c) When a benefit is granted as a family benefit such as Travel Allowance, it can be claimed only by one of the spouses and the Company liability will not exceed 100% of the amount payable for the whole family.
- d) Unless spouses that are both employees agree otherwise and notify the Company, a family benefit will be paid to the male employee.

Failure to provide the documentation required to determine dependent status of an employee will result in an employee maintaining single status.

EMPLOYMENT BENEFITS AND SPOUSE

OR FAMILY STATUS

- 3. Company benefits will be applied on the following principles:
- c) Where both spouses are employed by the Company, it is understood that the Company's intent in the administration of any employee benefit is to avoid overlapping payments to the spouses and/or the dependents if any.
- d) Any person eligible for a Company benefit as company employee is excluded from claiming the same benefit as a dependent of that employee, and neither of them can claim at the same time the benefit as supporting the other as a dependent.
- e) When a benefit is granted as a family benefit such as Travel Allowance, it can be claimed only by one of the spouses and the Company liability will not exceed 100% of the amount payable for the whole family.
- f) Unless spouses that are both employees agree otherwise and notify the Company, a family benefit will be paid to the male employee.

APPENDIX "K"

AGREEMENT ON

SUPPLEMENTARY UNEMPLOYMENT

BENEFIT PLAN

ISSUE #1 – STUDENTS

IRON ORE COMPANY OF CANADA STUDENT EMPLOYMENT PROGRAM

The Iron Ore Company of Canada and the United Steelworkers, Local 5795/6731, have hereby agreed to the following guidelines should IOC determine that students will be hired.

- 1. *Eligibility*: Although any student can apply for student program, preference will be given to IOC dependants. IOC scholarship students will be awarded the first positions.
 - This includes dependents of active, LTD, retired or deceased IOC/QNS&L employees who are full time students as stated below.
 - b) Students must be in full-time attendance at a post secondary institution.
 - c) Students must be in a degree or diploma program.
 - Students must have been in school full time in the previous two post secondary terms and be registered for the following term.
 - Students are continuing their studies the following September in a Degree or Diploma-

2. Selection Process

- a) The Company shall determine the number of student employment positions.
- b) Students must have completed the required documentation and submitted information required from the institution on the forms provided.
- member IOC C) Three teams comprised of Operations Representative. HR Representative. and USW Representative Local 5795/6731 will interview and evaluate all eligible applicants based on the competencies. These competencies will be made available to all candidates to review in advance of the interview process through the IOC website. Where practically possible the student interviews will be conducted in person either at the location of the student's academic institution or the locale of their permanent residence.

- d) In the event that the interview team is not able to reach consensus on the deselection of a student application, the USW Representative shall have the right to determine that such applicant be placed in the draw. Such determination shall not be made in an arbitrary or discriminatory manner. Should Management consider a determination has been arbitrary or discriminatory, the parties agree to expedite arbitration as per Article 8.10.
- e) All eligible student applicants who are selected as per d) above plus those students returning from a preceding period of student employment who received acceptable performance reviews will become part of the student employment pool for that year.
- f) Students from the pool shall be considered for staff type student employment based entirely on merit as determined by the Company during the joint interview and selection process having also taken into consideration the application of that student's educational discipline.
- g) Students from the remaining pool who are dependents shall be considered for hourly type student employment based on a random draw process agreed to and conducted jointly by the representatives of the Company and USW Local 5795/ 6731. Such a draw will determine both those students who shall be employed in student positions for that year as well as the order in which students may be employed should additional positions become available.
- All students must meet the requirements of a medical assessment and standard physical fitness test or be able to be accommodated by the Company in order to be employed by the Company.
- If there are not enough dependants to meet the requirements for student employment in hourly type positions then the Company and the Union shall discuss and agree on a process to be used to select the remainder of the student requirements.

3. Students' Responsibility

- a) Number not used.
- b) Number not used.

- c) Number not used
- d) Students must be available to work the entire period required. Any student requiring to leave early must comply with Article 2.02.
- e) Should the student decide not to continue his/her studies, it is the student's responsibility to notify the Iron Ore Company of Canada (Human Resources) as soon as the information is available.

4. General

- a) Students will be paid an hourly rate equivalent to eighty percent (80%) of the Operator Maintainer rate. No Union dues will be required.
- b) Students may be employed by the Company as per the summer and Christmas vacation periods defined under 2.02.
- c) Student will be evaluated periodically. The evaluation will benefit students as it determines areas in need of improvement for future employment.
- d) Students may be terminated at any time during this period of employment should they fail to meet Company standards.
- e) The Company will provide students with all required PPA and PPE, as per their job requirements.

ISSUE #2 - PROCEDURE FOR REPORTING SHIFT ABSENCE

Letter not used.

ISSUE #3 - SEVERANCE PAY

In the event there is a permanent shutdown of the Iron Ore Company of Canada, the Company agrees to meet with the Union on this matter and negotiate a severance pay plan.

ISSUE #4 - 3 DAY SICKNESS PROVISION

Effective as of the signature date of the collective agreement an employee absent for sickness for more than three (3) days will receive up to three (3) days pay at his/her regular daily rate for the first three (3) days of sickness not covered by the weekly indemnity provision of the Welfare Plan provided a claim for weekly indemnity benefits is approved and provided this employee was scheduled to work those three (3) days. This is applicable only to those employees who part of the bargaining unit prior to September 23, 2004.

ISSUE #5- HYDRO RATE

This confirms the Company's intent to continue to reimburse employees regardless of the ownership of the Power Utility Company, for any hydro rate increases established from the base rate of:

0-20 kWh	\$1.15 Minimum Charge
21-60 kWh	\$0.0278 per kWh
61-300kWh	\$0.0127 per kWh
Over 300kWh	\$0.0115 per kWh

Reimbursement will be in the form of an annual reimbursement.

ISSUE #6 - MORTGAGE SUBSIDY

This will confirm the Company's intent to continue the mortgage subsidy policy for existing and new mortgage holders for the life of the Collective Agreement.

Effective January 1, 1991 all employees, regardless of dependent status, will be eligible to apply for the Iron Ore Company of Canada Mortgage Subsidy Program. As of the same date, the program will be amended to provide a maximum of fifteen (15) years' interest subsidy to new participants.

ISSUE #7 - JOB CLASS RATE – Letter not used.

ISSUE #8 - 10 HOUR SHIFTS

In order to introduce the 10 hour shifts where necessary, the Company has agreed with the Union to a one time trial period after which time a vote by the concerned employees will determine the viability of the shift.

ISSUE #9 - CLC EDUCATION COURSE

This will confirm the agreement reached during recent negotiations regarding the Canadian Labour College. The Company will pay, over the life of the Collective Agreement three thousand (\$3000.00) annually to the Union should their members attend a recognized CLC education course.

ISSUE #10 - WORKPLACE CHANGE AND CONSULTATIVE PROCESS

Letter not used.

ISSUE #11 - VACATION ENTITLEMENT AND TRAVEL ALLOWANCE BENEFITS FOR RECALLED EMPLOYEES

A. Based on the number of weeks worked, employees who have earnings and did not take their vacation pay upon layoff will be entitled to vacation and prorated Travel Allowance Benefits in the following year, if recalled.

B. Prorated Travel Allowance Criteria

Prorated Travel Allowance	Criteria	
1 to 14 weeks worked	-	50%
15 or more weeks	-	100%

- C. Employees must take vacation in order to access Travel Allowance Benefits.
- D. The employee, if recalled, will be recalled one week earlier and placed on vacation for that week.
- E. If an employee is scheduled for vacation and then laid off, he/she may request their vacation remain as scheduled.
 - i. All other Travel Allowance Benefits criteria are as per Appendix G.

ISSUE #12 - LOCAL ISSUES

#1 Hot Lunches

a) Second lunch when working double shift.

b) Hot or cold beverage with the hot lunch.

c) Quality of hot lunches, greater selection and posting of menu.

Employees who work more than two (2) hours of overtime immediately following their regular shift will receive a hot lunch; if they continue to work beyond four (4) hours of overtime a cold lunch will also be provided. Where it is known in advance that the overtime will be over four (4) hours, both lunches will be delivered at the same time. In incidents where a full shift of overtime immediately precedes the employee's regular shift, the employee will be given a hot lunch after he/she has completed the overtime shift and as early as possible into the regular shift. It is understood that hot lunches will not be given whereby either of the shifts is a shift change (T.D. 71 or 49).

The employee working overtime and who qualifies for a lunch will be given a choice of a hot (coffee or tea) beverage or a cold (soft drink or pint of milk) beverage with a hot lunch. With a cold lunch a cold beverage will be supplied.

The menu will allow choice of a hot lunch from two (2) main meals and two (2) alternates. Menu selections will be varied and posted every two (2) months.

The Union may select one (1) person to bring problems regarding quality and selection of lunches to the attention of Employee Relations who will arrange a meeting with the supplier where necessary.

If practical, the Company will endeavour to have two (2) suppliers available for the supply of lunches.

#2 Apartment Rents

For the life of the present Collective Agreement, there will be no increase to monthly rental rates of apartments presently being rented by IOC employees in Labrador City.

#3 Control of Stockyard by Store persons

The Company agrees that it is the function of the Store persons to control all inventory items entering and exiting the stockyard.

#4 Stocking of Warehouse Materials in Sub-Warehouses Controlled by the Warehouse

The Company agrees that it is the function of the Store persons to stock inventory items in the subwarehouse currently controlled by the Warehouse.

5. Problem Resolution Meeting

On an as needed basis, the Union executive will meet with management to discuss issues related to HSE, overtime and scheduling, and other associated issues. Every effort will be made to take care of problems as they arise.

#6 Train Passes for Local Retirees

This will confirm the agreement reached during recent negotiations. The Company will provide an annual trailer pass on QNS&L for four (4) local retirees during the life of this Collective Agreement.

Rented and/or leased trailer will be permitted with proof of rental or lease agreement in the name of the retiree.

ISSUE #13 - MEDIATION REVIEW

Letter not used.

ISSUE #14 - WORK PERFORMANCE REVIEW

This confirms our agreement with respect to employees work performance reviews. In particular, we agreed that IOC currently has a right under the management rights clause of our collective agreement to conduct work performance reviews with employees. The purpose of the work performance review is to provide a framework for ongoing, frank, fair, and honest communications between employees and their team leaders regarding job performance and job satisfaction.

An employee whose performance has been evaluated as "requiring improvement" or "unacceptable" may arrange to have a Union representative present during a follow up meeting which will be held within fourteen (14) days from the initial meeting to review that rating. There shall be no requirement that an employee sign any document regarding their job performance review.

Work performance reviews shall be used for employee development purposes only. Work performance reviews, and any written material arising out of these reviews do not constitute discipline, shall not be used as a substitute for discipline, and shall not be relied upon in any way in the discipline of employees. Further, we agree that work performance reviews shall not be used to adversely affect the rights of any employee under this collective agreement, and in particular shall not be used in any manner whatsoever in determining promotions, demotions, vacancies, assignments, layoffs, recalls, force reductions, merit or other wage increases, or any other right in which seniority may be a factor under the terms of our collective agreement.

We agree that this letter of agreement forms part of the collective agreement between the parties.

While this letter refers to team leader's the parties agree that this letter also applies to all non-bargaining unit employees who conduct work performance reviews.