

TIMMINCO METALS

AGREEMENT

between

TIMMINCO METALS

A Division of Timminco Limited

HALEY, ONTARIO

and

UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING,

ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS

INTERNATIONAL UNION

(UNITED STEELWORKERS)

(Hereinafter the “United Steelworkers” or the “Union”)

2007 – 2010

TIMMINCO

01568 (09)

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MEMORANDUM OF AGREEMENT

BY AND BETWEEN

TIMMINCO METALS

A DIVISION OF TIMMINCO LIMITED

Incorporated under the laws of the Province of Ontario, herein acting with respect only to its plant at Haley, Ontario, hereinafter called the "Company"

AND

UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING,
ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS

INTERNATIONAL UNION

(UNITED STEELWORKERS)

(Hereinafter the "United Steelworkers" or the "Union")

a voluntary non-incorporated Association, hereinafter referred to as the "Union".

Now therefore, this agreement witnesseth, that the parties agree as follows:

ARTICLE 1

RECOGNITION AND SCOPE

1.01

The Company recognizes the Union as the sole and exclusive bargaining agent for all its employees at its plant at Haley, Ontario, save and except foremen, shift foremen, persons above the rank of foremen or shift foremen (and those automatically excluded by the Law), bricklayers, office staff, sales staff, guards and students, as certified by the Ontario Labour Relations Board on the 28th day of September, 1951.

1.02

The term "employees" whenever used hereinafter in this Agreement shall mean all employees covered by this Agreement as stated in Paragraph 1.01 of this article.

1.03

The Appendix "A" - Rates and Classifications - forms an integral part of this said Agreement and the occupations enumerated in Appendix A are hourly paid occupations for the duration of this Agreement. All other appendices attached to this agreement also form an integral part of this said agreement.

1.04

The Company recognizes the Union as the sole and exclusive bargaining agency for the employees of the Company hereinafter referred to in respect of rates of pay, hours of work, and other working conditions.

1.05

There shall be no discrimination or intimidation by the Company or the Union or any of its members against any employee by reason of his being or not being a member of the Union or any employees organization, or because of race, colour, religious creed, political belief or Union activity.

1.06

No person shall be required, as a condition of employment, to become or remain a member of any union or other employees' organization and no statements or representations to the contrary shall be made.

1.07

Employees in supervisory positions, technicians or professional employees will not perform any work that is normally performed by an hourly worker. Supervisors will, however, perform work when required to properly instruct workers or in an emergency. The Company will, at all times, be permitted to use technical or professional employees in performing research or development or new processes.

ARTICLE 2

CO-OPERATION

2.01

- (a) The Union agrees that it will not cause or sanction a strike or slow down during the term of this agreement.
- (b) The Company agrees that it will not cause or sanction a lock-out during the term of this agreement.

2.02

The Union shall advise the Company in writing of the names and titles of its officers and representatives and of any change therein.

2.03

The names of the Company's plant officials and their titles shall be posted on the bulletin board.

2.04

Any notices required to be given by one party to the other shall be sent, if addressed to the Company, to the Plant Manager or his delegate, and if to the Union, to the President of the Union or his delegate.

2.05

The Union agrees that it will not conduct any Union activity on Company's property during working hours except as specifically permitted by this Agreement.

2.06

The Company agrees to provide the Union with space on bulletin boards in each of the following locations:

- In the **Dy**
- In the Granulation Building
- Entrance - General Service Building
- In the Casthouse

for the exclusive posting of notices of Union Meetings, or social affairs, or appointments of stewards or grievance committeemen. All such notices shall be properly authenticated. Notices of a special nature shall be submitted to the Company for approval before posting.

2.07

In view of this method of informing employees, the Union or employees shall not otherwise post, distribute, or leave any kind of literature within the Company's property.

2.08 **Leave of Absence**

- (a) Employees of the Company may be granted leave of absence up to three (3) months without pay and fringe benefits, permission to be obtained in writing, and unless employees on such leave of absence report for work on or before the expiration of such absence, their names shall be removed from the seniority list. Leave of absence under this rule will not be granted for the purpose of engaging in work outside the Company service, except in the case of sickness or accident or other exceptional circumstances.
- (b) The Company will grant leave of absence without pay, not to exceed five (5) days to a maximum of three (3) employees, chosen by the Union at any one time, in order to engage in any work pertaining to the business of the Union.

Such requests will be made in writing, at least seven (7) calendar days in advance.

- (c) The Company will grant leave of absence to an employee for one (1) day or less to attend to Union duties. The Union shall advise the Company, in writing, seventy two (72) hours in advance, where possible.

The number of employees involved, for one (1) day or less, will vary. Where it is not possible for the Union to provide the notice specified in 2.08(b) or (c), such time off will not be unreasonably denied, depending on the operations requirements of the Plant.

- (d) It is agreed that an employee on leave to attend to Union business for a period of five (5) shifts or less, duly authorized by the Union and approved by the Company, will be paid by the Company for the scheduled missed shifts. The Company will bill the Union and the Union will reimburse the Company on a monthly basis.
- (e) Any leave of absence permit must be in writing and signed by an authorized Company official. An employee desiring to return to work after a leave of absence that exceeded one (1) week, shall give one (1) days notice to the Company, in order that a place can be made for him.

2.09

The Company shall grant leave of absence without pay, not to exceed two (2) years to the Union members, in order to engage in Union work, but not more than one (1) employee shall be absent on leave at any one time. Such request will be made in writing at least fifteen (15) days in advance of leaving.

- i) Seniority will accumulate during such absence.
- ii) Pension accrual will be continued for up to a maximum of twelve (12) consecutive months.
- iii) Other benefit coverage except for weekly indemnity coverage will be continued at the Company's cost for a maximum of thirty (30) consecutive days, after which the Union will reimburse the Company on a monthly basis for the premium cost of these benefits.
- iv) Weekly indemnity coverage will be continued for up to the maximum of 30 initial consecutive days of leave subject to the provisions of the Company's Weekly

Indemnity Plan.

- v) The Company will investigate with its actuary the feasibility and legality of creating on an one-time basis, a “window” under its Pension Plan whereby one employee on a union leave of absence who has received 12 consecutive months of pension accrual under sub-clause ii) above will be eligible for an additional 12 consecutive months of pension accrual while on leave. Only one (1) employee will be eligible for such an additional 12 months of pension accrual during the life of the Collective Agreement. The Union will reimburse the Company for the cost of providing any pension accrual beyond the maximum 12 consecutive months provided for under sub-clause ii) above.
- vi) If an employee takes more than twelve (12) months of Union leave under this clause while this collective agreement continues to operate, the maximum period of time that the Company will be obligated to pay for pension accrual will be twelve (12) months in aggregate. The Union will reimburse the Company for the cost of any pension accrual in excess of twelve (12) months.

2.10

The Company shall grant leave of absence without pay to employees with one year or more of seniority in order to permit them to follow academic courses for a period of up to two (2) consecutive years. It is agreed that no more than three (3) employees will be absent at any one time. Further employees wishing to take advantage of this leave shall make a request in writing and furnish a letter of acceptance and a summary of the course to be followed at least fifteen (15) days in advance of the date of the start of the course. It is agreed that when a number of requests are made, seniority shall govern in the choice of the candidates. All Company fringe benefits shall cease during these absences, but seniority shall continue to accumulate. Between courses the employee shall be available to work at his regular job. This clause does not apply to employees sent to follow courses at the request of the Company.

2.11

The President and the Chief Steward shall have preferential seniority during their mandate as President and Chief Steward, to work on a regular day shift job.

An employee who is already working on a day shift job and who becomes President or Chief Steward, shall maintain that job, as long as the job is required. In all other cases the President and Chief Steward shall displace the employee with the least seniority on a regular day shift job in his department, provided the incumbents have the qualifications to perform the normal requirements of the job.

Day shift means a job as defined under Article 5, Hours of Work and under Appendix ‘E’, Paragraph 5, Hours of Work.

If the President or Chief Steward is obliged to accept a job with a lower rate than his normal classification, he shall continue to receive the higher rate.

While President or Chief Steward, an employee shall have the right to exercise his normal seniority for all postings. If the posting is awarded to the incumbent President or Chief Steward, he shall have the right to the job upon completion of his mandate as President or

Chief Steward.

During the time that the incumbent President or Chief Steward does not fill the job posting, the Company shall temporarily fill the job. When the ex-President or ex-Chief Steward exercises his rights, the employee temporarily filling the job, shall return to his former classification.

2.12

The Company and the Union agree to abide by the provisions of the Ontario Human Rights Code and such Act as it relates to matters of employment is hereby incorporated into and forms part of this Collective Agreement. The Company and the Union agree that the Modified Work Committee and the Compensation Committee will be replaced by the Accommodation Committee provided for in the attached Letter of Understanding forming part of the Collective Agreement.

ARTICLE 3

MANAGEMENT RIGHTS

3.01

The Union recognizes the right of the Company to manage the Plant and direct the working forces, including the right to hire, promote or transfer any employee, to demote, discipline, suspend or discharge any employee for just cause, to classify any new occupations or any employee, and the right to relieve employees from duty because of lack of work or other just reasons subject to the provisions of this Agreement.

3.02

It shall be the exclusive function of the Company to determine the extent and location of operations, the kinds and locations of machine or equipment to be used, the schedule of operations, to determine the number of employees needed at any time, and to make and alter rules of procedure and conduct for its employees, subject to the provisions of this Agreement.

ARTICLE 4

UNION SECURITY

4.01

The Company agrees during the term of this Agreement, that it will deduct from the earnings of each employee, an amount of money equivalent to the dues authorized by the constitution of the United Steelworkers of America.

4.02

The Company agrees to deduct initiation fees for employees who become members of the Union and whom the Union so advise the Company of their membership. The deductions will be made the month following receipt of the authorization of the employee.

4.03

The money so deducted will be remitted once a month by cheque made payable to and sent to the International Treasurer of the United Steelworkers of America along with a listing of those employees so deducted.

4.04

The amount of dues and initiation fees and any changes shall be confirmed by the Union in writing and shall be transmitted to the Company thirty (30) days before the first of the month in which such deductions are to be effective.

4.05

The Union agrees to indemnify the Company of any recourse in damages or otherwise against Timminco Metals for making the above deductions and payments during the term of this Collective Agreement.

ARTICLE 5

HOURS OF WORK

5.01

This article is to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week. The provisions of this article will remain in effect until conditions warrant a change. Any changes necessary will be effected after consultation with the Union and such changes will be posted by notice in advance of the change.

5.02

- (a) The plant work week shall commence at 12:01 am Sunday and end at 12:00 p.m. midnight the following Saturday night.
- (b) The normal work week shall be forty (40) hours.
- (c) The normal work day shall commence at 12:01 am of one day and continue until 12:00 midnight of the same day, and eight (8) hours at the working place shall constitute a shift.

5.03 **Shift Workers**

- (a) For employees assigned to shift work, the regular starting and quitting times on a three (3) shift basis shall be as follows:

12:00 midnight - 8:00 am

8:00 am - 4:00 p.m.

4:00 p.m. - 12:00 midnight

- (b) Appendix 'E' Twelve (12) Hour Work Schedules forms an integral part of this said agreement for those employees in departments designated in the appendix.

5.04 **Day Workers**

The regular working hours for steady day workers shall be as follows:

8:00 am - 4:30 p.m.

Lunch period - One half hour

5.05 Reporting Allowance

If an employee reports for work on a regular shift without having been notified previously not to report, he shall be given a full shift of work, or, if no work is available, he shall be given at least four **(4)** hours pay at regular rates provided, however, that this clause shall not apply in cases where work is not available due to causes beyond the reasonable control of the Company.

5.06 Absence

(a) An employee will not lose any seniority because of absence due to sickness or accident, or if given written leave of absence for personal reasons.

(b) If an employee finds he is unable to report for work because of sickness, or other legitimate reason, he shall give notice to the Company at least two (2) hours before the start of his shift, except where the employee has just and sufficient cause for his failure to report.

(c) An employee who has been absent from work for sickness or accident or without leave, shall endeavour to notify the Company of their intention to return to work: Two **(2)** hours before the start of their normal work schedule, if they have been absent for five **(5)** working days or less; One day before the start of their normal work schedule, if they have been absent for more than five **(5)** working days.

(d) Upon providing a receipt from the doctor, the Company agrees to pay the costs of medical notes/examinations/testing required by the Company.

(e) At the request of the Union, the Company's Manager – Personnel & Industrial Relations will meet with a Union representative to review the case of an employee who was unable to work his regular shift because he was required to attend an appointment for medical consultation or treatment that could not be rescheduled during non-working time and in circumstances where the employee was not entitled to any employment income loss protection in respect of his absence under either the Workplace Safety & Insurance Act or the company's Weekly Indemnity Plan. The company and the union shall make good faith and reasonable efforts to assist such an employee in these special circumstances to make up lost regular non overtime earnings by offering the employee where practical the opportunity to make up his lost earnings through a preferential opportunity to work overtime to be worked by the end of the pay period next following the pay period in which the absence occurred.

This is not intended to create any opportunity to make up lost earnings incurred during any waiting period for weekly indemnity or benefits under the Workplace Safety and Insurance Act.

(f) In administering any absenteeism policy it may adopt in exercising its Management rights, the Company will not discipline employees for any authorized leave under the Collective Agreement or in respect of any leave provided for under the Employment Standards Act, 2000 to which an employee is properly entitled, or in respect of any bona fide absence that has entitled the employee to receive Workplace Safety and Insurance Act benefits or under

the company's Weekly Indemnity Program.

If an employee has received less than 72 hours notice for a shift change, and he is absent within the period from Saturday at 8:00 p.m. to Monday at 8:00 p.m., he will not be disciplined for the absence.

It is also acknowledged that the Company's Management rights in dealing with absenteeism must be exercised in accordance with the provisions of Ontario's Human Rights Code.

5:07

Except for emergency situations, the Union will be notified of all major crew shift change schedules at least seventy-two (72) hours in advance of such schedule changes. Example: Reducing Melt crews and schedules on one process and increasing crews and schedule on another.

ARTICLE 6

OVERTIME AND SHIFT PREMIUM

6.01

Hours of work in excess of eight (8) hours in any one day or shift or in excess of forty hours (40) in any one week, shall be deemed overtime hours and shall be paid at time and one-half the hourly rate for the job on which the overtime hours are worked.

6.02

If an employee does not work on a paid holiday, but does work on his scheduled 'Day-Off' in the week in which the paid holiday occurs, the paid holiday (8 hours) will be considered in computing weekly overtime.

6.03

Overtime is on a voluntary basis and overtime work will be distributed equitably among those employees who normally perform the work involved, provided the employees asked can take care of their own transportation. The procedure to follow in distributing overtime hours is outlined in Appendix "H".

6.04

No overtime premium shall be paid where the overtime results from change in hours or days of work for the convenience of the employee or employees. Such change shall not be made without the written approval of the foreman or foremen involved, and no employee shall be allowed to exchange more than two (2) shifts in any one (1) month period.

6.05

An employee called out for emergency work shall be entitled to be paid for four (4) hours at his applicable hourly rate, regardless of the time worked, or to the pay to which he is otherwise entitled under the overtime provisions of this Article in respect of the time worked on such call out, whichever is the greater. Except that this guarantee shall not apply in the case of scheduled overtime.

6.06

The Company agrees to provide an adequate lunch to employees who work overtime after their regular shift, without notice prior to the start of their shift.

6.07

(a) The shift bonus will be twenty-nine (29) cents per hour for the 4:00 p.m. - 12:00 midnight shift and thirty-four (34) cents per hour for the 12:00 midnight - 8:00 am shift.

(b) These premiums shall be applicable to the regular rate of the employee for the purpose of calculating overtime.

6.08

(a) A premium of fifty-five (55) cents per hour shall be paid to all employees who are required to perform work on Saturday. This premium shall be applicable to the regular rate of the employee for the purpose of calculating overtime.

(b) A premium of fifty-five (55) cents per hour shall be paid to all employees who are required to perform work on Sunday. This premium shall be applicable to the regular rate of the employee for the purpose of calculating overtime.

ARTICLE 7

HOLIDAYS

7.01

An employee shall, subject to the Paragraph 7.02 of this Article be paid at his straight time rate on the basis of his regularly scheduled normal daily hours of work eight (8) hours for the day on which the following holidays occur whether or not he works on such holidays, namely:

New Years Day
Heritage Day
Good Friday
Victoria Day
Dominion Day
Civic Holiday

Labour Day
Thanksgiving Day
Remembrance Day
Christmas Day
Boxing Day

Twelve (12) Hour Shift Employee:

If an employee who regularly works a twelve (12) hour shift loses twelve (12) hour pay as a result of his shift being cancelled because the Company shuts down the operation in which he works in order to observe the holiday he shall be paid twelve (12) hours holiday pay rather than eight (8) hours as provided above.

Floating Holiday:

A floating holiday will be granted for each 12 month period commencing October 19, 2004. All employees will be eligible to be paid at his straight time rate on the basis of his regular scheduled normal hours of work for this floating holiday. If the holiday is not observed by the employee, this payment will be made at the end of the 12 month period. Employees who wish a day off for the holiday will advise the Company five (5) days prior to the day to be observed. A maximum of one employee per shift or department will be allowed off at any one time in observance of the holiday. It is agreed where business conditions permit that employees in a department on non-continuous operations can elect a specific day on which the entire department would be shut down in observance of the floating holiday. An employee shall not be eligible for the floating holiday until the probationary period has been worked.

The payment for the floating holiday made at the end of the 12 month period will not form part of the hours worked for the calculation of overtime in that week. It is agreed a maximum of two holidays will be observed consecutively.

For employees assigned to continuous operations, holidays will be observed on the actual day. With the exception of the Civic Holiday, and Remembrance Day, holidays for day shift will be observed on the actual day or either Monday or Friday of the week they fall in, as mutually agreed upon by the Company and the Union.

7.02

An employee shall not be entitled to be paid for the above mentioned holidays -

- (a) If he does not work on such holiday when he has been scheduled to do so, unless prevented by verified illness, accident, death in the immediate family, fire fighting duty or jury duty. Verification when requested will be produced in a reasonable time.
- (b) If he is absent without justifiable reason or without permission on either or both of the employee's scheduled working days immediately preceding and succeeding such holiday.
- (c) Except if he is absent due to lay off within the seven (7) days preceding such holiday,
- (d) Except if he is absent due to an accident or illness within sixty (60) days preceding such holiday.

7.03

An employee who works on any of the said holidays, with the exception of the Floating Holiday, shall, in addition to holiday pay to which he may be entitled as provided above, be paid at time and one half plus a premium of twenty-five (25) cents per hour over and above his regular rate for the hours worked.

7.04

Should any of the paid holidays stipulated in Paragraph 7.01 fall within a vacation period

of any employee, he shall receive payment for the holiday(s) in addition to the vacation pay to which he is entitled, and at his option, made known at the time of choosing his vacation, the employee may elect to take an additional day of vacation to be taken concurrently with his vacation.

7.05

Holidays will be twenty-four (24) hours, from midnight to midnight.

ARTICLE 8

PAID VACATIONS

8.01

Employees shall be entitled to an annual vacation with pay as provided in this Article,

- (a) The period of continuous service giving right to vacation with pay shall begin with the hiring date of the employee in one year and end on his anniversary date in the following calendar year.
- (b) The payment for the vacation shall be based on the attendance and gross earnings for the year terminating on the thirty-first (31st) day of December of the year preceding the period in which the vacation is taken.
- (c) All employees who complete one (1) year of continuous service with the Company as per Paragraph (a) shall be granted two (2) weeks vacation with pay during the remainder of the calendar year and shall be paid 4% of their annual gross earnings as per Paragraph (b).
- (d) All employees who complete five (5) years of continuous service with the Company as per Paragraph (a) shall be granted three (3) weeks vacation with pay during the remainder of the calendar year and shall be paid 6% of their annual gross earnings as per Paragraph (b).
- (e) All employees who complete ten (10) years of continuous service with the Company as per Paragraph (a) shall be granted four (4) weeks vacation with pay during the remainder of the calendar year and shall be paid 8% of their annual gross earnings as per Paragraph (b).
- (f) All employees who complete twenty (20) years of continuous service with the Company as per Paragraph (a) shall be granted five (5) weeks vacation with pay during the remainder of the calendar year and shall be paid 10% of their annual gross earnings as per Paragraph (b).
- (g) All employees who complete twenty-five (25) years of continuous service with the Company as per Paragraph (a) shall be granted six (6) weeks vacation with pay during the remainder of the calendar year and shall be paid 12% of their annual gross earnings as per Paragraph (b).

8.02

A weeks vacation shall consist of five (5) consecutive scheduled working days. Annual vacations shall commence on a day which would normally be a scheduled working day for the employee concerned.

8.03

- (a) Vacations shall be allocated between January 1st and December 31st in each year.

- (b) All employees who are entitled to four (4) or more weeks vacation shall not be permitted to take more than three (3) weeks during the period beginning June 1st and ending September 30th, inclusive, unless otherwise specially agreed upon between the Company, the Union and the employee.
- (c) A bonus of \$175 dollars will be paid to each employee for each calendar week of vacation taken between January 1st and April 30th in the vacation year.
- (d) Employees entitled to vacation with pay must take their vacation during the calendar year.
- (e) It is agreed that employees should take their vacation as per this article, but both parties agree that an employee can ask for relief from the provisions of vacation, if the money he would receive as vacation pay, does not equal his normal pay for a weeks vacation. The employee can reduce the vacation time off in a vacation year on a prorated value for a normal weeks vacation, a normal week being forty (40) hours, times the employee's classified rate of pay.

8.04

If an employee is absent through illness or accident for a period of more than one (1) month, his vacation pay will be credited with two (2), four (4), six (6), eight (8), ten (10) or twelve (12) percent of his lost normal wage, depending on his continuous service rating under this Article. The period for which credit is given shall not exceed six (6) months, following each accident, sickness or reoccurrence.

8.05

- (a) Commencing on January 15th of each year, the Company shall ask employees by seniority for their choice of vacation dates. If an employee does not choose the date of his vacation at that time, it is understood that he will only have the right to choose dates that are available and will not have the right to take the place of any other employee who has already chosen the dates of his vacation in the above sequence. It is agreed that employees may change, with proper notice, their dates of vacation, provided it does not affect any other employee. The Company shall allocate vacation according to seniority at a time convenient to the employees if possible. The official vacation list shall be posted not later than February 15th.

It is understood that vacations booked after the set date of February 15th, be awarded on a first come, first served basis on the dates available.

- (b) It is agreed that where business conditions permit, the Company will schedule a one or two-week period in July and/or August at which time it would be the intention that the majority of employees would take vacation. Due to business conditions, it may be necessary to carry out renovations and repairs during the same period and some employees would be required to work. In the application of this clause, the Union will be notified on or before the 31st day of January so that each employee can make his choice of vacation as per Paragraph 8.05

8.06

If an employee terminates his employment with the Company, such employee shall be paid

the money due to him in lieu of vacation at the time of leaving. In the case of lay-offs, this provision shall be optional during the period of lay-off.

ARTICLE 9

REPRESENTATION

9.01

The Company recognizes as official representation of the Union, the Union Negotiating Committee composed of three (3) members. The Committee will meet with the Company, during the life of the agreement, whenever it is deemed necessary by either of the parties, to discuss matters of mutual concern.

It is further agreed that the Union have the right to invite one other employee of the Company to attend any meeting to provide information to the Committee on particular subjects. The Committee can be accompanied by an outside representative of the Union.

It is understood that the members of the Committee shall suffer no loss of regular earnings during meetings at the Plant and in direct negotiation of the Collective Labour Agreement.

The Company agrees that the Union have the right to increase this Committee by one (1), in the event that the active work force increases to two hundred and fifty (250) employees in the bargaining unit.

9.02

- (a) The Company recognizes a Grievance Committee composed of three (3) members who will have one (1) substitute and whose function shall consist in bringing grievances to the attention of Management and discussing these grievances with the view of amicable settlement.

It is understood that the Chief Steward will be one of the three members indicated above.

- (b) The Company recognizes a C.W.S. Committee composed of two (2) members, whose function will be limited to matters pertaining to C.W.S. The Company agrees that the Union have the right to increase this committee by one (1) in the event that the active workforce increases to two hundred (200) employees in the bargaining unit.

9.03

The Stewards and Grievance Committeemen chosen by the Union shall be employees who have completed their probationary period with the Company.

9.04

In order to reduce to a minimum any interference with operations, it is agreed it is necessary that a grievance steward or grievance committeeman or employee receives prior permission from his Foreman to leave his place of work during regular working hours for a reasonable period of time without loss of pay in order to make an inquiry on a grievance and attempt to settle it. Such permission will be granted providing the condition to be

investigated is a legitimate one under the terms of this agreement.

9.05

Shop Stewards and members of the Grievance Committee shall suffer no loss of earnings during grievance settlements with the Foreman or with Management at the Plant.

ARTICLE 10

GRIEVANCE PROCEDURE

10.01

The following procedure shall be applicable progressively to handle any grievance as to the interpretation, application or non-application or violation of this Agreement, which any employee or group of employees or the Union may desire to adjust with the Company.

10.02

A technical error in the written submission will not cause annulment of the grievance.

Grievance Procedure

10.03

Stage 1 An employee accompanied by a Union representative of his department or his delegate should present his grievance in writing to his foreman within twenty (20) days from the occurrence of the event giving rise to the grievance in an attempt to settle same. The foreman shall give the aggrieved employee a written answer within forty-eight (48) hours.

10.04

Stage 2 In the event the grievance is not settled to the satisfaction of the employee in Stage 1, the grievance shall be presented within forty-eight (48) hours to the Manager, Industrial Relations or his delegate after the receipt of the decision of Stage 1. A meeting, if necessary, will be held at Stage 2 and a decision in writing will be rendered by the Manager, Industrial Relations or his delegate within seventy-two (72) hours after the receipt of the grievance at Stage 2.

10.05

Stage 3 If the grievance is not settled at Stage 2, it shall be submitted in writing to the Plant Manager or his delegate within seventy-two (72) hours following the decision of the Manger, Industrial Relations. The Plant Manager shall render his decision in writing within one hundred and twenty (120) hours following the receipt of the grievance at Stage 3. A meeting shall be held between both parties within such period and the Union Grievance Committee may be accompanied by an accredited outside representative of the Union. Dates and times of meetings will be mutually agreed upon by both parties.

10.06

Stage 4 If the grievance is not settled at Stage 3, it may be submitted to arbitration within

twenty (20) days after the answer of the Plant Manager at Stage 3.

10.07

Arbitration: The parties will appoint a sole arbitrator selected by agreement. The party moving the grievance to arbitration shall provide three names. The responding party shall choose one of the names, or provide alternative suggestions, within one week. The parties will make every effort to agree upon a suitable arbitrator who can hear the case within a reasonable time frame. If the parties have not agreed upon an arbitrator within two (2) weeks of the submission, a request may be made under s.48 of the OLRA to have the Minister of Labour appoint an arbitrator.

10.08

- (a) The decision of the arbitrator shall be final and binding on both parties, but the jurisdiction of the arbitrator shall be limited to deciding the matter at issue within the meaning of the existing provisions of the Agreement and in no event shall the arbitrator have the power to add to, subtract from, alter or amend this Agreement in any respect.
- (b) Where an arbitrator determines that an employee has been discharged or otherwise disciplined by the Company for cause and the Collective Agreement does not contain a specific penalty for the infraction that is the subject matter of the arbitration, the arbitrator may substitute such other penalty for the discharge or discipline as to the arbitrator seems just and reasonable in all circumstances.

10.09

It is agreed that each party shall pay the expenses incurred by their own representatives and that the expenses of the arbitrator shall be divided equally by both parties.

10.10

The time limits specified in this Article shall be deemed to be exclusive of Saturdays, Sundays and those holidays mentioned in Article 7 and may be extended by mutual agreement of the parties.

10.11

Should an agreement occur at any stage of the grievance procedure, the decision arrived at shall be given in writing and signed by both parties. Such settlement shall bind both parties.

10.12

In the event that an employee be discharged from his employment after the date of execution of this Agreement, and believes that his discharge is in violation of the provisions of this Agreement, such discharge shall constitute a matter to be dealt with under the provisions of the Agreement respecting Grievance Procedure. Any such matter may be presented at the second stage of the Grievance Procedure within seven (7) days after the date of such discharge and not otherwise.

10.13

Before leaving the plant premises, any discharged or suspended employee shall be permitted to interview a duly elected representative of the Union working at the time,

privately for a period not to exceed thirty (30) minutes,

10.14

The Union shall receive a copy of warning, suspension and discharge notices issued to an employee by the Company.

10.15

If an employee has a clear record for one (1) year, previous warning or suspension notices will not be used against such employee as evidence in arbitration cases, except for such serious offenses as theft of Company property or sabotage of Company property.

ARTICLE 11

SENIORITY

11.01 General Definition

- (a) Seniority shall mean an employee's length of service with the Company, and shall accumulate from the first day worked, but shall not come into force until a probationary period of four hundred (400) hours has been worked. New employees will undergo core health and safety training and workplace specific orientation during their first eighty (80) hours of work.
- (b) A member of the joint health and safety committee who is designated by the Union shall be permitted to meet for one hour with new employee(s) within five (5) working days following the employee's health and safety training.

11.02

Seniority shall apply in cases of promotion, demotion, lower paid jobs or better jobs with equal pay, vacation, lay-offs, recall and transfer in connection with the jobs covered by this agreement subject to the employee's ability to perform the normal requirements of the job.

11.03 Loss of Seniority

All accumulated seniority is cancelled by such action as:

- (a) Giving a definite quit, whereby is meant notifying in writing the Personnel Department of his intention of leaving the Company's employ and receiving his Record of Employment.
- (b) Discharged or not reinstated in accordance with the provisions of the agreement.
- (c) Failure to respond to recall as outlined in Paragraph 11.13.
- (d) For a lay-off:
 - of more than twenty-four (24) months in the case of an employee with less than two (2) years of continuous service at the time of lay-off.
 - of more than forty-eight (48) months in the case of an employee with more than two (2) years of continuous service at the time of lay-off.

- (e) Over-staying leave of absence, whereby is meant failure to report on first scheduled shift after expiration of the leave unless he has a legitimate reason for doing so.
- (f) Working for some other employer while on leave of absence from his work except where the Company approves such other employment.
- (g) Absence of five (5) working days without notifying the Company except where the employee has just and sufficient cause for his failure to report.

11.04

The Company will post in each Department, a list showing the plant seniority date, the present job classification and if different, the job of record of each employee.

These lists will be brought up to date on April 10th and October 10th of each year.

11.05

The following separate departments have been established as of this date:

04	Melting
06	Granulation/PE
07	Surface
08	Casthouse
20/21	Electrical/Mechanical

11.06 **Job Posting**

- (a) When a vacancy occurs in any classification in a department, the Company will post the job for seven (7) days for the benefit of all regular employees in that department.

Any classification within a department which cannot be filled from within that department will be posted plant wide for a period of seven (7) days. All postings will state the job, the classification, the rate of pay, nature of the work and the qualifications necessary to fill the job. During the bidding period, the Company may fill the job when vacant at its discretion for a period of fifteen (15) days. Job postings must be awarded within the fifteen (15) day period.

- (b) The Union will be advised of all persons bidding on a job and the name of the successful candidate will be simultaneously posted on the bulletin board. When an employee is successful on a job posting, he will assume his new duties within a ten (10) day period.
- (c) The President and Chief Steward shall have super seniority and shall be exempt from the seniority provisions of this Agreement, in conjunction with lay offs on account of reduction in force, subject in all cases, however, to their ability to perform the normal requirements of the job.

The provisions of Article 2.11 would be waived re the day shift job, if none was available.

- (d) It is agreed that an employee absent from the plant during the period mentioned in Paragraph (a) will have the right to bid during a period of five (5) days upon his return to work.

11.07

Temporary vacancies resulting from absenteeism, illness, injury, vacation or leave of absence will be filled by qualified employees on that shift, subject to the provisions of 11.08.

11.08

When a temporary vacancy will exceed thirty (30) days other than for paid annual vacation, such temporary vacancy will be posted and filled in accordance with the provisions of Article 11.06.

If however, the Company is aware or ought reasonably to be aware when or before the temporary vacancy occurs that the temporary vacancy will exceed thirty (30) days, the temporary vacancy will be posted in accordance with clause 11.06. In the event that the Company becomes aware during the first thirty (30) days of a temporary vacancy that was expected not to exceed thirty (30) days that such temporary vacancy will exceed 30 days such temporary vacancy will be posted promptly under clause 11.06.

11.09

Upon completion of filling such temporary vacancy, the employee shall be returned to his regular classification. While filling this temporary classification, he will be paid the rate of the job he performs.

11.10

When a new job occurs in a department, it will be posted and a new classification and rate shall be negotiated.

11.11 **Training**

Any employee promoted or transferred to a new job will be given a trial period of eighty (80) or eighty-four (84) hours worked depending on the schedule of the shifts, either 8 hour or 12 hour shifts. During this period the employee, if found unsatisfactory will be given an opportunity to go back to his former job without loss of seniority, During this same period of time, the employee can request to return to his previous job.

Any employee who chooses to return shall not be entitled to bid on that same posted job for a period of three (3) months. A different job would be defined as a different shift or schedule at the time of posting.

- (aa) Where a new process is introduced to the plant requiring the creation of a new job, the following shall apply:

- a) The Company, after consultation with the Union, shall have the right to designate the new job a "start-up" job which designation shall continue to apply for up to 6 months ("commissioning period") as determined by the Company. This commissioning period may be extended for up to an additional 6 months with the agreement of the union.

- b) A “start-up” job shall be posted in accordance with Clause 11.06.
 - c) An employee who accepts a “start-up” job shall be required to state whether he is prepared to stay in the start up job for the remainder of the commissioning period at the end of his first day of on-the-job orientation. If the employee makes the commitment to stay in the start up job for the remainder of the commissioning period and provided he is found to be satisfactory during the trial period under clause 11.11(a), the employee shall remain in the start up job for the remainder of the commissioning period, unless the employee cannot continue as a result of a medical condition or similar reason or the company releases the employee from his commitment. If the employee does not make the commitment to stay, he shall be returned to his previous job and the process repeated with the next applicant for the posting.
 - d) The posting for a start up job shall specify hat the job is a start up job and advise applicants of the requirement to make a commitment to stay in the start up job for the remainder of the commissioning period.
 - e) Nothing herein, prevents the Company from eliminating a start up job for bona fide business reasons or exercising its management rights in respect of an incompetent employee or an employee who renders himself liable to proper disciplinary action.
 - f) If there are no qualified applicants for a start up job, the Company shall have the right to assign the most junior available employee to the start up job who can be required to stay in the start up job for the remainder of the commissioning period.
 - g) In the event that there is a reduction of forces during the commissioning period, an employee in the start up job cannot be displaced by another employee through exercise of seniority rights.
 - h) At the end of the commissioning period, the start up job shall be fully subject to all the requirements of Article 11 and any other applicable article of the Collective Agreement.
 - i) The company shall notify the union co-chair of the Joint Health and Safety Committee or his designate of the introduction of a start up job and brief him regarding the safety training being provided and expected safety and health issues associated with the new process.
- (b) The Company may establish temporary trainee positions to train personnel, which positions shall be filled by bid as per Article 11.06. An employee who has qualified for a position through job training and has been returned to his former classification shall automatically, in accordance with seniority as between job trainees, fill any permanent vacancy in a position for which he has been trained without posting.

A permanent vacancy within the context of this Article means any vacancy created as a result of severance of employment of any incumbent employee, the acceptance of a permanent job posting outside the employee’s classification or the need to increase the number of employees in the classification due to legitimate increase in production requirements.

Notwithstanding Article 11.07, the Company may fill a temporary vacancy lasting less than 30 days with a person who has been trained under this provision for the position in which the temporary vacancy has occurred.

11.12 **Lay-off**

- (a) In the event of a decrease of forces within a job in a department the junior employee working in the job so affected will be given notice of lay off, The employees may exercise their seniority rights to obtain other work in any job where they are able to perform the normal requirements of the job, after a period of familiarization and training of up to 3 days, if required. In the case of exercising seniority into a trade job, the employee must possess the required certification and experience.
- (b) If the employees take the lay-off, they shall only be eligible for recall to their own department at a time of restoration of forces in that department.
- (c) If an employee has displaced another employee, he shall be eligible for recall as per his seniority and ability to perform any jobs available where he had worked previously.
- (d) Employees who have transferred to another department during a lay-off will have the right to apply for job postings after they have been in the department for a period of thirty (30) calendar days, subject to Paragraph 11.13 (b). Transferred employees during a layoff will retain the right to apply for departmental postings within their regular department or plant wide postings at any time.

11.13 **Recall Procedure**

- (a) Employees will be contacted personally by telephone and advised of their reporting date, which will be confirmed by a registered letter mailed to the employee's last known address. The employee is responsible to keep the Company updated on his address; the Union will be advised simultaneously. The employee shall report to the Personnel Department and subsequently to work within seven (7) days of the receipt of the registered letter. An employee exceeding this time limit without justifiable reason will be dropped from the seniority list. **Also**, if the registered letter is not delivered, the employee will be dropped from the seniority list.
- (b) Employees will be recalled by seniority in accordance with Article 11.02.
- (c) This clause sets out the entitlement to familiarization and training upon recall,

(i) Recall to a job other than the one last performed

If the employee has satisfactorily performed the job at any time for a minimum period of three (3) consecutive months, and if there has been a change in the job since he last performed it, he will be provided, if required, with up to three (3) days of familiarization and training.

(ii) Recall to the job last performed

If there has been a change in the job during the period of the employee's layoff, he will be provided, if required, with up to three (3) days of familiarization and training.

If the change has been substantial and caused the Company to provide more than three (3) days of training to employees who continued in the job while the employee was on layoff, he will be provided with the same amount of training as these other employees, if required.

In the above instances, if the employee cannot satisfactorily perform the normal requirements of the job after receiving the training and familiarization provided for, the employee will revert to layoff status.

- (d) After internal recalls are completed, any jobs still vacant will be filled by posting in accordance with Article 11.06, and by recall in accordance with Article 11.13, in that sequence.
- (e) Employees working in the plant eligible for recall are not required to accept the recall.

11.14

When it is necessary to lay off or recall employees, the Union President shall be notified in writing and provided with a list of the employees affected. In the case of lay off the employee directly affected, and the President or his delegate will be notified at least seventy-two (72) hours in advance of such lay offs.

If notification is not given as above, the employer will pay the employee directly affected, his scheduled hours during that period.

11.15 **Transfers**

- (a) Employees may file with the Company their written applications for transfer from one department to another. In the event of an opening occurring in any department, any such application will be given full consideration on the basis of the provisions of this Article. The seniority of any employee who is transferred will be treated as set out in this Article.
- (b) In the event that the transfer from one department to another of an individual employed by the Company is required for either of the following reasons:
 - the efficient conduct of operations, or
 - considerations of the health of any such individual it is agreed that his seniority in the department to which he has been transferred shall be equal to his seniority in the Plant.

11.16

Effective May 4, 1998, any employee who had been promoted from the bargaining unit to a staff position shall retain accumulated seniority, as per the terms and conditions of previous contracts. If a layoff in the future would affect the employee, he would have the right to exercise that seniority accumulated in the bargaining unit at that time.

All employees promoted after May 4, 1998, will have accumulated seniority up to the date of promotion and 400 (four hundred) hours thereafter. During the 400-hour period, the Company shall be privileged to return the employee to his former job without loss of seniority, if unable to perform the requirements of the job. Also during the same period the

employee can return to his former job if he so desires. After the period of 400 hours the employee will cease to have any seniority rights within the bargaining unit.

ARTICLE 12

BEREAVEMENT PAY

12.01

The Company will, in accordance with the provisions set forth in this Article, protect an eligible employee from loss of pay during absence due to a death in his immediate family. Immediate family is defined as father, mother, wife, husband, son, daughter, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, grandchild or grandparents.

12.02

The time to be paid may be:

- (a) Any five (5) consecutive days from the day of death through the day after the burial inclusive for wife, husband, son, daughter, mother or father.
- (b) Any three (3) days from the day of death through the day after the funeral inclusive for the brother, sister, father-in-law, mother-in-law, when the employee attends the funeral of the deceased.
- (c) May be one (1) day, the day of the funeral, for the son-in-law, daughter-in-law, grandchild, grandparents or spouses grandparents when the employee attends the funeral of the deceased.
- (d) Any one (1) day when the employee attends the local memorial service of the deceased mentioned in this Article.

12.03

Payment for bereavement for the time lost, shall be equal to the amount of time to which the individual would have otherwise been entitled during such lost time.

12.04

No extra pay allowance will be granted for multiple or simultaneous deaths occurring within any three (3) day period.

12.05

No pay allowance will be granted in death, where, because of distance or for other reasons, the employee does not attend the funeral or the memorial service of the deceased.

12.06

If requested by the Company, the employee will furnish satisfactory proof of death.

12.07

An employee will not be eligible to receive pay under these provisions if he:

- is receiving other Company benefits such as vacation pay, statutory holiday pay, etc
- has been granted a leave of absence without pay for any reason

- is laid off, whether temporarily or indefinitely due to suspension of work or lack of work

ARTICLE 13

SAFETY AND HEALTH

13.01

- (a) The Company shall make reasonable provisions for the safety and health of its employees at the plant during the hours of their employment. The Union will co-operate with the Company in the enforcement of Plant rules and regulations relating to safety.
- (b) Protective equipment and devices, where usage is required by the Company will be furnished without charge to the employee by the Company. These devices and equipment, when issued, will become the responsibility of the employee and he will utilize this equipment as directed.

13.02

- (a) A Joint Safety Committee consisting of two (2) employees designated by the Union and two (2) Management members designated by the Company shall be established in the Plant.

The Company agrees that the Union have the right to increase this Committee by one (1) in the event that the active work force increases to two hundred (200) employees in the Bargaining Unit.

The Employer may, under no circumstances, take any action of any kind against a certified representative who has acted under the Occupational Health & Safety Act.

- (b) The Safety Committee shall hold monthly meetings at times determined by the Committee. If these meetings are held during regular working hours, Committee members may attend without loss of pay. Safety audits shall be conducted on a monthly basis, or as required.
- (c) The purpose of the Committee is to promote health and safety of the employees at the Plant. To this end, the Committee will be fully acquainted with the norms and rules of health and safety and with the applicable laws of Ontario and applicable Federal laws.

In the interest of promoting occupational health and safety when non-union staff receive training or instruction in testing techniques or protocols at the plant, the company will offer to the union members of the Joint Health & Safety Committee the opportunity to also attend such training or instruction.

- (d) A certified member of the Joint Health & Safety Committee (or their designate) shall be present with the employer representative (or a third party) at the following times when testing is being conducted with respect to the investigation of a health and safety complaint or any other proactive monitoring, as follows:
 - i) when the testing is being set up
 - ii) when periodic checking takes place, and

iii) when the testing equipment is being dismantled

Prior to such testing taking place, the employer shall provide a written protocol, communicate the reasons for testing and the protocol to the employees in the area where it will be conducted and in the presence of the union representative, and post a copy in said area. In the event that such physical testing is on an intermittent basis or is continuing for longer than one (1) hour, the union representative shall be required to return to his normal duties. The union representative on his own initiative may take a reasonable amount of time away from his assigned duties to carry out periodic checking referred to in b) above provided he clears his absence from his assigned duties with his supervisor and conducts his periodic checking in the presence of the Company representative for the testing or in his absence the supervisor in charge of the area being tested.

- (e) The parties will make reasonable efforts to ensure that the minimum level of health and safety protection in the workplace is that required by the *Occupational Health And Safety Act*, R.S.O. 1990, c.O.1 as amended and the regulations made thereunder as that statute and its regulations read on July 13, 2001.

13.03

The Company and the Union will jointly encourage the Joint Safety Committee to actively perform their duties and responsibilities under this Agreement, and for this purpose, the Joint Safety Committee will be furnished by the Company with such reasonable data and information as may be required to carry on their functions.

13.04

The function of the Safety Committee shall be to advise with Plant Management concerning safety and health matters, but not to handle grievances. In the discharge of its function, the Safety Committee shall consider existing practices and rules relating to safety and health and formulate suggested changes in existing practices and suggestions, recommendations and reasons, shall be submitted to the Plant Management for its consideration and for such action as it may consider consistent with the Company's responsibility to provide for the safety and health of its employees during the hours of their employment and the mutual objective set forth in this Article,

13.05

Minutes of meetings and reports of work carried out by the Committee shall be recorded and distributed to all its members and be posted.

13.06

Refusal of Unsafe Work

1. An employee may refuse to work or do particular work where he has reason to believe that:
 - a) Any equipment, machine, device or thing he is to use or operate is likely to endanger himself or another employee,
 - b) The physical condition of the work place or that part thereof in which he works or is to work is likely to endanger himself or,

- c) Any equipment, machine, device or thing he is to use or operate or the physical condition of the work place or the part therein which he works or is to work, is likely to endanger himself or another employee.
2. If, as set down in the above clause, an employee refuses to work or do particular work, he shall promptly report the circumstances of his refusal to his supervisor, who shall forthwith investigate the refusal, in the presence of the employee and the committee member who represents the employee or a worker, who because of knowledge, experience and training is selected by the union that represents the employee who shall be made available and who shall attend without delay. Until the investigation is completed, the employee shall remain in a safe place near his or her work station.
 3. Following investigation and any steps taken to deal with the refusal, if the employee continues to have reasonable grounds to believe that carrying out the work, for any of the reasons listed above, would endanger himself or another employee, then an Inspector representing the Ministry of Labour shall investigate the refusal and shall render a decision as soon as possible.
 4. Pending the investigation and the decision of the inspector, the worker shall remain at a safe place near his work station during the employee's normal working hours unless the employer, subject to the provisions of the collective labour agreement assigns the worker reasonable alternative work during such hours.
 5. Pending the investigation and decision of the inspector, another employee can be assigned the work only if he has been advised of the other worker's refusal and his reason for the refusal in the presence of a committee member who represents the employee or a worker because of his knowledge, experience and training is selected by the union that represents the worker.
 6. No disciplinary action shall be taken against an employee by reason of the fact that he has exercised his rights under this clause.

13.07

If there is any amendment to either section 9 or 45 of the Occupational Health And Safety Act, R.S.O. 1990, c.O.1, as amended as those sections read on July 13, 2001, that in any way diminishes the rights of workers, trade unions, or certified representatives, it is agreed and understood that sections 9 and 45 as they read on July 13, 2001 are incorporated into and form part of this collective agreement.

13.08

A Union member of the Joint Health & Safety Committee or his designate will participate in an investigation in any of the following circumstances:

- (1) all lost time accidents,
- (2) all accidents causing injury (medical aids) but which do not result in lost time,
- (3) all minor near misses and incidents where an accident has occurred with demonstrated potential for serious injury,

(4) all fatalities.

At the commencement of each year of the Collective Agreement, the Union shall provide the Company with a list of all designates for the purpose of this clause. If any change is made in respect of the designates during a year of the Collective Agreement, the Union shall promptly provide the Company with an updated list of designates.

If neither a Union member of the JH&SC nor a designate is on site at the time of an incident requiring an investigation under this clause, the Company shall involve an experienced worker in the affected department. In all cases of fatality, a Union member of the JH&SC will be contacted and called into work if none is available on site. A Union member of the JH&SC may permit the use of a designate where circumstances dictate.

13.09

The Company shall furnish to each employee two (2) pairs of safety shoes per year, in January and July of each year. An employee must be actively employed (i.e. at work) in order to receive the boots. The type of safety shoes will be prescribed by the Company. If an employee desires a different style of safety shoes than those prescribed by the Company and there is a difference in price, the employee will pay the difference.

New employees will pay for their safety shoes and will be reimbursed by the Company after completion of forty (40) working days.

13.10

When an employee is absent from work and is eligible to receive compensation under the Worker's Compensation Act, or under Weekly Indemnity, the Company will make provision to advance money to the employee if there is a delay in receipt of compensation by the employee. The employee agrees to assign to the Company an equal amount to that which was advanced upon receipt of the money from the Commission or the Insurance Company.

13.11

The employer shall provide the Union with a copy of the Company's report of injury or disease (Form 7) at the time of submitting same to the Workplace Safety and Insurance Board (WSIB) in order to give the Union an opportunity to discuss with the Company any errors or omissions which may exist. The employer agrees to provide the Union and the injured worker with copies of any return to work plan or other documentation which the WSIB requires the Company to give to the injured worker.

ARTICLE 14

GROUP INSURANCE

14.01

Group Insurance coverage for all employees as in effect as of the signing of this Agreement shall remain in effect for the duration of the Collective Labour Agreement.

14.02

The principal coverage is as follows:

- (a) Effective June 1, 2007
Life Insurance \$49,000
Accidental Death and Dismemberment \$49,000
- (b) Effective June 1, 2008
Life Insurance \$51,000
Accidental Death and Dismemberment \$51,000
- (c) Effective June 1, 2009
Life Insurance \$53,000
Accidental Death and Dismemberment \$53,000

The Company agrees to pay 100% of the premium.

(b) **Weekly Indemnity**

The Company will maintain the weekly indemnity plan as follows:

First day accident, first day hospital, fourth day sickness. 55% of the employees regular basic hourly classification on the basis of a forty hour week.

The weekly indemnity benefit would be in effect for a period of fifty-two weeks. The plan is as follows (1-1-4-52).

The Company agrees to pay 100% of the premium.

(c) **Health Insurance**

Effective June 1, 2007, the Company will maintain a pay direct drug plan at the ten dollar deductible (\$10.00) per prescription. The major medical plan will remain in effect as per the group insurance policy. The insurance policy will:

- Limit eligible drugs to only those that legally require a prescription,
- Implement mandatory generic substitution for prescription drugs, whenever available, and
- Vision Benefit: Each family member over the age of 18 shall be entitled to one pair of prescription glasses every 2 years to a maximum of \$200. Each family member 18 years of age or under shall be entitled to one pair of prescription glasses each calendar year to a maximum of \$200.

(d) **Dental Plan**

A dental plan is in effect for all employees. Dentures will be paid at 50% co-insurance. The Company agrees to pay 100% of the premium.

(e) **Ontario Health Premium**

To assist employees in paying the new Ontario Health Premium, the Company will do the following:

- i) At the end of calendar year 2007 the Company will pay \$400 to each employee who has earned \$35,000 or more during the calendar year.
- ii) At the end of calendar year 2008 the Company will pay \$500 to each employee who

- has earned \$35,000 or more during the calendar year.
- iii) At the end of calendar year 2009 the Company will pay \$600 to each employee who has earned \$35,000 or more during the calendar year.
- iv) These payments shall be subject to applicable statutory deductions.

(f) The whole subject to application under the actual policies.

14.03

In the event that the compulsory government-sponsored medical care programme is expanded during the life of this Agreement to cover portions of the benefits mentioned above, the parties shall meet to make the necessary changes to the existing group insurance.

14.04

Changes in the group insurance programme will be effective and coincident with the effective date of the government-sponsored programme,

14.05

If the Company obtains any reductions in the cost of EI premiums, it is agreed and understood that all savings from such reductions including the employee's portion of the reductions are being used by the Company to maintain and improve Group Insurance.

14.06

Because of the delay for employees who are entitled to weekly indemnity and Workers' Compensation payments, the Company will make arrangements at the request of the employee to provide advance payments on a weekly basis up to the maximum amount provided for below.

The maximum amount that will be advanced under this clause will be the amount of the employee's accrued unpaid vacation pay plus any other unpaid monies owing by the Company to the employee. An employee receiving an advance under this clause will sign the letter, attached as Appendix "M".

ARTICLE 15

WAGES

15.01

The Co-operative Wage Study (CWS) Manual for Job Description Classification and Wage Administration, dated September 8th, 1978 (herein referred to as 'The Manual') is incorporated into this agreement and its provisions shall apply as set forth in full herein.

15.02

Each employee's job shall be described and classified and a rate of pay applied to such employee in accordance with the provisions of this Agreement. A list of the jobs and their classification is attached hereto as "Appendix B".

15.03

- (a) A two job class additive is in effect for the Mechanical Department and Electrical Department Classifications as listed in Appendix "B".

- (b) Effective June 1, 2007, the standard hourly rate of Class 1 shall be increased by forty-five (.45) cents. The increment between jobs will be increased by one (.01) cent, making the increment between jobs twenty (.20) cents establishing a standard hourly wage scale as per "Appendix A" revised.
- (c) Effective June 1, 2008, the standard hourly rate of Class 1 shall be increased by twenty-five (.25) cents. The increment between jobs will be increased by one (.01) cent, making the increment between jobs twenty-one (.21) cents establishing a standard hourly wage scale as per "Appendix A" revised.
- (d) Effective June 1, 2009, the standard hourly rate of Class 1 shall be increased by fifteen (.15) cents. The increment between jobs will be increased by one (.01) cent, making the increment between jobs twenty-two (.22) cents establishing a standard hourly wage scale as per "Appendix A" revised.

15.04

Effective on the dates specified in Section 15.03 all employees shall have their rates of pay adjusted as follows:

- (a) If the employee is not receiving an out-of-line differential prior to the dates specified in Section 15.03 the rate of pay of such employee shall be adjusted to conform to the standard hourly rate of that employee's job, as provided in Section 15.03.
- (b) If the employee is receiving an out-of-line differential prior to the dates specified in Section 15.03 the rate of pay of such employee shall be increased by the amount by which the rate for Job Class 1 has been increased, as provided in Section 15.03 and the following shall govern:
 - (1) If the employee's new rate resulting from such increase is greater than the standard hourly rate for the job, as provided in Section 15.03, the amount by which such employee's new rate is greater than the rate provided in Section 15.03 shall become the employee's new out-of-line differential (which shall replace the former out-of-line differential) and shall apply in accordance with the provisions of this Agreement.
 - (2) If the employee's new rate resulting from such increase is equal to or less than the standard hourly rate for the job, as provided in Section 15.03, the rate of pay of such employee shall be adjusted to conform to the standard hourly rate for the job, as provided in Section 15.03, and the former out-of-line differential shall be terminated.

15.05

As of the date the Standard Hourly Wage Scale becomes effective, the standard hourly rate for each job class shall be the standard hourly rate for all jobs classified within such job class and shall so continue for the duration of the Standard Hourly Wage Scale and shall be applied to any employee in accordance with the provisions of this Agreement.

15.06

Except as otherwise provided in this Agreement, the established rate of pay for each

production or maintenance job, other than a trade or craft or apprentice job, shall apply to any employee during such time as the employee is required to perform such job.

15.07

Except as otherwise provided by this Agreement, the established rate of pay for a trade or craft or apprentice job shall apply to any employee during the time such employee is assigned to the respective rate classifications in accordance with the provisions of this Agreement.

Out-of-line Differentials

15.08

The Company shall furnish to the Union a list agreed to by the Company and the Union of employees who are to be paid 'out-of-line differentials'. Such lists shall contain the following information:

- (a) Name of incumbent to whom such out-of-line differential is to be paid.
- (b) Job title of job on which out-of-line differential is to be paid.
- (c) Job classification of such job
- (d) Standard hourly rate of such job
- (e) Amount of out-of-line differential
- (f) Date such out-of-line differential became effective.

15.09

Except as such out-of-line differential may be changed by the means hereinafter provided, any employee included in the list referred to in Section 15.06 shall continue to be paid such out-of-line differential during such time as the employee continues to occupy the job for which the differential was established.

15.10

If an employee with an out-of-line differential is transferred or assigned to a job having a higher standard hourly rate, then the differential shall be reduced by the amount of the increase in the standard hourly rate.

15.11

If, as a result of lay off and the exercise of seniority rights, an employee with an out-of-line differential is moved to a job having a lower standard hourly rate, then the out-of-line differential shall be cancelled.

15.12

If such employee referred to in Sections 15.10 and 15.11 shall be returned to the job for which the out-of-line differential was established, the out-of-line differential shall be reinstated except as it may have been reduced or eliminated by other means.

15.13

When an employee would, in accordance with the terms of this Agreement, be entitled to receive his regular rate, he shall also receive any out-of-line differential to which he is entitled.

15.14

In addition to the means herein provided, increases in the increment between job classes shall be used to reduce or eliminate out-of-line differentials.

15.15

Except for the application of the out-of-line differentials as called for herein, the terms of this Agreement governing transfers shall apply.

Temporary Transfer

15.16

An employee who is temporarily transferred from his regular job shall be paid the standard hourly rate of the job to which he has been transferred, provided such rate is not less than that of his regular job. If the rate of the job to which he is temporarily transferred, but not as a result of a lay-off or a job posting, is less than the rate of his regular job, he shall be paid the rate of his regular job during the period of such temporary transfer.

Learner Jobs

15.17

Learner job requiring 'learner' rates, due to lack of adequate training opportunity provided by the promotional sequence related jobs, shall be negotiated and be made a part of this Agreement.

15.18

A schedule of learner rates for the respective learning periods of 520 hours of actual learning experience with the Company on jobs for which training opportunity is not provided by the promotional sequence of related jobs, shall be established at the level of the Standard Hourly Wage Scale rates for the respective job classes. This determination shall be on the basis of the required employment training and experience timer specified in Factor 2 of the job classification record of the respective job as follows:

- (a) Code C: Seven to twelve months:
 - (1) One learner period classification at a level two job classes below the job class of the job.

- (b) Code D: Thirteen to eighteen months:
 - (1) A first learner period classification at a level four job classes below the job class of the job, and
 - (2) A second learner period classification at a level two job classes below the job class of the job.

- (c) Code E and higher: Nineteen months and above:
 - (1) A first learner period classification at a level six job classes below the job class of the job.
 - (2) A second learner period classification at a level four job classes below the job

- class of the job, and
- (3) A third learner period classification at a level two job classes below the job class of the job.
 - (4) Employees who have had no related work experience in relation to the respective job shall serve an additional 520 hours of work in the learner period two job classes below the job class of the job.

15.19

The learner periods, as provided in Section 15.18 shall apply to those jobs listed in Exhibit 'E' of the Manual, except as otherwise mutually agreed between the Company and the Union and so indicated in Exhibit 'E'. Learner periods shall apply only to jobs in Job Class 8 and up, except where the provision of Sections 15.20 and 15.21 apply.

15.20

The Company, at its discretion, may apply a learner rate to a learner on any job where another employee other than the learner is on the job, provided the learner rate applies is:

- (a) in the case of an employee hired for the learning job the standard hourly rate for Job Class 2; or
- (b) in the case of an employee transferred from another job in the plant, the lower figure of:
 - (1) the standard hourly rate of the job from which transferred; or
 - (2) the standard hourly rate of the job being learned

15.21

The learner provisions set forth in Section 15.20 shall apply:

- (a) for a period of time sufficient to learn to do the job, provided that such period shall at no time exceed 520 hours;
- (b) only to provide replacements for job vacancies; and
- (c) in accordance with the provisions of this Agreement for filling vacancies.

15.22

The Company shall furnish the Union on the form set forth as Exhibit 'E' of the Manual, a list of jobs agreed to by the Company and the Union as appropriate for the application of learner rates. Such list may be added to or deleted from by mutual agreement of the Company and the Union. The schedule of learner rates set forth in Section 15.18 shall apply only to jobs in this list.

15.23

Employee time spent on a job requiring a learner schedule shall be cumulative. Periods of less than eight (8) hours shall not be counted toward completion of a learner schedule, but shall be paid for at the standard hourly rate of the job.

15.24

Any employee who has qualified for a job through a learner schedule shall not be required to repeat that learner schedule.

15.25

The established learner rate of pay for each learner period classification shall apply in

accordance with the learner training periods as defined in Section 15.18. However, an employee whose current rate of pay is higher than the minimum rate of a learner job to which he has acceded, shall maintain his current rate, but not such time as the rate for the applicable learner period classification is equal to or exceeds his present rate.

15.26

Any employee, when assigned to a job on which a learner rate applies, shall be credited in the learner schedule with all time previously worked on such job, or, in the case of a 'grouped' job, on a job in such group. It is agreed that such past time shall be computed from reasonably recent records of the Company.

15.27

Any mathematical or clerical errors made in the preparation, establishment or application of the job descriptions, classifications or standard hourly rates shall be corrected to conform to the provisions of this Agreement.

15.28

Except as otherwise provided, no basis shall exist for an employee covered by this Agreement to allege that a wage rate inequity exists.

15.29 Cost of Living Adjustment

The cost of living allowance will be determined in the manner and to the extent hereinafter set forth in accordance with the changes in the Consumer Price Index, calculated on the basis of 1971 = 100 all items, published by Statistics Canada. Following the release of the Consumer Price Index for June 2007, the Company shall compare such index figures with the Consumer Price Index for March 2007.

Effective as of the signature of the agreement, the calculation for the cost of living will commence to be paid. This would be effective the first pay period of August 2007 and would be paid on the following basis.

For each .30 increase in the index during the period, an allowance of one cent (1) will be allowed.

Further adjustments will be made on a quarterly basis and paid commencing the first pay period of:

November 2007	February 2008	May 2008	August 2008
November 2008	February 2009	May 2009	August 2009
November 2009	February 2010	May 2010	

Effective each quarter the cost of living accumulated in the previous quarter will be folded in the base rates and form an integrated part of Appendix "A", Rates and Classifications.

The adjustments will be calculated on the basis of the normally scheduled straight time hours and overtime hours worked and will not form a part of the employee's pay for any other purposes and will not be used in the calculation of any other pay allowance or benefits.

Continuance of the cost of living allowance shall be contingent upon availability of the Consumer Price Index in its present form and calculated on the same basis as the index for January 2004, unless otherwise agreed upon by the parties.

No adjustments retroactive or otherwise shall be made due to any revision which may later be made in a published index.

ARTICLE 16

GENERAL

16.01 Jury Duty

The Company will pay the difference between regular pay and jury duty pay for all working time lost.

16.02 Pension Plan

A resume of the Pension Plan appears in Appendix 'D'. The whole subject to application under the actual Plan.

16.03 The masculine gender, wherever used herein, shall mean and include the feminine gender.

ARTICLE 17

LIFE OF THE AGREEMENT

This agreement shall become effective on June 1st, 2007 and shall remain in effect until May 31st, 2010.

Within ninety (90) days preceding the date of expiration of this Agreement, either party may, by written notice, inform the other that it wishes to terminate or amend the same or negotiate a new Agreement.

In witness thereof, the parties hereto, by their duly authorized representatives, have signed at Haley, Province of Ontario this

_____Day of June 2007

TIMMINCO METALS
A DIVISION OF
TIMMINCO LIMITED

UNITED STEELWORKERS
LOCAL 6946-16

APPENDIX "A"

JOB CLASS	DEPT/ JOB CODE	JOB TITLE	JUN 1.07
01	00334	Plant Janitor (Reduction)	\$19.54
06	00766	Labourer (Shutdown)	\$20.54
09	00760	Truck Driver	\$21.14
	00764	Storeroom Attendant	
10	00438	Inspector (Melt)	\$21.34
	00439	Melt Pot Inspector	
	00888	Shipper/Receiver (VDC)	
11	00436	D.C. Operator	\$21.54
	00437	Day Off Replacement (Melt)	
	00657	Technician - PE	

	00687	Technician – Granulation	
15	00885	VDC Operator	\$22.34
	00886	VDC Day Off Replacement	
16	02172	Machinist *	\$22.54
	02173	Millwright Welder *	
	02175	Mobile Equipment Mechanic *	
18	02068	Electronic Repair Man *	\$22.94
	02171	Lead Hand (Mechanical) *	
20	02067	Lead Hand (Electronic) *	\$23.34

* indicates 2 Job Class Additive as per Article 15:03 (a)
Mechanical Electrical 2 Job Class Additive equals:

June 1, 2007 \$00.40

APPENDIX "B"

DEPARTMENT AND CLASSIFICATIONS

Surface

- 11 – Lead Hand
- 09 – Truck Driver
- 09 – Storeroom Attendant
- 01 – Plant Janitor

VDC Csthouse

- 15 – VDC Operator
- 15 – VDC Day Off Replacement
- 10 – VDC Shipper/Receiver

Granulation/PE

- 11 – Technician – Granulation
- 11 – Technician – PE

Melting

- 11 – D.C. Operator

11 – Day Off Replacement
10 – Melt Pot Inspector
10 – Inspector

Mechanical/Electrical *

20 – Lead Hand Electronic
18 – Lead Hand Mechanical
18 – Electronic Repairman
16 – Millwright Welder
16 – Mobile Equipment Mechanic
16 – Machinist

- * indicates 2 Job Class Additive as per Article 15.03 (a)
- The job of Plant Janitor when vacant, will be filled by a Plant Wide Posting only

APPENDIX "C"

INVERSE SENIORITY LAY-OFF INCENTIVE

Notwithstanding the provisions of Article 11 (Seniority) in the event the Company decides to decrease forces, the Company will offer the option to be laid-off starting with the most senior active employee in the bargaining unit.

An employee who accepts this “inverse seniority lay-off” will be deemed to be severed from the Company and renounces his recall rights. Severance pay, specific to senior active employees electing this option, shall be equal to one weeks’ regular pay per year or part of a year’s service. In addition such employees will be covered by major medical and dental insurance, only for the duration of the severance period.

The above clause applies to any lay-offs occurring from May 1, 2007 for a period of 12 months and is only applicable when a senior employee elects this option in lieu of the junior employee being laid-off.

Cost to fund Inverse Seniority Clause is **\$38,300**. If the Company spends less than **\$38,300** by May 31, 2008, the balance will be used as mutually agreed between the Company and the Union.

APPENDIX "D"

TIMMINCO METALS RETIREMENT PLAN - SUMMARY

1. PARTICIPATION
All Employees of the Haley plant represented by the United Steelworkers of America and its Local 4632 are eligible to participate.
2. CONTINUOUS SERVICE
Continuous Service shall mean the Employee's continuous period of service with the Company since his last date of hire with the Company.
3. CREDITED SERVICE
Credited Service is that portion of an Employees Continuous Service accumulated from January 1st, 1972 only, to the employee's 65th birthday.
4. RETIREMENT AGE AND SERVICE
Normal Retirement - Age 65 with at least 2 years of membership in the Plan.
Early Retirement - Age 55 with completion of at least 2 years of membership in the Plan.
Disability Retirement - Completion of 10 or more years of Continuous Service, provided eligibility requirements are met.
5. AMOUNT OF NORMAL RETIREMENT PENSION

- i) For employees who retire on or after January 1st, 2006, the pension will be calculated on a normal retirement basis at forty-one dollars (\$41.00) per month for each year of credited service as per the actual Pension Plan.

6. VESTING

Upon termination of employment prior to Normal or Early Retirement if the Employee has five (5) or more years of Continuous Service, prior to December 31st, 1986, or after January 31st, 1987, two (2) or more years of membership in the Plan.

7. CONTRIBUTIONS

The plan will be provided at no cost to the employee.

8. TERMINATIONS

The Pension Plan will terminate on the same date as the Collective Labour Agreement.

9. AMENDMENTS TO THE PENSION PLAN TEXT

The Company agrees that it will consult with the Union prior to implementing any amendments to the Pension Plan Text.

APPENDIX "E"

TWELVE (12) HOUR WORK SCHEDULES

- 1. The parties agree to the following conditions, amendments and variations to the existing language in the Collective Agreement with regard to twelve (12) hour work schedules.
- 2. Appendix "E" - Twelve (12) Hour Work Schedules shall be in effect October 19, 1986.
- 3. Either party may, within thirty (30) days, with written notice, cancel the twelve (12) hour work schedules.
- 4. Covered by twelve (12) hour work schedules, are departments where employees are working on continuous operations, seven days per week.
 - i) Melting
Casthouse
Granulation/PE
 - ii) Support people, such as mechanics, electricians and replacements in the production areas who may be scheduled to work twelve (12) hour shifts.
 - iii) Trainees may be scheduled by the Company on eight (8) hour shifts while undergoing on-the-job training.

5. **Hours of Work**

It is agreed that a shift will commence at 08:00 hours for a twelve (12) hour period and 20:00 hours for a twelve (12) hour period as follows:

08h00 to 20h00
20h00 to 08h00

Shifts will rotate in sequence as per the agreed upon Schedule. Days off will be designated so that the average work performed by an employee will average forty (40) hours per week. Day-off replacements will be designated to cover for the absent employee on his scheduled day off.

It is understood that day-off replacements will work a schedule to look after the absent employee on his scheduled day off.

6. **Overtime**

Notwithstanding Article 6 of the Collective Agreement, it is agreed that overtime will be paid on the basis of time and one-half after the completion of twelve (12) hours in a day or shift or if the employee works more than his scheduled hours for the work week. An employee called in on his day off will be paid at time and one-half for the shift worked, provided he has worked his scheduled hours for the work week. It is the intention that not more than sixteen (16) consecutive hours will be worked.

7. **Shift Premium**

- i) The shift bonus for those employees working on the 12 hour shift system will be fifty-five (55) cents per hour for the night shift from 20:00 hours to 08:00 hours. Effective the 1st pay period of October 2001, the shift premium for those employees working on the 12 hour shift system will increase by **(5)** five cents per hour for the night shift from 20:00 hours to 08:00 hours, making the new shift premium (60) sixty cents.
- ii) Those employees working on the 12 hour steady day shift system will receive the shift bonus as provided for in Article 6.07 of the Collective Agreement.

8. **Holidays**

As per Article 7 of the Collective Agreement, employees will receive eight (8) hours pay at their regular rate whether or not they are scheduled to work on the paid holiday. For those employees who are scheduled to work on the paid holiday, the holiday will be determined as commencing at 20h00 the day preceding the holiday and ending at 20h00 on the day designated as the paid holiday in the Collective Agreement. Those employees who work during this twenty-four hour period and meet the requirements set out in Article 7:02 of the Collective Agreement will be paid in accordance with Article 7:03 of the Collective Agreement, (i.e. time and one-half for hours worked plus a premium of twenty-five (25) cents per hour)

An employee requesting a floating holiday pursuant to Article 7:01 of the Collective Agreement will be paid eight (8) hours at his regular rate.

9. **Paid vacations**

Notwithstanding Article 8 of the Collective Agreement, for the purpose of scheduling vacations for employees on twelve (12) hours shifts, one week vacation will consist of a work week as defined in Item 11.

10. **Saturday/Sunday Premium**
The Saturday and Sunday premiums referred to in Article 6:08 of the Collective Agreement will apply to all hours worked between 20h00 Friday and 20h00 Sunday.
11. **Work Week**
The work week shall commence at 20h00 Saturday and end at 20h00 the following Saturday.
12. **Bereavement Pay**
Employees will be compensated according to the provisions of Article 12 of the Collective Agreement.
13. **Replacement**
Employees who are regularly scheduled to work an eight (8) hour shift schedule and who are assigned to replace an employee on the twelve (12) hour shift schedule for a one (1) week period, will be given the opportunity of making up the four (4) hours at straight time if the replacement entails thirty-six (36) hours of work for the week.
14. **Remaining at Place of Work**
Employees will remain at their place of work until they are relieved or until the end of the shift as specified in Item 5 and pursuant to the terms of the Collective Agreement.
15. **Availability for Work on Scheduled Days Off**
Replacement employees shall be available when shortages of personnel occur. These replacement employees shall come from employees on the twelve (12) hour schedule or the eight (8) hour schedule who are on their scheduled days off. In order to ensure that such replacement employees shall be available, employees on the twelve (12) hour schedule or the eight (8) hour schedule, prior to going on their scheduled days off, shall indicate their availability for work by signing their names on a sheet posted in their departments. The continuation of twelve (12) hour schedules will depend, in part, on the availability of employees to provide sufficient coverage so that the normal operations of the Company can continue on an uninterrupted basis.
16. **Seniority**
With respect to employees on the twelve (12) hour shift schedule who have not completed their probationary period, seniority shall not come into force until a probationary period of four hundred (400) hours has been actually worked.

Probationary employees may be assigned at the discretion of the Company to an eight (8) hour shift during their probationary period.
17. **No Cost to the Company**
The continuation of the twelve (12) hour shift schedule shall not increase the cost of operations for the Company.

APPENDIX "F"

LETTER OF INTENT - CONTRACTING OUT

Except for new construction and expediency, the Company will not contract out regular work in the Plant where such contracting will deprive its employees of work, including those on lay-off, providing they have the qualifications and the Company has tools and equipment to perform the work efficiently and economically.

Information and Discussion

Without prejudice to the parties' rights and obligations under their collective agreement, for the purposes of initiating open communication between the Company and the Union on future contracting out with respect to maintenance work, the Company and the Union agree to exchange information and provide meaningful opportunities for input on contracting decisions, on the following terms and conditions:

1. To the extent reasonably possible, save and except in the event of an emergency or any other unforeseeable circumstance, the Company shall inform the Union President or designate in writing of its intent to contract out, together with the reasons thereof and together with a cost analysis (where applicable), to bringing in a subcontractor to perform maintenance-related work on site.
2. Prior to making the decision to contract out the work, the Company will meet with the Union if requested to discuss alternatives to the contracting out, which may include overtime opportunities, with a view to full utilization of the existing workforce.
3. **As** required, the parties shall meet to discuss: (a) the maintenance-related work performed by subcontractors since the last meeting; (b) the reason(s) **for** which the

Company contracted out the maintenance-related work to the subcontractor(s); and (c) any maintenance-related work that the Company projects or otherwise intends on contracting out to a subcontract in the future.

4. At such meeting, if any, the parties shall also discuss what, if any, maintenance related training may be available to any member of the Maintenance Department. Training opportunities, if any, will be discussed in an effort to minimize the Company's use of subcontractors.
5. Prior to contracting out work, the Company will offer this work to qualified bargaining unit employees who are on layoff.
6. The laid off employee(s) will not be required to accept the recall, unless it is for a full time, permanent position.
7. If the employee(s) refuse a part-time or temporary recall, there will be no impact on their seniority status, nor will this impact on their eligibility for severance pay.

APPENDIX "G"

LETTER OF INTENT - FLOATING HOLIDAY

The Company agrees to pay a premium of seventy (\$70.00) dollars to a twelve (12) hour shift employee when the employee exercises his right to a floating holiday under Article 7, Paragraph 7.01.

This premium will apply only if the floater is taken.

APPENDIX "H"

PROCEDURE FOR DISTRIBUTION OF OVERTIME HOURS

Further to the provisions of Article 6.03, listed below are the procedures to be followed when distributing overtime hours:

1. (a) Each Department will provide a numbered book so that an employee can sign to show his availability for work. The book will indicate the employees' seniority date, job classification, dates available for overtime and overtime hours worked and/or refused. Employees signing for overtime shall do so before 3:00 p.m. or 15:00 hours each day to be eligible to be considered if overtime is required. Employees are permitted to remove their name from the overtime book, but if personally contacted to work overtime, they would be expected to report. If the employee does not report or refuses, the hours will be counted as hours worked.
1. (b) If an employee is contacted outside of the hours shown in 2 (a) and refuses, these hours will not be recorded as hours worked.
2. (a) When overtime is required for either day shift or night shift, it is agreed under normal conditions, that contact will be made between

6:00 a.m. and 9:00 a.m.
and 4:00 p.m. and 9:00 p.m.

and if contact is not made in the first attempt, a second attempt will be made in fifteen minutes and if no contact is made, the next eligible person would be called as per 2 (b). In an emergency situation at other times, 2 (b) would be followed.

2. (b) Overtime hours will first be offered to the person in the occupation who normally performs

the work of the occupation involved with the lowest number of overtime hours, who has his name in the overtime book for that day. If hours are equal, then by seniority.

3. If no one is available in the above category, then overtime will be offered to those employees qualified to do the work, with the lowest number of overtime hours. If hours are equal, then by seniority.
4. Normally performing the work involved, means an employee who is assigned to do the work of the occupation for two or more consecutive shifts. Day-Off Replacements will be considered in the distribution of overtime in any of the occupations they replace.
5. It is agreed that no more than sixteen (16) consecutive hours will be worked.
6. Except in an extreme emergency, an employee working night shift will not be asked or allowed to work overtime on the immediately following shift.
7. A record of overtime hours will be kept and will be available in the Foreman's Office for review.
8. This policy is effective immediately and overtime hours will be zeroed for record purposes on a quarterly basis.

APPENDIX "I"

LETTER OF INTENT - JOB COMBINATIONS

As discussed in negotiations between the Company and the Union, the Company will proceed with the combination of jobs within the plant to optimize the operations.

On an ongoing basis, other areas of the plant will be reviewed, to obtain the optimum in operations by combining other jobs, after careful review.

APPENDIX "J"

SEVERANCE PAYMENTS

For those employees eligible severance pay of one week per year or partial year of service, up to a maximum of **28** weeks will be paid upon termination of employment.

Cost to fund increase of severance cap to **28** weeks is **\$87,314** by **May 31, 2010**. If the Company spends less than **\$87,314** by **May 31, 2010**, the balance will be used as mutually agreed between the Company and the Union.

APPENDIX “K”

LETTER OF UNDERSTANDING – ACCOMMODATION COMMITTEE

The purpose of the committee is to provide a mechanism for the development and maintenance of fair and consistent practices for accommodating employees who have been ill, injured or have sustained work or non-work disabilities and to enable their early and safe return to work.

Every employee will be re-employed at the appropriate time following an injury or illness if the employee is capable of performing the essential duties of their pre-injury/illness job or any other available accommodated work provided that the employee would be working and not on lay-off if he or she did not require accommodation.

Every employee who is accommodated in a job will receive the higher of the rate he or she received in his pre-injury/illness job or the accommodated job.

If an employee’s pre-injury/illness work cannot be accommodated so that the employee can perform the essential duties of that assignment, then the employee will be offered alternative suitable and available work.

Essential Duties are to be understood to be “the duties necessary to produce the job outcome” and that not all duties of the work assignment are necessarily essential duties.

Every attempt will be made to offer alternative work that is comparable in nature to the pre-injury/illness employment and must follow the least disruptive approach having regard for bargaining unit members, the collective agreement, the Ontario Human Rights Code, the Workplace Safety and Insurance Act, 1997 and all applicable labour legislation.

Suitable modified work is understood to be:

- Work that the employee has the necessary skills to perform or can obtain in a reasonable time period,
- Will not pose a health and safety risk to the employee, co-worker or others, other than that which the worker is willing to reasonably assume on themselves,

- Is of a meaningful, productive, value added nature, and
- To the extent practical has either a vocational or medical rehabilitative component

Nothing herein requires the Company to undergo undue hardship which includes without limitation creating a job for which it has no economic need. The Accommodation Committee will have two functioning committees:

Working Committee: consisting of the Company WSIB Representative or designate, the Union WSIB Representative or designate and the employee requiring accommodation. The Working Committee will meet as required to address the needs of those employees requiring accommodation. The Working Committee will arrange a mutually agreed appointment with the returning employee for the purpose of arranging an intake meeting once the parties receive medical notification that the employee is medically capable of returning to some form of employment. The Working Committee along with the returning employee and treating physician will agree on a proposed accommodation plan and on any other return to work procedure deemed to be necessary. The Working Committee shall determine the appropriate course of accommodation with the assistance of the Full Committee where necessary. Nothing herein precludes the Company from seeking the advice of its own physician in discharging its duty to accommodate.

Full Committee: consisting of a Company Co-chair, Union Co-chair, Company Health and Safety Representative, Union Health and Safety Representative, Company Human Resources Representative and Union President who shall meet monthly (or such other times as may be established by mutual agreement of the Co-chairs) to discuss issues pertaining to modification requirements and progress/monitoring of initiatives.

Training and Lost Time: once only during the life of the Collective Agreement, the Company agrees to pay one week's regular, non overtime wages for the three Union members of the full committee to attend a one week training course on "Duty to Accommodate" and \$50.00 per person attending for course materials. The Union agrees to provide the instructors. All Union committee members engaged in committee functions/meetings at the Plant during working hours will not lose any regular wages and such time spent shall be deemed time worked. All Union committee members engaged in committee functions/meetings outside of normal working hours at the plant, unless otherwise agreed to by the parties, will be paid their regular straight time hourly wages for such time spent.

APPENDIX "L"

LETTER OF UNDERSTANDING – ACCOMMODATION & RESTRUCTURING

To accommodate concerns regarding restructuring at the Haley Plant, for the term of this collective agreement only, the parties agree to the following procedure which shall apply where an employee is still in jeopardy of being laid off after having exercised his rights under Article 11.12.

The employee shall have the option to either:

- A. Displace any junior employee occupying any other job that is still required, save and except a trade and VDC operator job. An employee who chooses to do so shall be entitled to a maximum of 160 hours of on the job training for the purpose of learning how to perform the essential requirements of the job of the junior employee to be displaced.

OR

- B. Displace any junior employee occupying a VDC operator job that is still required. An employee who chooses to do so shall be entitled to a maximum of 480 hours of on the job training for the purpose of learning how to perform the essential requirements of the VDC operator job of the junior employee to be displaced.

The following conditions and requirements apply to an employee wishing to exercise Option A or B above.

- 1. If following the completion of the training period outlined in A or B above, whichever is applicable, it is determined that the employee can perform the essential requirements of the job, the employee may displace the most junior employee in the job for which the employee was trained and which is still required. If it is determined however that the employee cannot perform the essential requirements of the job following the applicable training period, the employee shall be subject to being laid off.
- ii. Training opportunities shall be offered in order of seniority and the Company shall only be required to train one person at a time to displace any one particular junior employee in a job that is still required.

- iii. The Company shall only be required to train up to a maximum of 1 employee per department per shift, after current employees as at June 1, 2007 entitled to Appendix L training have been recalled for training.
- iv. A junior employee in a job that is still required shall not be subject to lay off under this clause until he can be displaced by a more senior employee who can perform the essential requirements of his job.
- v. A senior employee seeking to displace a junior employee may be laid off while an employee with greater seniority is being trained to have the first opportunity to displace the same junior employee.
- vi. After a trial period of 80 or 84 hours, depending on whether a senior employee entitled to a training opportunity under this clause is assigned to an 8 hour or 12 hour shift, an initial assessment of the employee's aptitude to learn the job will be made. Where the Company, acting reasonably and fairly, concludes that the employee lacks the ability to learn the job the Company may end the training opportunity. The Company will consult with a trade union representative before exercising its right under this provision.

The Parties hereto agreed to the following in a Memorandum of Settlement dated July 16,2002:

1. It is understood that there shall be a straight application of seniority with respect to layoff and recall, subject to the following:
2. The choice as to when such application is made is at the sole discretion of the Employee. It is further understood that if an Employee has the opportunity to apply Appendix L at the time of layoff, but instead elects to accept the layoff, he therein waives the right to Appendix L over the duration of said layoff. However, should an Employee be laid off when no opportunity to apply Appendix L is present, but such opportunity comes about over the course of the layoff, he shall be afforded the opportunity to apply Appendix L.
3. Employees may be afforded the opportunity for recall as per Article 11 at the first opportunity wherein their "Appendix L position" can be filled by a qualified Employee. However, subject to operational requirements, an Employee may be required to remain in the "Appendix L position" for up to thirty **(30)** additional days.
4. The training period under Appendix L shall be cumulative, unless operational requirements do not so allow.
5. A representative of the Employer and a representative of the Union shall meet with an affected Employee at such time as layoff notices are given. At this time, the respective representatives shall assist the Employee in understanding layoff and recall rights, and the Employee shall indicate as to whether or not it is their intent to apply Appendix L during the course of the layoff if such opportunity comes about.

APPENDIX "M"

**REQUEST FOR ADVANCE ON PAYMENT OF WEEKLY INDEMNITY
OR WORKERS' COMPENSATION AND EMPLOYEE AUTHORIZATION
TO DEDUCT FROM EARNINGS OR OTHER CREDITS**

Please advance \$ _____ against indemnity or compensation due me.

In the event that the Company makes an advance to me and no entitlement is approved, or in the event that the Insurance Company or the Workers' Compensation Board refuse to honour my direction, and entitlement is paid to me, I hereby agree to reimburse the Company immediately for such advance(s) made to me. In the event I am unable to repay the advance for any reason, I hereby authorize the Company to deduct the amount advanced from my wages including vacation pay or other monies payable to me.

Timminco

Employee: _____

Signature: _____

Date: _____

APPENDIX "N"

MELT PLANT DC OPERATION

In the event that the production of Magnesium billet is transferred from the Casthouse to the Melt Plant, the current job class of the VDC Operator position (Job Class 15) in the Casthouse will be retained by the DC Operator position in the Melt Plant.

In this event and in keeping with Article 11.02, "Seniority and Ability" the Company will provide up to three (3) days of familiarization and training, if required as per Article 11.12, "Lay-off" and Article 11.13, "Recall" during phase 1 of the start-up, for DC Operators.

Following the phase 1 period, employees will be offered in seniority order Appendix L training. This training may exceed paragraph B (iii) of Appendix L.

APPENDIX "O"

LETTER OF UNDERSTANDING -

ASSIGNMENT OF PRESIDENT & CHIEF STEWARD

During the life of the agreement, notwithstanding the requirements of article 2.11 relating to day shift positions for the President and Chief Steward, the Company will continue its current practice of assigning the Union President and the Chief Steward to regular day shift jobs that do not require the displacement of existing employees assigned to Day shift jobs provided that the Union President and the Chief Steward continue their practice of being flexible and co-operative in carrying out a variety of different work assignments throughout the plant and the jobs continue to provide an economic benefit to the Company.

APPENDIX "P"

LETTER OF UNDERSTANDING – SUPERVISORY WORK

For the purpose of clarification only, and for the purpose of clarifying the third sentence of Clause 1.07 of the Collective Agreement between the Company and Union (“Parties”), the parties agree and understand that supervisory employees shall have the same rights as technical or professional employees possess in clause 1.07 and particularly the third sentence thereof, provided that the supervisory employee(s) performing research, development or new processes possess technical or professional skills, abilities or knowledge obtained through experience, training or education, which a member of the bargaining unit does not possess.

Before a supervisory employee performs research, development or new process work as contemplated by the third sentence of clause 1.07, the company shall provide advance notice of the new project, research, development or new process to the President, or in his absence, the Vice-President, or in his or her absence the Chief Steward, of the work that supervisory employee(s) will perform. Such notice shall be provided at least 12 hours in advance, provided that there are no emergencies or unexpected occurrences that prevent the company from providing advance notice pursuant to this function. In such circumstances, the company shall provide written notice as soon as possible of a project or other circumstances involving necessitating supervisory employee(s) performing research, development or new processes.

Nothing herein shall affect the parties’ rights under the terms of the Collective Agreement and particularly clause 1.07 thereof, other than to clarify the parties’ rights pursuant to the third sentence of clause 1.07.

The company hereby recognizes the Union’s Collective Agreement right to perform work normally done by the bargaining unit.

The company is committed to informing its supervisory employees to refrain from performing work normally performed by the bargaining unit.

As such, the company shall, in a written notice to its supervisory employees in the Casthouse, inform them of its commitment and that they are not to perform any bargaining work normally performed by the bargaining unit, other than in those circumstances permitted in clause 1.07 of the Collective Agreement.

In interpreting and applying this commitment statement, the parties shall take into account all relevant factors, including but not limited to the amount of time a supervisory employee is alleged to have performed bargaining unit work, so as to avoid any disputes or grievance involving a supervisor, or supervisors, alleged to have performed work that does not, or will not affect the integrity of the bargaining unit.

APPENDIX “Q”

LETTER OF INTENT -

CHRISTMAS DAY, BOXING DAY & NEW YEAR'S DAY SHUTDOWN

Where the Company and the Union agree that on Christmas Day, Boxing Day and New Year's the following will be applicable.

- a) Notice will be given in advance to advise what processes will operate on what days during the holiday season.
- b) If a process is not operating, those employees so affected will review the processes that are operating and advise their supervisor of their desire to work the holiday.
- c) An employee, who wishes to work the process that is operating, will only be eligible to displace the employee in the position of the process that is operating if he is available through his schedule, if he is qualified to perform the work, and if it is within the same department.
- d) Qualifications will be reviewed through the matrix. The 3 days familiarization and training will not apply.
- e) There will be a deadline for advising supervision of the desire to work the holiday, so that each employee affected has advance notice.
- f) This procedure will apply within a department only; plant wide bumping will not take place.