

COLLECTIVE AGREEMENT

DYNO

Dyno Nobel

Dyno Nobel Nitrogen Inc.(DNNI)



AND



COMMUNICATION, ENERGY
&
PAPERWORKERS UNION
LOCAL 33-X

EFFECTIVE JUNE 21, 2006
MAITLAND WORKS

AGREEMENT

BETWEEN

COMMUNICATION, ENERGY & PAPERWORKERS UNION

LOCAL 33-X

&

DYNO NOBEL NITROGEN INC.(DNNI)

EFFECTIVE JUNE 21, 2006

MAITLAND WORKS

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DYNO NOBEL NITROGEN INC.(DNNI)

AGREEMENT

BETWEEN

**COMMUNICATION, ENERGY, & PAPERWORKERS' UNION,
LOCAL 33-X**, Maitland, Ontario, hereinafter called the "Union".

AND

DYNO NOBEL NITROGEN INC.(DNNI)

hereinafter called the "Company", a corporation having an office at Maitland, Ontario.

WHEREAS the Company operates a manufacturing plant, located in the Township of Augusta, County of Grenville, Ontario, known as its "Maitland Works", and hereinafter referred to as the said "Works".

WITNESSETH THAT the parties hereto have agreed as follows:

ARTICLE 1 - SCOPE

This Agreement covers all employees of the Company herein defined.

The expression "employee" used throughout this Agreement, shall be deemed to mean all employees of the said Works save and except supervisors, persons above the rank of supervisor, office staff, security guards and employees engaged in temporary construction.

For the purpose of clarity, office staff includes engineering, medical and technical personnel and laboratory technicians.

ARTICLE 2- RECOGNITION

- (a) The Company recognizes the Union during the term of this Agreement as the exclusive bargaining agent of the employees of the said Works, as defined in Article 1, for the purpose of collective bargaining in respect of wages, hours of work, seniority, grievance procedure and such other working conditions as are included in this Agreement.
- (b) The Union recognizes the right of the Company to manage the said Works, and to direct the working forces, including the right to hire, promote, transfer, or retire any employee, and to demote, discipline, suspend, or terminate the employment of any employee for any just cause.
- (c) The Union agrees that the Company may, at any time, change hours of work, determine or change work assignments, or methods, and select the materials to be handled, processed or manufactured.
- (d) The Union further recognizes the right of the Company to make and alter rules and procedures, not inconsistent with this Agreement, to be observed by the employees. Manuals of Company rules and procedures will be placed in various locations for the convenience of the employees. New rules and procedures governing the conduct of employees in the plant will be posted on the bulletin boards for seven (7) days before taking effect.

ARTICLE 3 - UNION SECURITY

- (a) All employees, who at the effective date of this Agreement are members of the Union and all employees who are subsequently admitted to membership in the Union, shall remain members of the Union for the duration of this Agreement.
- (b) 1. During the term of this Agreement, the Company will deduct Union Dues from the wages of all employees covered by this Agreement.

2. The Company will remit to the Financial Secretary of the Union the total of all amounts so deducted during the month in which deductions were made.
3. The Company will, at the same time, forward to the Financial Secretary of the Union a list of new employees, together with a list of those employees who have terminated their employment.

ARTICLE 4 - COOPERATION

- (a) The Union agrees that it will not cause, authorize, or sanction, or permit its members to cause, or take part in any sit-down, stay-in, or slow-down in any department, or any strike, or stoppage of any of the Company's operations, or any curtailment of work, or restriction of, or interference with production, or any picketing of the Company's premises during the term of this Agreement.
- (b) The Company agrees that it will not cause, or sanction a lockout during the term of this Agreement.
- (c) The Company agrees that the Union may post in the said Works, on notice boards supplied by the Company for such purposes, notices pertaining to meetings of the Union, elections of officers, social and recreational events. A copy of all such notices will be provided to the Company at time of posting.
- (d) No one shall conduct Union activities during working hours, except as specifically permitted in this Agreement. There shall be no discrimination, or intimidation by or on behalf of the Company, or by or on behalf of the Union, its members or its agents, with respect to any employee because of membership, or non-membership in the said Union.
- (e) 1. The Company agrees to notify the Union by registered mail of the reason for the discharge of any employee. Any discharge may be discussed as a grievance, provided the grievance is submitted in writing within seven (7) days after receipt by the Union of the written notice of the reason for the discharge. In the event that any employee is discharged and, after

subsequent investigations is exonerated and reinstated, the employee shall be reimbursed for the time lost by reason of such discharge on the basis of their normal daily hours of work, less earnings received from other employers in respect of the period for which the employee is to be reimbursed.

2. In the event that an employee is discharged and is not exonerated by subsequent investigation, a lesser penalty may be substituted where, in the opinion of an arbitration board, the penalty of discharge is considered to be inappropriate.
3. The Company also agrees to notify the Chief Steward, by letter, of the reason for disciplinary action taken against any employee. No suspension without pay will be enforced until a full investigation has been conducted.
4. The Company shall meet with the Union B&G Committee within five (5) days of the suspension or termination. The parties may mutually agree to a date beyond the five (5) days.
5. Records of employee disciplinary action imposed by the Company will not be kept beyond a two (2) year period.
6. An employee who, by disciplinary action, is summarily required to leave the Works, may interview their steward at the gatehouse. The employee's supervisor will advise the steward accordingly.

ARTICLE 5 - SAFETY & HEALTH

- a) The Company will continue to make reasonable provision for the safety and health of its employees. The Company agrees that such protective devices as the Company requires to be worn and other equipment which, in the opinion of the Company is necessary to protect the employee from injury, shall be provided by the Company.
- b) Safety manuals shall be made available in each Area's Control Room and in each department. Changes to the safety manuals shall be posted separately for seven (7) days.

- c) The Company recognizes the legal status of the Joint Health and Safety Committee. This Committee shall have a maximum of eight **(8)** employees, four **(4)** of whom shall be worker members selected by the Union. There are no alternates. Employees from the layoff list, while in a short term position, cannot hold membership on the Joint Health & Safety Committee. This Committee shall meet monthly on Company time, without **loss** of wages. The four **(4)** members selected by the Union may, in addition, meet for one **(1)** hour on the day of the Joint Health and Safety Committee meeting, just prior to this meeting, in order to prepare for the meeting without **loss** of wages.
- d) An employee responsible for an operating production area will not be required to leave their area for more than forty-five **(45)** minutes to work in another area, unless properly relieved, except for an emergency condition concerning safety.

ARTICLE 6 - REPRESENTATION

- (a) 1. The Company agrees to recognize up to ten (10) stewards, one of whom shall be Chief Steward, to represent groups of employees as follows:
- one **(1)** each from the Laboratory and Warehouse; and
 - two **(2)** each from the Nitrogen Products, Ammonia and Chemical Areas and the Maintenance Department.
2. The Union shall notify the Company, in writing, of the names of the stewards and of the Chief Steward. It is understood that a group steward or, in their absence, a member of the Bargaining & Grievance Committee may, with the permission of their supervisor, and without **loss** of time or pay, leave their regular duties for a reasonable length of time, in order to investigate grievances in their group.
3. On return from any such absence from their work place, the steward or the member of the Bargaining & Grievance

Committee, shall again report to their supervisor, who will record the total elapsed time.

- (b) The Company agrees to recognize a Union Bargaining & Grievance Committee of not more than five (5) employees

- (c)
 1. The Union Bargaining & Grievance Committee shall have the right of meeting the appointed representative, or representatives of the Company, at least once every month. Both Company and Union will make every attempt to supply an agenda of items for discussion with the other party at least forty-eight (48) hours prior to the time of the meeting. Members who happen to be on duty shall be paid at straight time for that part of their regularly scheduled working hours devoted to attendance at such meetings held on Company property.

 2. It is understood that a representative of the Communication, Energy & Paperworkers Union may be present at such meetings.

- (d)
 1. The Company agrees to provide an annual Union leave-of-absence of up to four hundred and fifty (450) hours without pay. The Company shall invoice the Union for the gross amount paid for the first three hundred (300) hours of leave. The Company shall invoice the Union for the direct cost of replacing employees on Union leave for the final one hundred and fifty (150) hours of leave.

 2. Union leave to attend Arbitration and safety training shall be without pay but will not be included in the aforementioned four hundred and fifty (450) hours of leave.

ARTICLE 7 - HOURS OF WORK

- (a) The normal number of daily hours of work shall be eight (8) for five (5) days, Monday to Friday, for day and eight (8) hour shift workers. The terms and conditions for twelve (12) hour shift workers are set out in Schedules "3" and "4" of this agreement.
- (b) The normal number of daily hours of work is stated solely for the purpose of calculating overtime and shall not be construed as a guarantee of any minimum, or as a restriction on any maximum number of hours to be worked.
- (c) An employee will not be required to work more than twelve (12) continuous hours in any twenty-four (24) hour period.
- (d) An employee shall be at their work place and ready to assume their duties at the commencement of their scheduled working day.
- (e) An employee, assigned to operations on a shift, which is scheduled to be followed immediately by another shift without lapse of time, shall not leave their work place until relieved by the employee assigned to the same operations on the succeeding shift, unless by special permission of their supervisor.
- (9) The Company agrees that normal rotation changes between shift and day work will be made on the long weekend, as shown on shift schedules, and no loss of hours shall occur during one complete shift cycle.
- (g) 1. The Company agrees to schedule, for employees not engaged in continuous operations, a rest period of ten (10) minutes' duration in each half of their working day. It is understood, and the Union agrees, that the nature of the work in continuous operations is such that it is impractical to schedule rest periods for employees engaged therein, but that, under normal conditions, reasonable opportunity for smoking and refreshment will exist in designated areas. Rest periods outside these designated areas can only be taken with the permission of the supervisor in charge.

2. Employees who have hours of work at other than 0730 to 1600 will be paid for their lunch period
- (h) Day workers shall be granted up to a maximum of five (5) minutes wash-up period before their lunch period and a five (5) minute wash-up period before the end of their normal working day. Any employee who has been engaged in unusually dirty work will be allowed washing time at the discretion of their supervisor.

ARTICLE 8 - OVERTIME & OTHER ALLOWANCES

- (a) 1. An employee shall be paid at the rate of time and one-half for all work required to be performed at other than their regularly scheduled working hours, provided, however, that the employee shall be paid at the rate of double time for all hours worked in excess of twelve (12) hours in any one day, or in any continuous period, including the time interval in that period between the twelfth (12th) and sixteenth (16th) hour.
2. Where an employee has been called in to work eight (8) hours prior to their regularly scheduled shift, the employee shall be paid at overtime rates for all hours worked in their regular shift, provided that such hours form a continuous period.
- (b) An employee shall be paid at the rate of time and one-half for work required to be performed on their assigned extra days of rest. All hours worked in excess of twelve (12) will be paid at the rate of double time. The rate of double time will be paid for work required to be performed on an employee's assigned regular day of rest.
- (c) 1. If an employee is required by the Company to report for the performance of work at other than their regularly scheduled working hours, the employee shall be paid at the rate of time and one-half for all hours worked at other than their regularly scheduled working hours provided, however, that the employee shall be paid at the rate of double time instead of at the rate of time and one-half for all hours worked in excess of twelve (12) hours in that day, or in any continuous period including the time interval in that period between the twelfth

(12th) and sixteenth (16th) hour. In any event, the employee shall be paid at their straight time rate only for regularly scheduled hours worked. The employee shall be paid a minimum amount equivalent to pay for four (4) hours at their straight time rate if their pay for the performance of such work is **less** than this amount, except when such work forms a continuous period with their regularly scheduled working hours, in which case no minimum shall apply. If the employee is entitled to the payment provided in clause (f), this minimum amount shall be paid in addition thereto for the performance of such work on a holiday.

2. In addition, the Company shall either pay to an employee required to report for work on less than twenty-two (22) hours' notice, a travelling allowance equivalent to one (1) hour's pay at their straight time rate or, where necessary, provide transportation for him/her.
- (d)
1. Whenever an employee's regularly scheduled working hours are changed (i.e., a change from one shift to another) by the Company, the employee shall be paid at the rate of time and one-half for work performed during their first working day following such change, unless notice of such change has been given to him/her by the Company at least thirty (30) hours prior to such change.
 2. In the Maintenance Department and Warehouse, any Company required change from day worker status to a shift worker status, or vice versa, not occurring over a weekend, the hours worked on the first shift, or day, will be paid at overtime rates.
 3. A combination of call-in before regularly scheduled working hours and holdover after regularly scheduled working hours does not constitute a change under this clause.
- (e) Notwithstanding the foregoing provisions of this Article 8, an employee shall not be paid at the rate of time and one-half for overtime work if such overtime work, with the permission of the supervisor, is performed by the employee at their own request, in

exchange for their regularly scheduled hours by special arrangement with another, or other employees who may wish to change, or exchange, working hours.

- (9) 1. An employee shall, subject to provisions set out in the paragraphs below, be paid an amount equivalent to eight (8) hours' pay at their straight time hourly rate for the following holidays, whether or not the employee works on such holidays:

NEW YEAR'S DAY, HERITAGE DAY, GOOD FRIDAY, VICTORIA DAY, DOMINION (CANADA) DAY, 3RD MONDAY JULY, CIVIC HOLIDAY, 3RD FRIDAY AUGUST, LABOUR DAY, THANKSGIVING DAY, CHRISTMAS DAY, BOXING DAY

2. Heritage Day shall be observed on the third Monday of February until legislated. If the legislated day of this holiday is other than the third Monday of February, then the observance of this holiday shall be moved to that legislated date.
3. However, an employee shall not be entitled to be paid for any such holiday:
 - i) If the employee does not work on that holiday when the employee has been required, or scheduled to do so.
 - ii) If the employee is absent without good cause on their scheduled working day immediately preceding, or succeeding that holiday.
 - iii) If the employee is absent for any reason except on vacation, proven illness, or with Company approval on both their scheduled working days immediately preceding and succeeding the holiday.
 - iv) If that holiday occurs while the employee is on leave-of-absence.

4. i) If an employee has been in the employ of the Company for less than thirty(30) consecutive days the employee will **be** paid holiday pay in accordance with the Ontario Employment Standards' Act. Pay will be at an hourly rate calculated by dividing the total regular wages plus vacation pay payable earned in the previous four **(4)** weeks by 160. They will be paid for public and plant holidays.

After thirty (30) days the provisions of **(9)** 1. apply

- ii) Students are eligible for holiday pay in accordance with the Ontario Employment Standards' Act. Pay will be at an hourly rate calculated by dividing the total regular wages plus vacation pay payable earned in the previous four **(4)** weeks by 160. They will be paid for public holidays but not plant holidays. The act requires that the employee work his or her entire scheduled day of work immediately prior to and following the holiday, unless he or she has "reasonable cause" not to do **so**.

- iii) These provisions would not apply to recalled employees with seniority, or to employees with seniority from the layoff **list** working in a short term position.

5. When required by the Company, any eight (8) hour shift worker that is scheduled to work a statutory holiday may bank eight **(8)** hours pay for a deferred day off. The deferred day off must be mutually agreed to by the Company and the employee.

6. The Company agrees to pay an employee who is receiving WSIB benefits, and who otherwise qualified for holiday pay, the difference between eight (8) hours pay at their regular rate at the time of the compensable injury, and 1/5 of the WSIB weekly benefit.

- (g) An employee who works on any of the holidays mentioned in clause (f) shall, if entitled to the payment provided in clause **(9)** be paid, in addition thereto, at the rate of time and one-half for all hours **so** worked up to eight (8) hours. In the case of clause (c), the minimum payment and travelling allowance shall apply.

Payment for hours worked in excess of eight (8) hours shall be at the rate of double time and one-half.

- (h) If another day is substituted by statute or decree, or by mutual agreement between the parties for the observance of any of the holidays listed in clause (9), the day of observance so substituted shall be deemed to be the holiday for the purpose of this Article 8.
- (i) An employee shall not be entitled to be paid under more than one (1) clause of this Article, unless otherwise specifically provided and, in any event, the rate of payment, including holiday and other allowances, but excluding the minimum payment and travelling allowances provided in clause (c), shall not exceed three (3) times the straight time hourly rate.
- (j) For the purpose of establishing which shift crew employees, regularly scheduled to work on Sunday, shall receive Sunday premium and which shift crew employees shall receive premium pay for work performed on the holidays shown in clause (9) of this Article 8, the day shall extend from midnight to midnight. For all other purposes, any day shall be deemed to be a twenty-four (24) hour period, as shown in schedules established from time to time.
- (k)
 1. An employee who is directed to work over, and such overtime is for a period of one (1) hour or more, will be provided with a meal allowance of **\$9.25 (\$9.50 effective June 21, 2007 and \$9.75 effective June 21, 2008)** and an opportunity to eat the meal at the completion of their regular hours of work. The employee will also be given an additional meal allowance of **\$9.25 (\$9.50 effective June 21, 2007 and \$9.75 effective June 21, 2008)** every succeeding 4-1/2 hours, and a further 30 minute period to consume same (five (5) hours between meals).
 2. An employee who reports for work on less than twenty-two (22) hours' notice will be provided with a meal allowance of **\$9.25 (\$9.50 effective June 21, 2007 and \$9.75 effective June 21, 2008)** and given 30 minutes to eat the meal after 4-1/2 hours, or as soon after the commencement of their scheduled hours of work as possible, whichever occurs first,

and an additional meal allowance of **\$9.25 (\$9.50 effective June 21, 2007 and \$9.75 effective June 21, 2008)** every succeeding 4-1/2 hours, and a further 30 minute period to consume same (five (5) hours between meals).

3. The Company will pay two (2) meal allowances for employees called to come in to work during the "on-call period" and who report for work on less than twenty-two (22) hours' notice.
 4. A day worker, who is required to work during any portion of their unpaid lunch period, will be compensated at the rate of time and one-half for the full lunch period and will be provided with a meal allowance of **\$9.25 (\$9.50 effective June 21, 2007 and \$9.75 effective June 21, 2008)** and will be granted a one-half hour unpaid period, by his supervisor, in which to eat their meal.
 5. The Company reserves the right to provide the meal in lieu of the meal allowance.
- (l) 1. When considered necessary by the Company, employees shall be required to perform overtime work in excess of their regularly scheduled hours. The Company shall determine when overtime shall be worked and when an employee shall report for duty. The Company shall consider any legitimate reason why an employee does not wish to work overtime and shall endeavour to find a replacement for such an employee. Failing this, the employee shall be required to work overtime. Overtime work shall be distributed as evenly as possible among the employees normally performing such work.
2. Records of all overtime worked shall be posted every week. Employees offered overtime and refusing same will be charged on the overtime records as having worked overtime. No employee shall be charged twice for the same period of time. Maintenance employees will have the average overtime worked in their classification added to their total on the overtime ~~lists~~ when absent for two (2) weeks or more, excluding vacation.

3. Maintenance employees who work four (4) hours of overtime, after working their regular day, will not be charged for further overtime refused.
 4. In those departments where the practice is to have the employees off on their extra day of rest work the overtime, the obligation for the Company to distribute overtime as evenly as possible shall not apply on the day which an employee is called to work on their extra day of rest.
- (m) Transportation will be paid to an employee's nearest residence if the employee is requested to work over and has no transportation. It is understood that the Company has the right to select, under the above circumstances, an employee who has transportation
- (n) Employees working overtime between midnight and 0500 shall be assured a period of rest of eight (8) hours from the time such overtime is completed without any loss of earnings. For greater certainty, the employee will report to work on their regular shift eight (8) hours after the completion of the overtime period to finish at the regular, normal quitting time without any lost earnings.
- (o) If scheduled overtime is canceled with less than twenty-two (22) hours notice, the employee so scheduled shall be paid a minimum amount equivalent to pay for four (4) hours at their straight time rate.

ARTICLE 9- WAGE CLASSIFICATION

- (a) The classification of the employees and the classification of new occupations shall be done by the Company.
- (b) Existing Job classifications shall not be eliminated without prior written notification to the Union. Should the Union object to the elimination of the job classification, the matter may be referred to the Arbitration process as provided in Schedule "1".
- (c) The classification of existing occupations within the recognized Bargaining Unit and the wage rates applying thereto shall be shown in Schedule "2", which is made part of this Agreement and

is signed for identification by the parties hereto. In the event that the job content of any occupation is substantially changed during the term of this Agreement, or that a new occupation is established, the occupation may be reclassified, or classified, as the case may be by the Company, but the Company agrees to discuss and review such changes, or new classifications, with the Union prior to implementation.

- (d) An employee shall be paid the rate for the occupational classification to which the employee is assigned, provided the assignment is for more than one (1) hour in any eight (8) hour continuous period, unless the assignment is to a lower rated classification for the convenience of the Company, in which case the employee shall be paid the rate of the higher classification.
- (e) While an employee may, at any time, discuss their classification with their supervisor, no request for a change in the classification of such employee need be entertained by the Company unless presented to the Company within thirty (30) working days following the date of classification, or change of classification, to which such employee objects. Insofar as is practicable, the Company agrees to inform the Union with regard to changes in classification.
- (f) An employee being transferred to a new job through job posting shall:
 1. If being transferred from a Chemical Operator's position in one Production Department to a Chemical Operator's position in another Production Department, be reclassified one group lower than previous classification for the retraining period. This period will be for a maximum of six (6) months, or such shorter period as determined by the Company, after which a Chemical Operator will regain their classification and rate.
 2. If the employee is of another classification and being transferred from one department to another, be transferred to the appropriate job classification and rate. The employee must successfully write a test for their new position within the three (3) months' evaluation period, or be returned to their former job classification and rate of pay.

3. If transferring from the following classifications - Production Operators, Mechanics, Electricians, Laboratory Assistants, or Store Attendants - be considered by the Company to possess the required matriculation qualifications in recognition of their years of actual plant experience (see Schedule " 6 - No. 7).
 4. Not be eligible to return to their former job for a period of twelve (12) months.
- (g) Short term job experience may not be used in determining qualifications, ability, etc., in filling a vacancy in a permanent occupation which has been posted.
- (h) In no event shall an employee who has achieved a rate of pay above that of Trainee, be paid at a rate of less than the rate immediately above Trainee of the new or other classification.

ARTICLE 10 - SENIORITY

- (a) 1. The purpose of seniority provisions herein is to provide a policy governing layoffs, reduction of employees in a department or job classification, rehiring and job postings. In the event of a reduction of the working force, the Company shall apply the principle of "last on, first off", provided the retained employees have the necessary qualifications and ability to perform the remaining work, consistent with the Company's obligation to maintain an efficient working force. Following a layoff, rehiring shall be executed conversely to the outlined layoff procedure, subject to the same conditions.
2. Necessary qualifications and ability shall mean - in the case of qualifications, the minimum educational qualifications or equivalency, as per present hiring practice (see Schedule " 6 - No. 7) and ability shall mean the employee has the ability, until proven otherwise, through the current training program within their department. When exercising seniority rights in another department, ability shall mean the employee must have the ability to do the job within a thirty (30) day training

period. Such training shall not be conducted by members of the Bargaining Unit.

3. An employee on layoff and having recall rights shall have the privilege of making application for all job openings which are posted. The Company shall notify the employees with seniority on the layoff list by registered mail, with a copy to the Union.
 4. An employee who wishes to be transferred, due to a reorganization which does not involve a layoff, the employee shall regress to the job classification level as determined by their seniority, provided that the employee has the necessary qualifications and ability to perform the job.
- (b) Seniority shall be recognized on a plant-wide basis for employees covered by this Agreement. Employees hired on the same day will be considered to have been hired in alphabetical order for purposes of establishing seniority.
- (c) 1. An employee with seniority who is indefinitely laid off due to a shortage of work in accordance with Article 10(a)1, shall be given notice or termination pay in lieu of notice in accordance with the Employment Standards' Act of Ontario, except that employees with five (5) years or more but less than six (6) years of service shall receive six (6) weeks pay or notice and employees with ten (10) years of service or more shall receive ten (10) weeks pay or notice.
2. Employees given notice, and subsequently laid off prior to the specified notice date detailed in the Employment Standards' Act, shall receive the outstanding balance as termination pay. When an employee has received termination pay under this clause, and is later recalled within a time interval shorter than the number of weeks for which termination pay was granted, the amount of excess termination pay paid to the employee shall be considered as an advance in pay by the Company and shall be repayable by payroll deduction. An employee who has received benefits under this clause, and who is recalled and laid off again at a later date, shall receive such

benefit in relation to their service since date of last recall, provided the initial period of layoff was for thirteen (13) weeks or longer.

3. An employee laid off for a temporary period of time less than thirteen (13) weeks shall be given one (1) week's notice in writing, but shall not be entitled to termination pay.
 4. General notices posted on notice boards, listing employees to be laid off in the first instance, their seniority and job classifications and setting forth the effective date of layoff, shall be notice of layoff, as of the date of posting, to employees losing their employment due to the application of seniority. Once notified, each employee shall have forty-eight (48) hours to notify the Company, in writing, of their intent to exercise their seniority, under Article 10(a)1.
 5. An employee having been given notice of their layoff, who elects to be laid off, rather than exercise their seniority rights to replace a junior employee, shall receive their own termination pay, according to their own seniority, if termination pay applies.
 6. The Company may elect to pay severance and/or termination pay in weekly instalments, or in a lump sum.
- (d) A seniority list shall be prepared and posted by the Company once every six (6) months.
- (e) An employee shall be a probationary employee until the employee has completed ninety (90) consecutive calendar days of employment with the Company. If retained, the employee's name shall be placed on the seniority list, dated according to the date their present term of employment commenced. Notwithstanding any other provision of the Agreement, the Company shall have the exclusive right to discharge probationary employees within the first ninety (90) consecutive calendar days of their employment. Seniority shall accumulate during a permitted leave-of-absence from work on account of accident or sickness.

(9) Those promoted to supervisory positions, or those positions not subject to this Agreement, will retain their seniority after promotion for a period of one (1) year and, if demoted, for any reason, or if they voluntarily request reinstatement in the Bargaining Unit within this twelve (12) month period, the time served in the supervisory position shall be included in their seniority rating. If this option is exercised, the employee will revert to First Class rate, or if no First Class rate, to Group One.

(g) An employee's name shall be removed from the seniority records and their employment terminated for the following reasons:

1. If the employee voluntarily quits the employ
2. If the employee is discharged for any just cause and is not reinstated through the grievance and arbitration procedure.
3. If the employee fails to report for duty after a layoff, unless the employee furnishes a satisfactory reason to the Company, or if one (1) year has elapsed from the date of their layoff or if two (2) years have elapsed from the date of their layoff if the employee has five (5) or more years of seniority at the time of layoff. When calling an employee back from layoff, the employee shall be notified by registered mail to the last address on record with the Company and shall be allowed four (4) days from the date of notice in which to notify the Company of their intentions and a further period of five (5) days to report for work.
4. If the employee has been absent from work for three (3) years on a continuous L.T.D., or W.S.I.B. claim.
5. If employee takes early, or normal retirement.

(h) 1. When there is a vacancy in a job classification, and the vacancy is expected to exceed thirty (30) days, the Company agrees to post a notice of such vacancy for seven (7) days and will follow the Job Posting Procedure in the Company's Rules & Procedures in filling the vacancy. Seniority will be the determining factor in filling such vacancies, except those

job classifications deemed to be a promotion, where seniority will be a determining factor, consistent with the Company's obligation to maintain an efficient working force. Those classifications deemed to be promotions are identified, for the purposes of this Article, as:

- LEAD HAND
 - SHIFT ENGINEER
2. The Company agrees not to change the Job Posting Procedure, or the Standard Minimum Job Qualifications during the term of this Collective Agreement unless otherwise agreed by both parties.
 3. Successful job posting applicant: the employee must occupy the vacancy within sixty (60) days of nomination.
 4. Postings will remain open for a period of six (6) months from the date of the initial posting after which they will be cancelled.

ARTICLE 11- GRIEVANCE PROCEDURE

Any dispute involving the application, interpretation, administration or alleged violation of this collective agreement (hereinafter called "grievance"), which any employee, group of employees, or the Union or Employer, may wish to discuss shall be handled as follows:

STEP 1 (VERBAL)

The employee shall take up their grievance verbally, directly with their immediate supervisor or supervisor of their department, except when the employee believes that the employee cannot properly express, or explain, their difficulties to their supervisor, in which case the employee may be accompanied by their steward.

STEP 2 (WRITTEN)

If the grievance is not adjusted by supervision within forty-eight **(48)** hours after the grievance has been submitted to them, under the provisions of Step 1, the employee may report the matter to the steward elected to represent their group who, together with the employee, may take the matter up with the supervisor and shall, at the same time, present a written summary of the grievance.

STEP 3

If supervision does not settle the matter to the satisfaction of the employee within forty-eight **(48)** hours after the grievance has been submitted to them, under the provisions of Step 2 hereof, the employee and the steward may take up the matter directly with the Area's or Department's Head.

STEP 4

- (a) If a satisfactory settlement is not obtained within forty-eight **(48)** hours after the matter has been discussed with the Department Head, in accordance with Step 3 hereof, the steward may submit the grievance, in writing, to the Union Bargaining & Grievance Committee, with a copy to the Human Resources Manager. The Union Bargaining & Grievance Committee may then discuss it with Management at a time to be agreed upon.
- (b) Grievances resulting from a suspension, or the termination of an employee, or grievances arising directly between the Union and the Company, known as Union or Policy grievances, will be submitted at Step 4 of the Grievance Procedure within sixty (60) calendar days of the event causing the grievance.
- (c) All decisions arrived at, by agreement between the Plant Manager, or their appointee, and the Union Bargaining & Grievance Committee, with respect to any grievance, shall be made in writing and shall be final and binding upon the Company and the Union. In the event that no agreement is reached, the Company will confirm its decision, in writing, to the Chief Steward, by depositing it in the Union mail box provided.

- (d) Nothing in this Agreement shall be deemed to take away the right of an individual employee to present any personal grievance to the Company.
- (e) While the employee may discuss a grievance with their supervisor at any time, a request for retroactive adjustment need not be entertained by the Company, unless the grievance is presented, in writing, within sixty (60) calendar days of the date of the incident which gave rise to the grievance, or if more than fourteen (14) calendar days have elapsed from the time the employee receives a decision in writing, at any step in the grievance procedure, to the time the grievance is carried to the next higher step.
- (9) Any grievance shall be deemed to have been withdrawn if, after an answer has been given at any step, more than fourteen (14) calendar days has elapsed before the grievance is carried to the next step.

ARTICLE 12 - ARBITRATION

- (a) Within a period of thirty (30) days following the date of communication of the Company's written decision to the Union, any grievance, or other matter in dispute between the Company and the Union involving the interpretation, application, administration, or alleged violation of any Article in this Agreement may, in the event of failure to reach agreement thereon, be referred by either party to arbitration by an arbitration board, in accordance with the procedure contained in Schedule "1" of this Agreement. Either party may by-pass the provisions of this Article, and Schedule "1", by referring a grievance to the Ontario Ministry of Labour for expedited arbitration, under the appropriate section of the Labour Relations' Act.
- (b) The decision of the majority of the arbitration board on the matter at issue, or of the chairperson if there is no majority, shall be final and binding on both parties, but in no event shall the arbitration board have the power to add to, subtract from, alter, or amend this Agreement in any respect.

- (c) Each party shall pay its own costs, and the fees and expenses of witnesses called by it and its representative. The fees and expenses of the chairperson shall be shared equally between the parties.

ARTICLE 13- VACATIONS

- a) Vacations with pay shall be granted to all regular employees of the Company, in accordance with the following provisions:
1. The vacation period shall be from May 1st of the current year to April 30th of the following year. The Company will approve the carrying over of a maximum of two (2) weeks of vacation for employees with four (4) weeks or more of vacation and one (1) week for employees with three (3) weeks of vacation at the rate they would have received for a period not to exceed one (1) year, provided the request is deemed reasonable and approved by the supervisor and authorized by area supervision, if business conditions and operations permit. Vacations may not be carried over for more than one (1) year, and payment for these weeks will be made at the rate the employee would have received during the qualifying period, by May 30th of each year.
 2. The Company agrees not to change the revised Rule & Procedure on Vacations during the term of this Collective Agreement.
 3. Vacations will be computed from May 1st of any year to April 30th of the following year. Employees with less than one (1) year's service on May 1st shall receive vacation pay at the rate of 4% of their earnings from their date of hire to April 30th. Employees with less than one (1) year's service prior to May 1st shall be granted time off at the rate of four (4) hours for every one hundred (100) hours of straight time service, up to a maximum of two (2) weeks. Employees who have completed one (1) year's service with the Company on April 30th shall be granted two (2) weeks' vacation and paid either an amount equivalent to eighty (80) hours at their straight time rate, or 4% of their gross earnings, whichever is the greater.

Employees will be granted three (3) weeks' vacation, and paid an amount equivalent to one hundred and twenty (120) hours at their straight time rate, or 6% of their gross earnings, whichever is the greater, in the year in which they will have completed five (5) years' service, and for each year of service thereafter, up to and including nine (9) years' service.

Employees will be granted four (4) weeks' vacation and paid an amount equivalent to one hundred and sixty (160) hours at their straight time rate, or 8% of their gross earnings, whichever is the greater, in the year in which they will have completed ten (10) years' service and for each year of service thereafter, up to and including nineteen (19) years' service.

Employees will be granted five (5) weeks' vacation, and paid an amount equivalent to two hundred (200) hours at their straight time rate, or 10% of their gross earnings, whichever is the greater, in the year in which they will have completed twenty (20) years' service.

4. Employees will be granted six (6) weeks' vacation, and paid an amount equivalent to two hundred and forty (240) hours at their straight time rate or 12% of their gross earnings, whichever is the greater, in the year in which they will have completed thirty (30) years' service, and in each subsequent year.
5. The foregoing forty (40) hours, eighty (80) hours, one hundred and twenty (120) hours, one hundred and sixty (160) hours, two hundred (200) hours and two hundred and forty (240) hours' pay shall only be payable to those employees who have worked not less than forty (40) hours in the preceding six (6) months, or not less than eighty (80) hours in the preceding year, whichever is applicable. For an employee who has worked less than the hours specified, the employee shall be paid 4%, 6%, 8%, 10% or 12%, whichever is applicable, of their earnings from the Company in the applicable period.
6. This Article does not apply to employees from the layoff list, while in a short term position. The vacation pay entitlement for these individuals is outlined in Schedule "7".

7. The Company shall have the right to change, or schedule vacations, as may appear advisable in the best interest of the Company. Subject to the foregoing, choice of vacations will be by seniority. The Company shall honour off-season (November - March inclusive) vacation requests, provided qualified relief is available.

b) An employee who permanently leaves the employ of the Company due to layoff, retirement, illness, injury, or death, will be paid a severance allowance based on their earnings from May 1st prior to termination, in lieu of paid vacations as follows:

UP TO AND INCLUDING 4 YEARS' SERVICE	• 4% OF EMPLOYEES GROSS EARNINGS
5 YEARS UP TO AND INCLUDING 9 YEARS' SERVICE	• 6% OF EMPLOYEE'S GROSS EARNINGS
10 YEARS UP TO AND INCLUDING 19 YEARS' SERVICE	• 8% OF EMPLOYEE'S GROSS EARNINGS
20 YEARS UP TO AND INCLUDING 29 YEARS' SERVICE	• 10% OF EMPLOYEE'S GROSS EARNINGS
30 YEARS' SERVICE AND OVER	• 12% OF EMPLOYEE'S GROSS EARNINGS

(c) Employees may book vacation in blocks of two (2) shifts. For greater clarity, two vacation shifts may only be booked when an employee is scheduled to work two (2) contiguous shifts i.e. two shifts in a row not interrupted by days off.

(d) Prime Time is defined as summer months of June, July, and August only.

(e) Vacation shall be booked by order of priority. 2nd or subsequent vacation choice by senior employees may not take precedence over first choice of less senior employees. First choice vacation blocks shall be limited to a maximum of seven (7) shifts.

- (9) Any outstanding vacation from the previous year shall not take precedence over vacation selection for current year. Seniority alone is the determining factor in vacation entitlement.
- (g) Vacation in one shift blocks may be approved by utilizing a mutual type system arranged by the employee. A mutual, for this purpose, shall not attract extra costs for the Company including, but not limited to, overtime. A mutual for this purpose may only be approved if the replacement is fully qualified.

ARTICLE 14- GENERAL

JURY DUTY

The Company will grant the necessary permission to any employee called upon to serve as a juror, or as a subpoenaed Crown witness. For each working day that the employee is required to be in court the Company will pay the employee.

EMPLOYEE BENEFITS

For information regarding Employee Benefits please refer to Schedule "10" for a detailed summary. Employees may also refer to carrier benefit booklets for further details.

PENSION PLAN

The 3% employer-employee contributory money purchase plan which becomes effective July 1, 1988, shall be continued by the Company. The Company will match employee's additional voluntary contributions of up to 3.125% effective June 21, 2006, 3.25% effective June 21, 2007, 3.375% effective June 21, 2008 and 3.5% effective June 21, 2009.

Employees will be required to authorize increases to voluntary pension deductions for the duration of the Collective Agreement. Forms will be issued by Human Resources.

a) An employee who experiences the death of a spouse (including a common law spouse), son or daughter, parent, brother, sister, mother-in-law, father-in-law, grandson or granddaughter, will be granted leave-of-absence with pay at their regular hourly rate for three (3) scheduled working days. These benefits shall include step members (per list above) of the employee's family excluding spouse.

From time to time the Company recognizes that certain situations other than those outlined above may arise. The Company will continue to exercise their discretion.

- b) An employee who experiences the death of a grandparent, sister-in-law, brother-in-law, daughter-in-law or son-in-law will be granted a one (1) day leave-of-absence, with pay, at their regular rate on the day of the funeral, provided it occurs on one of their regularly scheduled work days.
- c) The Company will grant a one (1) day leave-of absence, without pay, if an employee attends a funeral over three hundred (300) miles.
- d) If a death in a family occurs when an employee is on vacation, the employee may immediately apply for compassionate leave and have the balance of their vacation rescheduled.
- e) The Company will grant a leave-of-absence to any employee who is absent from work because of the birth of their child. The employee will be paid at their regular hourly rate to a maximum of one (1) day, provided that such absence is on the first day, or the last day of confinement, and falls on a regularly scheduled working day.

POST RETIREMENT DEATH BENEFIT

Employees who retire from the employ of the Company on a normal retirement date, or an applicable early or disability retirement date, on or after (signing date), are eligible for a \$2,000 post retirement death benefit, payable upon the death of the retiree.

Upon retirement the Company will provide a detailed summary, which will provide instructions for redemption of the lump sum payment of \$2,000.

MISCELLANEOUS

The Company agrees that staff employees will not perform work normally performed by employees of the Bargaining Unit, unless it is for either of the following reasons:

1. Where instructing or training employees;
2. When an emergency occurs and it is necessary for the staff employee to act for the safety of equipment, safety of personnel and the continuation, or prompt restoration of operations.

ARTICLE 15 - SHIFT AND SUNDAY PREMIUMS

- (a) An employee who is regularly scheduled to work on Sunday shall be paid, in addition to any shift premium, a premium of **\$3.10** effective June **21, 2006**; **\$3.18** effective June **21, 2007**; **\$3.27** effective June **21, 2008** and **\$3.36** effective June **21, 2009** for each hour worked on Sunday.
- (b) For work performed on a regularly scheduled multiple, or fixed evening, or night shifts, a premium of **\$1.01** per hour effective June **21, 2006**; **\$1.04** per hour effective June **21, 2007**; **\$1.07** per hour effective June **21, 2008** and **\$1.10** per hour effective June **21, 2009** shall be paid for shifts commencing between the hours of 3:00 P.M. and 10:59 P.M. and **\$1.18** per hour effective June **21, 2006**; **\$1.21** per hour effective June **21, 2007**; **\$1.24** per hour effective June **21, 2008**; and **\$1.27** effective June **21, 2009** for shifts commencing between the hours of 11:00 P.M. and

2:59 A.M. Maintenance reassigned day workers shall be paid the above appropriate shifts premiums of **\$1.01 per hour effective June 21, 2006; \$1.04 per hour effective June 21, 2007; \$1.07 per hour effective June 21, 2008 and \$1.10 per hour effective June 21, 2009**. These premiums are to be added to the rates shown in Schedule "2" of this Agreement, but are, at all times, to be shown separately from these rates. The premium is to be added to the rate after, and not before calculating overtime.

ARTICLE 16 - DURATION

- (a) This agreement shall become effective as of June 21, 2006, and shall remain in force up to and including June 20, 2010.
- (b) Either party may, on fifteen (15) calendar days' notice, in writing, require the other party to enter into negotiations for the renewal of the Agreement within the period of three (3) months prior to the expiry date, and both parties shall, thereupon, enter into such negotiations in good faith, and make every reasonable effort to secure such renewal.
- (c) Any proposals that either party may wish to address during negotiations will be exchanged, in writing, at the first scheduled meeting.

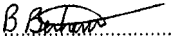
NOTE

All schedules and appendices to the Collective Agreement form an integral part of this agreement.


SIGNED THIS 27th DAY OF February, 2007

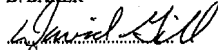
COMMUNICATION, ENERGY, &
PAPERWORKERS' UNION
LOCAL 33-X

DYNO NOBEL NITROGEN INC. (DNNI)



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B. BERTREND


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D. BAKER

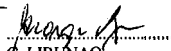

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G. GREER

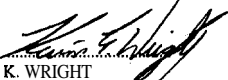

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D. GILL

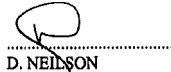

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G. HOLTROP


.....
R. HOMER


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B. MCINTOSH


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G. LIBUNAO


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K. WRIGHT


.....
D. NEILSON


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C.E.P.U.

SCHEDULE "1"

PROCEDURE FOR ARBITRATION PROCEEDINGS

1. The parties desiring to submit a matter to arbitration shall deliver to the other a notice of intention to arbitrate. This notice shall state the matter at issue and shall state in what respect the Agreement has been violated, or misinterpreted, by reference to the specific clause, or clauses relied upon. The notice shall also stipulate the nature of the relief, or remedy sought.
2. Within ten (10) days after the date of delivery of the foregoing notice, the party initiating arbitration will convene a B&G meeting at which the parties will select an arbitrator from the agreed list of four arbitrators. The selection will be made by random selection.
3. After the arbitrator has been appointed, he or she shall meet with the parties and hear evidence and render a decision.
4. The time limits specified herein shall be deemed to be exclusive of Saturdays, Sundays, and those holidays described in Article 8(f) of this Agreement and may be extended by mutual consent of the parties, or by the arbitration board.
5. List of four arbitrators to choose from:

William Kaplan
Brian Keller
Kevin Whitaker
Gord Simmons

SCHEDULE "2"

DYNO NOBEL NITROGEN INC.(DNNI) SCHEDULE OF JOB CLASSIFICATIONS FOR WAGE EARNERS

RATES EFFECTIVE:

JUNE 21,
2006

JUNE 21,
2007

LABORATORY DEPARTMENT

LABORATORY ASSISTANT- TRAINEE	16.02*	16.45*
LABORATORY ASSISTANT-III	20.34	20.89
LABORATORY ASSISTANT-II	24.66	25.33
LABORATORY ASSISTANT- I	28.99*	29.77*

MAINTENANCE DEPARTMENT

EQUIPMENT OPERATOR- I	25.55*	26.24*
LABOURER/JANITOR	23.21*	23.84*
LABOURER- LEAD HAND	24.31	24.94
STORES ATTENDANT- TRAINEE	23.37*	24.00*
STORES ATTENDANT	25.55*	26.24*
FIRE EQUIPMENT MECHANIC- I	26.74*	27.46*
ELECTRICIAN- 1 ST CLASS	30.30*	31.12*
INSTRUMENT MECHANIC- 1 ST CLASS	30.30*	31.12*
E&I TECHNICIAN- TRAINEE	16.02*	16.45*
E&I TECHNICIAN- III	19.59	20.12
E&I TECHNICIAN- II	23.16	23.79
E&I TECHNICIAN- I	26.73	27.46
E&I TECHNICIAN- 1 ST CLASS	30.30*	31.12*
E&I TECHNICIAN- LEAD HAND	31.30	32.12
MECHANIC- TRAINEE	16.02*	16.45*
MECHANIC- III	19.59	20.12
MECHANIC- II	23.16	23.79
MECHANIC- I	26.73	27.46
MECHANIC- 1 ST CLASS	30.30*	31.12*
MECHANIC- LEAD HAND	31.30	32.12
HEAVY EQUIPMENT MECHANIC- 1 ST CLASS	30.30*	31.12*
CARPENTER- I	26.74*	27.46*

RATES EFFECTIVE:**JUNE 21,**
2006**JUNE 21,**
2007

PAINTER- I	26.74*	27.46*
LUBRICATOR- TRAINEE	16.02*	16.45*
LUBRICATOR- II	21.38	21.96
LUBRICATOR- I	26.74*	27.46*
INSULATOR- TRAINEE	16.02*	16.45*
INSULATOR- II	21.38	21.96
INSULATOR- I	26.74*	27.46*
INSULATOR- LEAD HAND	27.74	28.46
MAINTENANCE APPRENTICE- TRAINEE	16.02*	16.45*
MAINTENANCE APPRENTICE- III	19.59	20.12
MAINTENANCE APPRENTICE- II	23.16	23.79
MAINTENANCE APPRENTICE- I	26.74*	27.46*

PRODUCTION DEPARTMENT

CHEMICAL OPERATOR- TRAINEE	16.02*	16.45*
CHEMICAL OPERATOR- III	20.34	20.89
CHEMICAL OPERATOR- II	24.66	25.33
CHEMICAL OPERATOR- I	28.99*	29.77*
NITRIC & BOILER OPERATOR- TRAINEE	16.02 *	16.45 *
NITRIC & BOILER OPERATOR- III	20.43	20.98
NITRIC & BOILER OPERATOR- II	24.84	25.51
NITRIC & BOILER OPERATOR- I	29.26*	30.05*
NITRIC & BOILER SHIFT ENGINEER	30.67*	31.50'
WAREHOUSE- TRAINEE	16.02*	16.45*
WAREHOUSE- II	20.87	21.43
WAREHOUSE- I	25.71*	26.40*
WAREHOUSE - LEAD HAND	27.25*	27.99*
TRACK OPERATOR	27.54*	28.28*
STUDENTS	12.75	13.09

RATES FOR YEARS 2008, 2009

<u>RATES EFFECTIVE:</u>	<u>JUNE 21,</u> <u>2008</u>	<u>JUNE 21,</u> <u>2009</u>
<u>LABORATORY DEPARTMENT</u>		
LABORATORY ASSISTANT- TRAINEE	16.89*	17.35*
LABORATORY ASSISTANT- III	21.45	22.03
LABORATORY ASSISTANT- II	26.01	26.71
LABORATORY ASSISTANT- I	30.57"	31.40"
<u>MAINTENANCE DEPARTMENT</u>		
EQUIPMENT OPERATOR- I	26.95*	27.68*
LABOURER/JANITOR	24.48"	25.14'
LABOURER- LEAD HAND	25.58	26.24
STORES ATTENDANT- TRAINEE	24.65*	25.32'
STORES ATTENDANT	26.95*	27.68*
FIRE EQUIPMENT MECHANIC- I	28.20*	28.96*
ELECTRICIAN-1 ST CLASS	31.96*	32.82*
INSTRUMENT MECHANIC- 1 ST CLASS	31.96*	32.82*
E&I TECHNICIAN- TRAINEE	16.89"	17.35*
E&I TECHNICIAN-III	20.66	21.22
E&I TECHNICIAN-II	24.43	25.09
E&I TECHNICIAN- I	28.20	28.96
E&I TECHNICIAN-1 ST CLASS	31.96'	32.82*
E&I TECHNICIAN- LEAD HAND	32.96	33.82
MECHANIC- TRAINEE	16.89*	17.35*
MECHANIC- III	20.66	21.22
MECHANIC- II	24.43	25.09
MECHANIC- I	28.20	28.96
MECHANIC- 1 ST CLASS	31.96*	32.82*
MECHANIC- LEAD HAND	32.96	33.82
HEAVY EQUIPMENT MECHANIC- 1 ST CLASS	31.96*	32.82*
CARPENTER- I	28.20*	28.96*
PAINTER- I	28.20*	28.96*
LUBRICATOR- TRAINEE	16.89*	17.35*
LUBRICATOR- II	22.55	23.16

RATES EFFECTIVE:

	<u>JUNE 21,</u> <u>2008</u>	<u>JUNE 21,</u> <u>2009</u>
LUBRICATOR- I	28.20*	28.96"
INSULATOR-TRAINEE	16.89*	17.35*
INSULATOR-II	22.55	23.16
INSULATOR- I	28.20*	28.96*
INSULATOR- LEAD HAND	29.20	29.96
MAINTENANCE APPRENTICE- TRAINEE	16.89*	17.35"
MAINTENANCE APPRENTICE- III	20.66	21.22
MAINTENANCE APPRENTICE- II	24.43	25.09
MAINTENANCE APPRENTICE- I	28.20*	28.96*

PRODUCTION DEPARTMENT

CHEMICAL OPERATOR- TRAINEE	16.89*	17.35*
CHEMICAL OPERATOR- III	21.45	22.03
CHEMICAL OPERATOR- II	26.01	26.71
CHEMICAL OPERATOR- I	30.57*	31.40*
NITRIC & BOILER OPERATOR- TRAINEE	16.89 *	17.35 *
NITRIC & BOILER OPERATOR- III	21.55	22.13
NITRIC & BOILER OPERATOR- II	26.21	26.91
NITRIC & BOILER OPERATOR- I	30.86*	31.69*
NITRIC & BOILER SHIFT ENGINEER	32.35*	33.22*
WAREHOUSE- TRAINEE	16.89*	17.35*
WAREHOUSE- II	22.00	22.60
WAREHOUSE- I	27.11*	27.84*
WAREHOUSE – LEAD HAND	28.75*	29.53*
TRACK OPERATOR	29.04*	29.83*
STUDENTS	13.44	13.80

1. Those occupying the classification of Lead Hand will receive a premium of \$1.00 per hour in addition to the asterisked rate of their classification, with the exception of Labourer - Lead Hand will receive a premium of \$1.10 per hour.

2. For purposes of this Collective Agreement, progression rates are calculated on a linear basis, taking the differential between the Trainee rate and the top level of the classification, identified by asterisk in the Collective Agreement, equally divided by the number of progression steps in the classification.
3. The rate paid to the **B** trades, i.e. Fire Equipment Mechanic I, Insulator I, Carpenter I, Lubricator I, Painter I shall be equivalent to the Mechanic I rate.

The Track Operator rate shall be established as 95% of the Chemical Operator I rate.

SCHEDULE "3"

In conjunction with this principal Collective Labour Agreement between Dyno Nobel Nitrogen Inc.(DNNI) and Communication, Energy & Paperworkers' Union, Local 33-X, the parties hereto agree to the following terms and conditions as related to the twelve **(12)** hour rotating shift schedule as hereinafter defined:

1. The work schedule considered herein shall apply to employees working on continuous rotating shifts, except the Maintenance Department. It is understood that when continuous rotating shifts are not required, the Company may on seven (7) days notice change the employees to other schedules and hours of work.
2. The following clauses of the principal Collective Labour Agreement shall be amended, or deleted, as the case may be, as follows only insofar as they apply to all those employees under the twelve **(12)** hour rotating shift schedule:

ARTICLE 7(a)

The normal number of daily hours shall be twelve **(12)** for shift workers and shall vary from twelve **(12)** hours for three (3) days in a week to twelve **(12)** hours for four **(4)** days in a week, according to schedules established from time to time.

ARTICLE 7(c)

An employee will not be required to work more than sixteen **(16)** continuous hours in any twenty-four **(24)** hour period.

ARTICLE 8(a) (1ST AND 2ND CLAUSES)

An employee shall be paid at overtime rates for work required to be performed at other than their regularly scheduled working hours. Payment will be made as follows:

OVERTIME BEFORE A SCHEDULED DAY SHIFT WILL BE AT THE RATE OF DOUBLE TIME

OVERTIME FOLLOWING A SCHEDULED DAY SHIFT WILL BE AT THE RATE OF TIME AND ONE-HALF

OVERTIME BEFORE A SCHEDULED NIGHT SHIFT WILL BE AT THE RATE OF TIME AND ONE-HALF

OVERTIME FOLLOWING A SCHEDULED NIGHT SHIFT WILL BE AT THE RATE OF DOUBLE TIME

In any event, an employee shall be paid at the rate of double time for all hours worked in excess of sixteen (16) hours in that day, or in any continuous period.

ARTICLE 8(b)

An employee shall be paid at the rate of time and one-half for work required to be performed on their assigned extra days of rest. The rate of double time will be paid for work required to be performed on an employee's assigned regular day of rest, which has been designated as Saturday and Sunday during an employee's weekend period of three (3) consecutive days of rest.

ARTICLE 8(c) (1ST PARAGRAPH)

If an employee is required to report for the performance of any work at other than their regularly scheduled working hours, the employee shall be paid a minimum amount equivalent to pay for four (4) hours at their straight time rate if their pay for work performed is less than this amount, except when such unscheduled work forms a continuous period with the employee's regularly scheduled working hours, in which case, no minimum shall apply.

ARTICLE 8(f)

An employee may choose to bank the eight(8) hour statutory holiday time, to be utilized as additional time off with pay. The employee may only schedule this time off in minimum periods of one twelve (12) hour shift and at the Company's discretion.

Approval of time off must be obtained from his/her direct supervisor. Any unused hours as of December 1st will be paid out in the 2nd pay of December.

ARTICLE 8(g)

An employee who works on any of the holidays mentioned in clause (9) shall:

1. If entitled to the payment provided in clause (9) be paid, in addition thereto, at the rate of time and one-half for hours so worked up to eight (8) hours and at the rate of double time for the remaining four (4) hours. In the case of clause (c), the minimum payment and travelling allowance shall apply. Payment for hours worked in excess of twelve (12) hours shall be as shown in clause (a) of this Article 8.
2. If not entitled to the payment provided in clause (9) be paid at the rate of time and one-half for all hours so worked up to twelve (12). Payment for hours worked in excess of twelve (12) hours shall be as shown in clause (a) of this Article 8.

ARTICLE 8(i)

For the purpose of establishing which shift crew employees regularly scheduled to work on Sunday, shall receive Sunday premium and which shift crew employees shall receive premium pay for work performed on the holidays shown in clause (9) of this Article 8, the day shall extend from 0700 hours to 0700 hours. For all other purposes, any day shall be deemed to be a twenty-four (24) hour period, as shown in schedules established from time to time.

ARTICLE 8(l)

When considered necessary by the Company, employees shall be required to perform work in excess of their regularly scheduled hours. The Company shall determine when overtime shall be worked and when an employee shall report for duty. The Company shall consider any legitimate reason why an employee does not wish to work overtime and shall endeavour to find a replacement for such an employee. Failing this, the employee shall be required to work overtime. The Company will establish an on-call schedule of employees who will, after the day shift, on their days of rest, be on call for one (1) hour prior to the commencement of both shifts for relief work on either the day, or night shifts. An on-call employee who is called for overtime work and is then excused from reporting for good reason, by their supervisor, will have the overtime recorded as if worked, as will also the employee who serves as their replacement.

An employee will not be disciplined should the Company be successful in getting a qualified employee from the on-call crew. Should no qualified employee from the on-call crew be available during the on-call periods, then the entire on-call crew shall be subject to discipline. On-call crew personnel will be able to make use of the mutual procedure.

In those departments where the practice is to have the employees off on their extra day of rest work the overtime, the obligation for the Company to distribute overtime as evenly as possible shall not apply on the day which an employee is called to work on their extra day of rest.

ARTICLE 11(f)

The time limits specified in this Article 11 shall be deemed to be exclusive of Saturdays, Sundays and those holidays described in Article 8(f).

ARTICLE 13 (2ND PARAGRAPH)

Vacations will be computed from May 1st of any year to April 30th of the following year. Employees with less than one (1) year's service on

May 1st shall receive vacation pay at the rate of 4% of their earnings from their date of hire to April 30th. Employees with less than one **(1)** year's service prior to May 1st shall be granted time off at the rate of **four (4) hours for every one hundred (100) hours of straight time** service, up to a maximum of two **(2)** weeks. Employees who have completed one **(1)** year's service with the Company prior to April 30th shall be granted two **(2)** weeks' vacation of six (6) twelve **(12)** hour shifts or, at the employee's option, seven **(7)** twelve **(12)** hour shifts, and be paid an amount equivalent to either eighty (80) hours at their straight time rate, or 4% of their gross earnings, whichever is the greater.

Employees will be granted three (3) weeks' vacation of ten **(10)** twelve **(12)** hour shifts and be paid the equivalent of one hundred and twenty **(120)** hours at their straight time rate, or **6%** of their gross earnings, whichever is the greater, in the year in which they will complete five (5) years' service and for each year of service thereafter up to and including nine (9) years' service.

Employees will be granted four **(4)** weeks' vacation of thirteen (13) twelve **(12)** hour shifts and be paid the equivalent of one hundred and sixty **(160)** hours at their straight time rate, or **8%** of their gross earnings, whichever is the greater, in the year in which they will complete ten **(10)** years' service and for each year of service thereafter up to and including nineteen **(19)** years' service.

Employees will be granted five (5) weeks' vacation of sixteen **(16)** twelve **(12)** hour shifts or, at the employees option, seventeen **(17)** twelve **(12)** hour shifts, and be paid the equivalent of two hundred **(200)** hours at their straight time rate, or **10%** of their gross earnings, whichever is the greater, in the year in which they will complete twenty (20) years' service. Employees will be granted six (6) weeks' vacation of twenty (20) twelve **(12)** hour shifts, and be paid the equivalent of two hundred and forty **(240)** hours at their straight time rate, or **12%** of their gross earnings, whichever is the greater, in the year in which they will complete thirty (30) years' service, and in each subsequent year.

ARTICLE 15 (1ST PARAGRAPH)

An employee who is regularly scheduled to work on Sunday (as defined in clause (j), Article 8), shall be paid, in addition to any shift premium, a premium of **\$3.10 effective June 21, 2006; \$3.18 effective June 21, 2007; \$3.27 effective June 21, 2008 and \$3.36 effective June 21, 2009** for each hour worked on Sunday.

ARTICLE 15 (2ND PARAGRAPH)

For work performed on the night shift, 1900 hours to 0700 hours, a premium of **\$1.46 per hour effective June 21, 2006; \$1.50 per hour effective June 21, 2007; \$1.54 per hour effective June 21, 2008; \$1.58 per hour effective June 21, 2009** shall be paid. This premium is to be added to the rates shown in Schedule "2" of the Labour Agreement, but is, at all times to be shown separately from these rates. The premium is to be added to the rate after and not before calculating overtime.

SCHEDULE "4"

In conjunction with the principal Collective Agreement, the parties hereto agree to the following terms and conditions for Maintenance Department employees assigned to a rotating shift schedule:

1. The twelve (12) hour work schedule shall be considered to be covered by Schedule "3", in lieu of the hours of work defined in Article 7, except for the on-call provisions, which shall not apply.
2. Upon converting from one shift schedule to another, no overtime premiums shall be paid to a Maintenance employee for the sole reason of transferring from one standard work week to another standard work week.
3. The Company may, on seven (7) days notice change the employees to other schedules and hours of work.
4. A Maintenance employee will not be required to work more than twelve (12) continuous hours in any twenty-four (24) hour period.
5. This Memorandum of Agreement shall not negate the Company's rights, as detailed in Article 2 of the principal Collective Agreement.

SCHEDULE "5"

MEMORANDUM OF AGREEMENT

BETWEEN

DYNO NOBEL NITROGEN INC. (DNNI)

AND

COMMUNICATION, ENERGY & PAPERWORKERS' UNION - LOCAL 33-X

**SUBJECT: OVERTIME DISTRIBUTION PROCEDURE
LABORATORY & PRODUCTION DEPARTMENTS**

The overtime distribution procedure in the Laboratory and Production Departments, for those employees whose hours of work and overtime allowances are detailed in Schedule "3" of our current Collective Agreement, shall be:

- | | |
|---|---|
| (a) Approved overtime that occurs in an Area between Monday and Thursday inclusive, for which a relief employee is not available on site and which is not a call-in, or a hold-over continuous with another employee's regular shift. | 1. Qualified employee off on their extra day of rest or extra night of rest.
2. Qualified on-call crew personnel.*
3. Qualified off-call crew personnel and day relief employee.' |
| <hr/> | |
| (b) Approved overtime that occurs in an Area on Friday, Saturday, or Sunday, for which a relief employee is not available on site and which is not a call-in, or a hold-over continuous with another employee's regular shift. | 1. Qualified on-call crew personnel.'
2. Qualified off-call crew personnel and day relief employee.* |

***ON-CALL PERSONNEL SHALL BE CALLED IN ORDER OF LOWEST EMPLOYEE ON THE POSTED OVERTIME RECORDS TO THE HIGHEST EMPLOYEE. SHOULD IT BE NECESSARY TO REQUIRE THE OFF-CALL CREW AND DAY RELIEF EMPLOYEE GROUP TO WORK OVERTIME, PERSONNEL SHALL BE CALLED IN THE SAME ORDER.**

An employee off on their extra day of rest and on-call crew personnel will be expected to be available when called and shall be held accountable if they are not available when called. An individual shall not be called if the overtime to be worked will result in their working two **(2)** twelve **(12)** hour shifts continuously.

An employee will not be disciplined should the Company be successful in getting a qualified employee from the on-call crew. Should no qualified employee from the on-call crew be available during the on-call periods, then the entire on-call crew shall be subject to discipline. On-call crew personnel will be able to make use of the mutual procedure.

Should errors occur in the distribution of overtime, the following remedy will be used:

- i) The employee will be offered to make up for lost overtime hours opportunity by offering the employee training time on their off call day and,
- ii) It is understood that the employee shall not lose any opportunity for overtime hours because of hours spent in such training and,
- iii) The employee shall not be asked to cover any position except if no employees are available, or the employee is properly called for an overtime opportunity. In such case, the employee **so** assigned on overtime will have the opportunity to complete their make up training time.

The parties desire to work together to eliminate overtime distribution errors and will work together to achieve this goal.

The Company shall not be obligated to distribute overtime as evenly as possible.

SCHEDULE "6"

MISCELLANEOUS NOTES

1. All employees are required to pass a proficiency test before being upgraded.
2. A premium of 50 cents per hour will be added to the rates of employees while engaged in:

Cleaning activities on:

- (a) all equipment contained in the south ammonium nitrate converted bagging area; and
- (b) on the load-out equipment in the north ammonium nitrate warehouse.

Payment of the premium will be discontinued if the cleanliness of the area is substantially improved through facility modifications, improvements and/or other **efforts**.

This premium will not be paid to any employee whose main job is cleaning.

This clause should be reviewed annually or at a B&G meeting.

3. A premium of 50 cents per hour will be added to the Labourer's rate while engaged in cement finishing, operating air hammer for chipping concrete, laying bricks, or cement blocks.
4. For those Maintenance employees who are required to provide tools, the Company will replace all tools damaged, or worn out in the course of employment with tools of equivalent, or better quality. Lost tools will be replaced at the Company's discretion. The Company will assign one individual to administer this allowance, so that it may be consistently applied.
5. As a matter of policy, past service will not be restored for a previous period of permanent employment.

6. With Company approval, those employees required to write exams off site to qualify for, or to maintain qualifications for provincial certificates, will be reimbursed for time lost at regular **straight time rates, tuition and certificate fees, if any, and actual costs** there and back, if out of the area by car, train, or bus.
7. Employees with ten (10) years' seniority will be deemed to have the equivalent of Grade 12, subject to their successfully passing tests to demonstrate they have the basic skills required to do the job to which they are bidding, or bumping.
8. Any Chemical Operator, Nitric & Boiler Operator or Shift Engineer who possesses a 2nd Class Stationary Engineer certificate, shall be paid a premium of \$1.00 per hour effective June 21, 1999. This premium is to be added to the rate shown in Schedule "2" of this agreement, but is, at all times to be shown separate from the rate. This premium is to be added to the rate after and not before calculated overtime.
9.
 - i) The Union recognizes the employers' responsibility to ensure that all employees are properly trained and competent to perform those duties as assigned.
 - ii) The Union recognizes the Company's production operator process training program. Employees will be subject to testing throughout the duration of this process training program. Once an employee reaches the top level of their classification, the employee shall not be subject to further testing within this training program in order to qualify or re-qualify in their own classification. The results of tests required of an individual at the top level of their classification, which relates to process training, will not jeopardize an individuals' rate of pay or level of classification if that individual is currently at the top level of their classification.
 - iii) This does not apply to employees changing classification due to bumping, posting, re-assignment and transfer or training as a result of regulatory requirements.

SCHEDULE "7"

MEMORANDUM OF AGREEMENT

BETWEEN

DYNO NOBEL NITROGEN INC. (DNNI)

AND

**COMMUNICATION, ENERGY & PAPERWORKERS' UNION -
LOCAL 33-X**

(a) **SHORT TERM POSITIONS**

1. A regular employee who occupies a Short Term Position will be subject to all of the conditions of the Collective Agreement and will receive the same benefits as all other employees covered by the Collective Agreement.
2. A Short Term Position will be created to cover for short term illness, vacations, special projects or other short term needs
3. A Short Term Position would be created for a period not to exceed 6 months. The position would be agreed with the union prior to being implemented and would be reviewed with the union at the regularly scheduled B&G meetings.
4. A Short Term Position would be filled by employees on **the** layoff list before being filled by new employees.
5. The starting pay for the Short Term Position would be the Trainee rate or the qualified rate for the area where the employee is assigned.
6. The employee would be given the same training as other employees put in this position and would follow the same progression as other employees in the area.

7. Progression in the pay range would be consistent with the level of training achieved.
8. **When the need for the Short Term Position disappears the** employee would be laid off or would be considered for other Short Term Positions if they exist on the site.
9. If a vacancy for a Permanent Position is identified on the site the employee in a Short Term Position could apply but the experience gained while in the Short Term Position would not be considered when choosing the successful candidate for the Permanent Position.
10. It is agreed that this Memorandum of Agreement will automatically be renewed from year to year, until such time as both parties meet and agree to its alteration, or discontinuance.

(b) CHEMICAL AREA VACANCIES

Vacancies in the Chemical Area except Shift Engineer shall be filled as follows:

1. Employees possessing a valid 2nd or 3rd Class Power Engineers Certificate will enter at the NBO I rate of pay.
2. Employees possessing a valid 4th Class Power Engineers Certificate will enter at the NBO II rate of pay. The employee must provide written proof of successful completion of 50% of the required 3rd Class examinations within nine (9) months from the date of assignment. Once the employee has passed 50% of the examinations the rate of pay will be increased to a rate half way between NBO II and NBO I. The employee must obtain a 3rd Class Certificate within eighteen (18) months of assignment to the position. Once the employee has passed 100% of the 3rd Class examinations the rate of pay will be increased to the rate for NBO I. Failure to meet these conditions will result in the applicant being returned to their prior position.

3. Employees with all 4th Class examinations successfully completed and marks registered with the Company will enter at a rate of pay half way between NBO III and NBO II. The successful applicant will remain at this rate for a period of one (1) year or until the employee has one (1) year of steam time. When the employee has the 4th Class Power Engineering Certificate he or she will progress to #2 above.
4. Employees with no previous Power Engineering experience (Trainee level) will enter at the NBO III rate of pay. Once the employee has passed 50% of the 4th class examinations the rate of pay will be increased to a rate half way between NBO III and NBO II. The successful applicant will remain at this rate for a period of one (1) year or until the employee has one (1) year of steam time. When the employee has the 4th Class Power Engineering Certificate he or she will progress to #2 above.
5. Employees with Chemical Operator I experience will enter at the NBO II rate of pay for a period of six (6) months and then will move to the NBO I rate of pay. These employees will have to pass 50% of the 4th Class examinations within (six) 6 months of being assigned to the area and 100% of the 4th Class examinations within one (1) year. This will complete the requirements for a 4th Class Power Engineering Certificate. They will also have to pass 50% of the 3rd Class examinations within nine (9) months of getting their 4th Class Power Engineering Certificate and 100% within eighteen (18) months of getting their 4th Class Power Engineering certificate. This will complete the requirements for a 3rd Class Power Engineering Certificate. Failure to meet these conditions will result in the applicant being returned to their previous job classification and rate of pay.
6. Applicants unsuccessful in meeting the above conditions are excluded from participating in the program for twenty-four (24) months.
7. Only two (2) employees can participate at the Trainee level at any time. Conditions 3, 4, & 5 are classified at the Trainee level.

8. The Company retains the right to hire from outside the bargaining unit if a vacancy can not be filled as above.
9. Should an employee fail to meet the conditions as outlined in 5, the Company may require that the employee remain in the position for a period of up to six (6) months to allow his/her replacement to be trained. The Union will be notified of this requirement.

The "Standard Minimum Job Qualifications" as agreed between the parties remains in effect for new hires Following job postings.

(c) STORES ATTENDANT VACANCIES

1. All vacancies in Stores will be posted as per the minimum job qualifications as agreed.
2. Vacancies shall be filled by the most senior applicant at the Stores Attendant level, if qualified, or at the Trainee level, if not qualified. While an employee is occupying a Stores Attendant Trainee classification, all other vacancies shall be filled by the most senior applicant who meets the minimum **job** standard for Stores Attendant.

SCHEDULE "8"
LETTER OF UNDERSTANDING
BETWEEN
DYNO NOBEL NITROGEN INC.(DNNI)
AND
COMMUNICATION, ENERGY & PAPERWORKERS' UNION -
LOCAL 33-X

(a) SAFETY

It is apparent that every effort must be made to protect our employees from injury while on the Dyno Nobel Nitrogen Inc.(DNNI) Plant Site. It is agreed that Local 33-X will bring to the Company's attention any safety hazards and unsafe practices on the Dyno Nobel Nitrogen Inc.(DNNI) Plant Site. There will be a follow-up to ensure that the situation is corrected. The following policy was also agreed upon:

1. When an employee has cause to believe that a machine, device, or job is likely to endanger themselves, or another worker, and is in contravention of the Occupational Health and Safety Act, or Company Safety Procedures, the employee shall report the matter to their supervisor. The employee shall not perform the job and the supervisor shall investigate the matter.
2. If the employee disputes the supervisor's decision, the supervisor shall investigate the circumstances in the presence of the worker, the Chairperson of the Local's representatives on the Joint Health & Safety Committee, or their delegate, and the Health, Safety, Security(H.S.S.) Manager, or delegate.
3. The employee may continue to refuse to work, if the employee has reasonable grounds to believe there is a contravention of the Occupational Health & Safety Act, or Company Safety Procedures.

4. At this point, an Inspector of the Ministry of Labour will be called in to investigate the matter by the Health, Safety, Security(H.S.S.) Manager, or their delegate.
5. The Company indicated that it welcomes recommendations for all areas of safety, such as safety planning, safety education, safety equipment, safety motivation and safety rules.
6. Both the local Union Executive and the Dyno Nobel Nitrogen Inc.(DNNI) Management hope a better safety awareness will develop, which will aid in preventing any injury to any employee on this plant site.

(b) PENSION PLAN

1. Should the Dyno Nobel Nitrogen Inc.(DNNI) Pension Plan provide for an increase to the matching Additional Voluntary Contribution amount of 3.125% effective June 21, 2006, 3.25% effective June 21, 2007, 3.375% effective June 21, 2008 and 3.5% effective June 21, 2009 during the term of this Collective Agreement, the Company shall provide an equal increase to the matching Additional Voluntary Contribution amount of 3.125% effective June 21, 2006, 3.25% effective June 21, 2007, 3.375% effective June 21, 2008 and 3.5% effective June 21, 2009 for the Hourly Pension Plan referred to in Article 14 of the Collective Agreement.

SCHEDULE "9"

MEMORANDUM OF AGREEMENT
BETWEEN
DYNO NOBEL NITROGEN INC. (DNNI)
AND
COMMUNICATION, ENERGY, & PAPERWORKERS UNION - LOCAL 33-X
MAP (Maintenance Apprenticeship Program)

This document covers the principles behind a MAP (Maintenance Apprenticeship Program) for the Maitland site. Details of the program will be included in a procedure.

A MAP will be established on the Maitland site to allow the company to develop Maintenance resources in house to fill the expected vacancies in the Maintenance group and to provide an opportunity for interested plant employees to learn a trade.

1. A position of MA (Maintenance Apprentice) will be developed for the site.

This position will include the following levels:

MA - Trainee

MA - III

MA - II

MA - I

2. This position will be available to all Dyno Nobel Nitrogen Inc. (DNNI) employees as well as individuals hired off site.

3. The rate of pay will be the same as the equivalent level for Mechanics.

MA - Trainee = Mechanic - Trainee

MA - III = Mechanic - III

MA - II = Mechanic - II

MA - I = Mechanic - I

Dyno Nobel Nitrogen Inc. (DNNI) employees will start at MA - III but will remain at MA - III until they have completed the requirements of MA - Trainee and MA - III.

4. Progression through these levels will be based on the minimum requirements of the OTAP (Ontario Training Apprenticeship

Program) curriculum, examinations, and scheduled progression as established by the Ontario Training Apprenticeship Program.

5. Individuals enrolled in the MAP will be full time regular employees. They will receive all the Company benefits and will become members of the Union. Dyno Nobel Nitrogen Inc.(DNNI) employees will continue to be paid and receive Company benefits while attending school, as will individuals hired off site, if they attend school one day per week. Attendance at school, full time by individuals off site, will be handled on a case by case basis. Individuals hired off site will accumulate service but not seniority while in the MAP. They will be credited with the seniority only if they accept a position with Dyno Nobel Nitrogen Inc.(DNNI) immediately following completion of the Apprenticeship Program.
6. Choice of employees to participate in the MAP will be:
 - i) As per the Collective Agreement for Dyno Nobel Nitrogen Inc.(DNNI) employees, but each employee must be able to pass a mechanical aptitude test.
 - ii) Based on interview (25%), mechanical aptitude test (72%), relative working at the site (2%), and Co-op experience (1%).
7. The position of MA - Trainee will be offered to present employees before going external.
8. Tools would be provided as follows:
 - i) Basic tools would be provided but would remain Company property.
 - ii) A MA "tool crib" for uncommon items would be set up for their use.* Apprentices can purchase their own tools. (Government loans are available.)
9. Failure to pass written tests (as per Government practices of monitoring students) and/or failure to pass practical tests, as per employer's expectations with reference to school curriculum for each level, can result in the MA being removed from the program and returned to his or her original position.

SCHEDULE "10"

DYNO NOBEL NITROGEN INC.(DNNI)

In the event of a dispute, the employee or union cannot grieve the benefit summary sheet. The benefit booklet once reviewed for accuracy by both parties will always govern.

BENEFIT SUMMARY

<u>Health Care</u>	<u>Coinsurance</u>	<u>Maximum Benefit</u>
Deductible		<u>\$25 individual, \$50 family per calendar year</u>
Private/Semi-Private hospital	100%	Not applicable to ManuAssist
Ambulance	100%	No maximum
Private Duty Nursing	100%	No maximum
Hearing aids	100%	\$25,000 per calendar year
Chiropractor, Naturopath, Osteopath, Podiatrist, Massage Therapist, Speech Therapist	100%	\$250 per lifetime
Physiotherapist	100%	\$200 per calendar year for each practitioner
Social Worker	100%	Unlimited, subject to Reasonable and Customary
Psychologist	50%	\$20 per visit to a maximum of \$1,000 per calendar yr
Medical equipment and supplies	50%	\$20 per visit to a maximum of \$1,000 per calendar yr
	100%	No maximum

Out-of-province/Canada referral	100%	\$1,000,000 per lifetime
Out-of-province/Canada emergency care	100%	Unlimited
Prescription drugs Deductible	100%	Subject to overall Health deductible above
Smoking cessation aids	100%	\$400 per lifetime
Sexual Dysfunction Drugs	100%	\$500 per calendar year
All other covered drug expenses	100%	Unlimited
Orthotics	100%	\$200 per 24 months
Orthopedic shoes	100%	\$200 per 24 months (every 12 months if under 18)
Vision care (glasses and contact lenses)	100%	\$200 per 24 months (per calendar year if under 18)
Dental Care Deductible Fee Guide	- -	Nil
Routine (basic & supplementary services) Major (dentures & major restorative)	80% 80%	Current Fee Guide for General Practitioners/Specialists \$1,000 per calendar year for Routine and Major combined
Orthodontics	50%	\$500 per Calendar year for the employee and \$1,000 per lifetime for dependents

Basic Life Insurance

You are covered for an amount of life insurance equal to 3 times your annual earnings, to a maximum of \$400,000. Coverage terminates at age 70 or retirement, whichever is earlier.

Long-Term Disability

If you become disabled, your benefit is equal to 75% of your first \$5,000 of monthly earnings, plus 55% of any excess amount, to a maximum of \$7,000 per month. The qualification period is 105 days and the maximum benefit period is to age 65. The benefit terminates at age 65 less the qualification period, or retirement, whichever is earlier.

STD

All employees have two (2) unpaid waiting days; for clarification purposes, this means that for each period of absence, the employee will not be paid for the first two (2) working days missed.

Beyond the waiting period each employee will be paid STD at 85% of the employee's currently hourly rate.

Outlined below are the exceptions, employees will be paid STD at 85% of their current hourly rate:

From the 1st working day of hospitalization

From the 1st working day of a medically substantiated accident where an employee misses regularly scheduled hours

From the 1st working day when an employee can provide advance notice for a scheduled medical procedure i.e. out patient surgery, dental surgery, etc.

NOTE: The Company will continue to administer the program in order to help employees with the necessary paperwork and to ensure that there is minimal delay for payment to employees.

In addition the Company will provide to all employees:

For twelve (12) hour workers the Company will provide thirty-six (36) hours personal time plus afford these employees the opportunity to carry over twelve (12) hours to a maximum forty-eight (48) hours in a contract year. For eight (8) hour workers the Company will provide thirty-two (32) hours personal time with no carry over options in each contract year. Personal time will be paid at 100% of employees current hourly rate for all active employees and may be taken in half day equivalents.

NOTE: From June 21, 2006 to date of ratification; if an employee did not incur any absence that is coded as sickness self or personal paid, the above paragraph will apply.

For all other employees, upon ratification until June 21, 2007 the Company will provide for twelve (12) hour workers twenty-four (24) hours plus afford these employees the opportunity to carry over twelve (12) hours not to exceed a forty-eight (48) hour maximum. For eight (8) hour workers the Company will provide sixteen (16) hours personal time with no carry over options in each contract year. Personal time will be paid at 100% of employees current hourly rate for all active employees and may be taken in half day equivalents.

The intent of the Personal days is to provide paid time to cover the waiting period, however, employees can use them at any mutually agreed to time. If an employee calls in for sickness, payment of any available personal day will occur.

If employees do not use their personal days by the end of their contract year they will be paid all unused hours at the rate of pay in the year of entitlement.

AD&D

Per schedule provided by Citadel (booklet to be provided if available).

Post Retirement

See ARTICLE 14 – GENERAL – Post Retirement Death Benefit

Your Policy Number – **68940** – must be included on your Manulife Financial claim form whenever you submit a Health or Dental claim. Also, if you're using the Canadian Dental Association Claim Form provided by your dentist, be sure to quote your Policy Number.

This information is based on Dyno Nobel's policy **68940** with Manulife Financial. Every effort has been made to summarize the contract accurately. However, should questions arise, the policy will always govern. Please note that Manulife has committed to duplicate benefit plan provisions of former Nitrochem policy **901922** under the new Dyno Nobel policy **68940** effective July 1, 2006.

SCHEDULE "11"

OVERTIME SCHEDULING

This will confirm the agreement reached during negotiations that the Company will review the scheduling of the overtime process within ninety (90) days from date of ratification.

The intent is to conduct a root cause analysis of this situation and prepare procedures to communicate to employees.

Should issues arise with the scheduling, the normal remedy of resolution outlined in the Collective Agreement will remain in effect.

Management will adhere to and administer such policies or procedures.

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LONG TERM DISABILITY(LTD)	SCHEDULE "10"
MANAGEMENT	2(b),(c),(d)
MEAL ALLOWANCE	8(k)
MEMBERSHIP IN UNION	3(a)
MUTUALS	8(e),SCHEDULES "3" &"5"
NOTICES	4(c)

<u>SUBJECT</u>	<u>ARTICLES</u>
ON CALL	SCHEDULES "3" & "5"
OVERTIME	8, SCHEDULE "5"
OVERTIME SCHEDULING	SCHEDULE "11"
PAID LUNCH PERIOD	7(g)
PAST SERVICE	SCHEDULE "6"
PENSION PLAN	14
POST RETIREMENT DEATH BENEFIT	14
PROBATIONARY PERIOD	10(e)
PROFICIENCY TESTS	SCHEDULE "6"
PROMOTIONS	
- IN BARGAINING UNIT	10(h)
- OUTSIDE BARGAINING UNIT	10(f)
RECALL	10(g)3, 10(a) 1
RECOGNITION	2
REPRESENTATION	6(a), (b)
REST PERIOD, ALL EMPLOYEES	8(n)
RULES & PROCEDURES MANUAL	2(d)
SAFETY COMMITTEE	5
SAFETY & HEALTH	5, SCHEDULE " 8
SAFETY MANUAL	5
SCOPE OF AGREEMENT	1, SCHEDULE "8"
SENIORITY	10
SENIORITY LIST	10(d)
SENIORITY, LOSS OF	10(g)
SEVERANCE PAY	10(c)
SHIFT CHANGE	7(f), 8(d)
SHIFT PREMIUMS	15, SCHEDULE "3"
SHOP STEWARDS	6(a)
SHORT TERM DISABILITY	SCHEDULE "10"
SHORT TERM POSITIONS	8(f), SCHEDULE "7"
STANDARD MINIMUM JOB QUALIFICATIONS	10(h)
STATUTORY HOLIDAYS	8(f)
SUNDAY PREMIUM	15, SCHEDULE "3"
SUSPENSION	4(e)
TERMINATION OF AGREEMENT	16
TOOL REPLACEMENT	SCHEDULE " 6
TRANSFER BY JOB POSTING	9(f)

SUBJECT

TRANSFER BY REORGANIZATION
TRANSPORTATION
TRAVELLING ALLOWANCE
TWELVE HOUR SHIFT(DETAILS)
UNION DUES
UNION LEAVE-OF-ABSENCE
UNION SECURITY
VACANCIES
VACATIONS
WAGE RATE SCHEDULE
WASH-UP PERIOD

ARTICLES

10(a)4
8(c), (m)
8(c)
SCHEDULES "3" & "4"
3(b)
6(d)
3
10(h); SCHEDULE "7"
13
SCHEDULE "2"
7(h)

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