COLLECTIVE AGREEMENT

BETWEEN

E - Z - RECT MANUFACTURING LTD.

AND

MARINE WORKERS' AND BOILERMAKERS' INDUSTRIAL UNION, LOCAL NO. 1

EFFECTIVE SEPTEMBER 1, 2007 - AUGUST 31, 2012
INDEX

ARTICLE I - DEFINITION ........................................................................................................3
ARTICLE II - UNION SECURITY ...........................................................................................3
ARTICLE III - UNION/MANAGEMENT RELATIONS ............................................................4
ARTICLE IV - WAGES ...........................................................................................................4
ARTICLE V - HOURS OF WORK ............................................................................................5
ARTICLE VI - OVERTIME AND PREMIUM TIME ...............................................................6
ARTICLE VII - FIELD WORK ...............................................................................................7
ARTICLE VIII - SAFETY AND HEALTH ..............................................................................8
ARTICLE IX - STATUTORY HOLIDAYS ...............................................................................9
ARTICLE X - VACATIONS ...................................................................................................10
ARTICLE XI - SENIORITY ..................................................................................................11
ARTICLE XII - GENERAL PROVISIONS .............................................................................12
ARTICLE XIII - GRIEVANCE PROCEDURE .......................................................................14
ARTICLE XIV - DURATION OF AGREEMENT .....................................................................15
SCHEDULE "A" ..................................................................................................................16
THIS AGREEMENT made and entered into this day of October, 2007.

BETWEEN

E-Z RECT MANUFACTURING LTD.
North Vancouver, British Columbia

(hereinafter called the "Company")

OF THE FIRST PART

AND

MARINE WORKERS' AND BOILERMAKERS' INDUSTRIAL UNION, LOCAL NO. 1, Vancouver, British Columbia

(hereinafter called the "Union")

OF THE SECOND PART

WHEREAS the Parties hereto have agreed to enter into a Collective Agreement upon the terms and conditions hereinafter set forth, with respect to employees employed in the job classifications listed in Schedule "A" hereto;

AND WHEREAS the Company agrees to recognize the Union as the bargaining representative of the said employees, subject to the conditions hereinafter contained;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and of the mutual covenants and agreements hereinafter contained, the Parties hereto agree as follows:

ARTICLE I - DEFINITION

1.01 Employees wherever mentioned in this Agreement shall not be deemed to include persons employed in a confidential capacity or having authority to employ or discharge employees.

1.02 In all relations between the Parties hereto under this Agreement, the Union, as long as it remains the certified bargaining representative of the said employees, shall be represented by its bargaining representatives.

ARTICLE II - UNION SECURITY

2.01 The Company agrees that all employees for whom the Union is the certified bargaining agent shall be obliged to make application for membership in the Union upon completion of probation.
2.02 The Company agrees that as a condition of employment, all employees will pay dues to the Union. The Union shall notify the Company of the specific dollar amount or the percentage of gross earnings fixed as monthly dues, initiation fees, reinstatement fees, and permit fees. Employees will, as a condition of employment, sign a Union dues/fees authorization to have deducted from their pay all monies in accordance with said notice and deduction authorization.

The Company is to retain the right to hire employees, providing the Union is asked to fill any vacancy before a non-Union man is hired. Similarly, in lay-offs, no Union man will be released while a non-Union man is retained. The Union agrees that in the interpretation of the previous sentence, discretion will be used to the end that there will be no interference with efficient operation.

When the Union is asked by 9:30 a.m. on a day to fill a vacancy beginning on a future day, the Company will hire to fill the vacancy if the Union, by 3:30 p.m. on the day of the request, does not confirm the name of the individual it has arranged to send.

2.03 (a) The Company agrees to advise all present and future employees and its supervisors and foremen of the contents of this Agreement.
(b) No employee shall be subjected to any penalties against his application for membership or reinstatement except as may be provided for in the Constitution and By-Laws of the Union.
(c) The Union agrees that there shall be no solicitation of any employees for Union membership or payment of dues in working hours on the Company's premises.
(d) It is agreed that in the event of an industrial dispute or other disturbance taking place on the Company's property, the watchmen and guards will remain at their posts in order to protect the plant and continue unhindered with their usual duties.
(e) It is agreed that in the event of an industrial dispute such maintenance men as are required to prevent deterioration of machinery will be allowed access to the plant in order to carry out these duties.

ARTICLE III - UNION/MANAGEMENT RELATIONS

3.01 The entire management of the Company and the direction of the working forces are vested exclusively in the Company, and the Union shall not in any way interfere with these rights.

3.02 There shall be no change in Company or Union policy or change in established conditions or procedure with respect to any matters affecting Union/Management relationships, except with the consent of both Parties. There shall be no arbitration on the above matters, except by mutual consent.

3.03 No Union business shall be carried on during working hours. The Business Representatives of the Union shall have access to the Company's premises by applying to the Management for permission, provided they do not interfere or cause men to neglect their work.

3.04 The Company shall not dismiss or discipline an employee bound by this Agreement, except for just cause.

ARTICLE IV - WAGES

4.01 Wage rates shall be in accordance with Schedule "A" attached hereto.
ARTICLE V - HOURS OF WORK

5.01 The Company and the Union agree that the standard work day shall consist of eight (8) hours, starting at 6:45 a.m. and stopping at 3:15 p.m. with a half (1/2) hour lunch break normally from 11:15 a.m. to 11:45 a.m. The standard work week shall consist of forty (40) hours, Monday to Friday inclusive. The starting times and stopping times may be varied by mutual agreement between the Parties, and such requests by the Company shall not be unreasonably denied.

5.02 All employees must punch in and out of the yard on the time clock number assigned to them each time when entering or leaving the property. There shall be a warning whistle two (2) minutes before quitting time for all shifts. After the warning whistle, employees may put away their tools.

5.03 On planned maintenance three (3) days' notice will be given employees required to work on Saturday, in which case Monday will be their day off; no overtime being paid for such work. On breakdowns requiring work on Saturday, when three (3) days' notice has not been given, overtime rates will prevail.

5.04 The premium for the second shift (afternoon shift):
   (a) for employees on the seniority list on November 17, 2004 as long as they remain on the list without a break, shall be two dollars and three cents ($2.03) per hour;
   (b) for all other employees shall be seventy-five cents ($0.75) per hour.

   If a second shift is employed, the hours of work shall consist of seven and three-quarters (7 ¾ ) hours, starting at 3:15 p.m. and stopping at 11:30 p.m., with a half (1/2) hour meal break. The starting and stopping times may be varied by mutual agreement between the Parties.

5.05 The premium for the third shift (night shift):
   (a) for employees on the seniority list on November 17, 2004 as long as they remain on the list without a break, shall be three dollars and sixty-three cents ($3.63) per hour;
   (b) for all other employees shall be one dollar ($1.00) per hour.

   If a third shift is employed, the hours of work shall consist of seven and one-quarter (7 ¼) hours, starting at 11:30 p.m. and stopping at 7:15 a.m., with a half (1/2) hour meal break. The starting times and stopping times may be varied by mutual agreement between the Parties.

5.06 Every employee shall be paid not less than four (4) hours if hired after starting time. Otherwise, on all new hiring the employee shall be guaranteed a minimum of one day's pay.

5.07 Any employee who starts work after the starting time of the first half of any shift and resumes work in the second half of the same shift, shall be paid full time for the second half of the shift, but only for the actual time worked in the first half of the shift, unless the reason for terminating the work is beyond the control of the Company.

5.08 Notice of 72 hours shall be given when employees are transferred from one shift to another, except in urgent or emergent circumstances.
5.09 Each full shift shall contain a one-half hour unpaid meal break during the shift.

Each full shift shall normally contain two 10 minute rest periods, without loss of pay. One shall be scheduled close to the mid-point of the first half of the shift and the other close to the mid-point of the second half of the shift, subject to operation requirements.

5.10 If for reasons beyond the control of the Company such as plant breakdown or inclement weather, it is necessary to close the plant or any part thereof, employees may be sent home and paid only for the time worked with a guarantee of two (2) hours pay provided that the employees have not been advised not to report for work by their department supervisors.

5.11 When employees are required for the afternoon or night shifts, employees with the experience and ability to perform the work required will be assigned in the following order. Before making assignments to any shifts, the Company will also consider the operational needs throughout the company.

1. Firstly, assignments will be made to employees who were hired specifically for the afternoon and/or night shifts. These workers will be given a maximum of 60 days training on day shift. Once assigned to afternoon and/or night shifts, the employee will have seniority rights for the shifts. If the employee is no longer required for such shifts, the employee will be eligible to move to day shift using seniority applied on a company-wide basis. The employee must return to the afternoon and/or night shift when required, and refusal will be deemed just cause for termination.

2. Secondly, the Company will ask for volunteers to work on the afternoon or night shifts;

3. Thirdly, the Company will assign employees for the afternoon and/or night shifts on a shift rotation schedule, normally starting with the employee who has the least seniority in the Fact02 or Fact03 categories as noted on the Seniority List.

The Company will try to accommodate employees assigned under (2) or (3) above who do not wish to remain on the second or third shifts for longer than 4 weeks at a time, where practical, and considering the needs of the Company, by moving them to the day shift for at least the same length of time.

The provisions in this Section may be waived by the Company in urgent or emergency circumstances.

5.12 Except for employees hired for the second and/or third shifts, the Company will try to accommodate employees who do not wish to remain on the second or third shifts for longer than 4 weeks at a time, where practical, and considering the needs of the Company, by moving them to the day shift for at least the same length of time.

ARTICLE VI - OVERTIME AND PREMIUM TIME

6.01 Time worked in excess of standard hours of work shall be considered as overtime and all overtime shall be paid for at the rate of double time.
6.02 If an employee is required to work more than one hour of overtime, the employee is entitled to take a 10 minute rest break without loss of pay, normally before starting the second hour of overtime.

In addition, if an employee is required to work more than three hours of overtime, the employee is entitled to take a 10 minute rest break without loss of pay, normally before starting the fourth hour of overtime.

In addition, if an employee is required to work more than four hours of overtime and has not been given notice of 24 hours or more, the employee will be paid a meal allowance of $13.00.

6.03 When a second and third shift for any employee does not last three (3) shifts or more, the time worked for these shifts will be paid at the usual overtime rates. The Company may reduce the three (3) shift requirements to two (2) shifts if a four (4) hour shift change bonus is paid or, if the employee is permitted to go home at the shift lunch break on the second day and is paid in full for the balance of the shift.

6.04 Time and one-quarter will be paid when efficient ventilation is not provided, if in the opinion of the Superintendent, Foreman and Shop Steward, same is justified:

(a) to employees working in confined spaces when closing plates are on, or for dirty work;
(b) to employees welding on galvanized pipe or other galvanized work;
(c) to any welder being asked to weld over dry paint, or any person being asked to burn off dry paint.

6.05 All employees called in to work at the end of a normal shift, or on Saturday, Sunday or Statutory Holiday, shall be paid the usual overtime rates required by this Agreement with a guarantee of four (4) hours' work. If any employee chooses to work less than four (4) hours, said employee shall be paid for time worked only.

6.06 The Company shall give notice of overtime as far in advance as practicable. The Company shall endeavor to distribute overtime equitably amongst those employees on the shift normally performing the job.

ARTICLE VII - FIELD WORK

7.01 All new installations performed away from the Company premises shall be known as field work. The rate for such work will be twelve (12%) per cent above shop rates.

7.02 (a) All employees required to report for work outside the city limits, which does not necessitate them leaving home, shall be paid one (1) hour each day for travelling time and transportation. If employees are instructed to call at the plant for materials or equipment, travelling shall be done in the Company's time. In this case no extra travelling time will be allowed.

(b) When travelling on a job which requires the employee to be away from home, travelling time in any day shall be paid at straight time rates for the hours lost travelling, to a maximum of eight (8) hours in each twenty-four (24) hour period. If required, the Company shall supply board and room of a suitable nature for each employee while away from home.

7.03 It shall not be compulsory, or a condition of employment for employees to use their personal vehicles on Company business. If an employee chooses to use his vehicle, he will be paid twenty-five (25) cents per kilometre when on Company business.
ARTICLE VIII - SAFETY AND HEALTH

8.01  (a) The Company will contribute to the Union Welfare Plan three dollars and eighty-eight cents ($3.88) per hour for each hour earned for all employees covered by this Agreement. The amount will be divided between the pension and welfare as the Union decides.

Effective Sept.1, 2008: the figures above shall be four dollars and thirteen cents ($4.13).
Effective Sept.1, 2009: the figures above shall be four dollars and thirty-three cents ($4.33).
Effective Sept.1, 2010: the figures above shall be four dollars and fifty-three cents ($4.53).
Effective Sept.1, 2011: the figures above shall be four dollars and seventy-three cents ($4.73).

(b) The Company will remit the contributions to the Marine Workers' Welfare Plan by the 15th day of the month following the month which the contribution covers.

8.02  A Joint Occupational Health and Safety Committee shall be maintained. The Committee shall consist of up to three (3) representatives named by the Employer, and up to three (3) representatives named by the Union from among the currently working members of the bargaining unit.

8.03  The Company shall operate suitable ventilation equipment for removing fumes from confined spaces and the employees will undertake not to interfere with this operation.

8.04  All painting, cement finishing, tarring, etc., work shall be done after welding, wherever possible.

8.05  Employees shall not be asked to work against wet paint if that can possibly be avoided.

8.06  Company to supply protective clothing while cleaning tanks or where areas are confined, or on the clean-up for the paint line.

8.07  The Company will assist employees in the purchase of WCB approved Grade "A" safety boots by providing a boot allowance of up to $110.00 payable after each twelve (12) months of work on staff, with the next pay cheque, upon presentation of a proper receipt.

8.08  Any employee suffering injury while in the employ of the Company must, if possible, report immediately to the First Aid Department and also report to said Department on returning to work. The First Aid Attendant shall immediately notify the employee's supervisor of any employee injury.

8.09  Any employee who is injured on the job and having received proper medical care and cannot return to the job, shall be paid for the full shift for that day, subject to Doctor's verification.
8.10 (a) An employee who is unable to report for work, shall notify the Company as soon as possible; and not later than two (2) hours after the beginning of the employee's shift.

(b) An employee who is absent due to illness or accident shall notify the Company of his status, and shall keep the Company informed of his status at least every two weeks, and of the intended date of return. The employee, directly or through the Union, shall provide a doctor's certificate indicating inability to work as a result of the illness or accident, upon request by the employer.

ARTICLE IX - STATUTORY HOLIDAYS

9.01 The following eleven (11) Statutory Holidays and any others declared by the Provincial or Federal Governments shall be paid for at straight time rates regardless of the day on which they fall or are celebrated, provided that the employee qualifies for Statutory Holiday pay (in accordance with conditions in the following paragraphs). If an employee works on a Statutory Holiday as listed in this section, he shall receive double time for all hours worked on the holiday, in addition to any Statutory Holiday pay to which he is entitled under this section. Alternatively, he may choose to receive the double time pay for time worked and have a paid day off at a later date mutually agreeable -- the day off to be in lieu of Statutory Holiday pay:

- New Year's Day
- Good Friday
- Easter Monday
- Victoria Day
- Canada Day
- B.C. Day
- Thanksgiving Day
- Labour Day
- Remembrance Day
- Christmas Day
- Boxing Day

9.02 Statutory Holidays falling on a Saturday or Sunday shall be observed on the Monday and/or Tuesday next following and, if worked, to be paid at double time rates.

In either of the above cases if a day, or days, other than Monday or Tuesday is officially declared as the holiday by the Provincial or Federal governments, then that day or days, will be the holiday and not the Monday and/or Tuesday as outlined above.

In all the above situations, the day upon which the holiday is observed will be the holiday for the purposes of this Agreement.

9.03 To qualify, any employee who works nine (9) days in either or both of two two-week periods, one pay period to be the one in which one of the Statutory Holidays occur, and the other one to be the pay period immediately preceding, shall be paid for that Statutory Holiday.

9.04 It is further agreed that if work is available and the employee is required to work, one of the nine (9) days shall be the day following the said Statutory Holiday.
ARTICLE X - VACATIONS

10:01  All employees shall be entitled to and be paid annual vacation pay on each regular pay cheque, based on straight time earnings including vacation and statutory holiday pay, as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 and up to 3 years</td>
<td>5%</td>
</tr>
<tr>
<td>3 and up to 8 years</td>
<td>6%</td>
</tr>
<tr>
<td>8 and up to 14 years</td>
<td>8%</td>
</tr>
<tr>
<td>14 and up to 25 years</td>
<td>10%</td>
</tr>
<tr>
<td>25 and up to 30 years</td>
<td>12%</td>
</tr>
<tr>
<td>30 years and over</td>
<td>14%</td>
</tr>
</tbody>
</table>

The employer shall accumulate vacation pay, instead of paying it on each pay cheque, on behalf of any non-probationary employee who makes such a request prior to May 31st of any year. The accumulation shall begin at the start of the first complete pay period in the June immediately following the request. The amount accumulated shall be paid to the employee when the employee takes vacation time. The amount paid shall be in proportion to the vacation time taken compared to the employee's entitlement.

10.02 All employees shall take annual vacation time. Vacations shall be taken in blocks of at least a week unless fewer days of vacation are left.

10.03 In determining length of service, employees on the payroll for each twenty-six two-week pay period shall be deemed to have one years' service. For purposes of this article, an employee is considered on the payroll for a pay period if the employee is paid for 5 or more working days in the pay period.

10.04 Any employee who has been in the employ of the company for twelve (12) months shall receive vacation credits at his regular percentage rate for:

(a) Time off on Workers' Compensation up to a maximum of six (6) months;
(b) Time off sick to a maximum of six (6) months provided that in the case of such sickness a doctor's certificate is provided by the employee or through the Union, on request.

10.05 Except for an employee for whom the employer is accumulating vacation pay upon request as provided in Article 10.01, no employee shall draw vacation pay when equivalent time off is taken from work (such vacation pay has already been paid to the employee on each pay cheque).

The number of days' vacation to be taken by each employee will be the total vacation pay paid to the employee during the twelve (12) months ending May 31 each year divided by the normal daily pay. Annual vacation time related to the twelve month period ending May 31 shall be taken, and this shall be done prior to May 31 of the subsequent year.

10.06 On March 1st of each year a vacation notice will be posted for employees to designate their vacation preference. The vacation notice will show the estimated number of vacation days entitled to be taken in the vacation year. Each employee will designate vacation date preferences by April 15th. Details will be worked out with the Company and a schedule of vacation times will be posted for every employee by April 30th of each year. No changes will then be made on vacation dates unless by mutual consent.

10.07 If two employees want vacations at the same time, the senior employee shall have the preference, but an employee who does not indicate vacation preferences by April 15th loses such seniority rights for the vacation year.
ARTICLE XI - SENIORITY

11.01 Seniority is defined as the length of an employee's service with the Company, calculated from the first day of said employee's employment, subject to the provisions of Paragraph 11.02 of this clause.

11.02 Employees who have been in the Company's employ for less than sixty (60) days worked in a six month period from initial date of hire shall be considered probationary employees and shall have no seniority. Lay-offs of probationary employees will not be subject to arbitration and will not be questioned by the Union. After completion of said probationary period, the seniority of the employees concerned shall be back-dated sixty (60) days worked.

11.03 An employee loses all seniority and is no longer an employee if that employee:

(a) voluntarily leaves the employ of the Company;
(b) is discharged and not reinstated pursuant to the provisions of this Agreement;
(c) overstays a leave of absence for a period of five (5) working days without giving a reason acceptable to the Company;
(d) ceases to be a member in good standing of the Marine Workers' and Boilermakers' Industrial Union, Local No. 1.
(e) refuses a second recall, as noted in Article 11.13.

11.04 Any employee who has been laid off may be struck off the seniority list at the expiration of one (1) year (and in the case of any employee with five (5) years or more of seniority, at the expiration of eighteen (18) months), and any employee so struck off and thereafter re-employed may, for the purpose of seniority, be treated by the Company as a new probationary employee.

11.05 It shall be the duty of every employee to notify the Company promptly of any change of address and any notice sent by the Company to any employee at said employee's last address as recorded in the records of the Company shall be sufficient and effective notice.

11.06 An employee shall not suffer loss of seniority because of absence due to sickness, accident or otherwise, if such absence is approved or authorized by the Company.

11.07 In addition to vacation time, subject to operational requirements of the Company leave of absence may be granted:

<table>
<thead>
<tr>
<th>Service Duration</th>
<th>Leave Duration</th>
</tr>
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<tbody>
<tr>
<td>1 to 10 years</td>
<td>- 3 weeks</td>
</tr>
<tr>
<td>10 years or more</td>
<td>- 4 weeks</td>
</tr>
</tbody>
</table>

Leave of absence will not be granted to work elsewhere.
11.08 In all cases of lay-off, transfer, demotion, upgrading, re-hiring after lay-off and promotion, other than appointment to supervisory positions, precedence shall be given to those employees who have the longest service, providing always that the employees in question are of relatively equal skill, competence and efficiency.

11.09 The Company will not exercise its discretion in an arbitrary manner or discriminatory manner.

11.10 Job Posting: Employees shall be given the opportunity of applying for all jobs classified under Schedule "A" of this Agreement. Such jobs shall be posted in the shop for not less than five working days. Preference shall be given to employees with the most seniority who are of relatively equal skill, competence and efficiency. The name of the successful applicant shall be posted. The Union shall be sent a copy of all job postings along with a list of employees who applied as well as the name of the successful applicant.

11.11 Lay-off Notice: Employees with one or more years' of service with the Company will be given one (1) week's notice of lay-off with no reduction in hours of work except for conditions beyond the Company's control.

In the event an employee is required to work beyond the one (1) week lay-off notice a subsequent 24 hour notice shall be given if work continues in the same pay period or the next pay period following the first notice.

The application of the above guarantee shall not apply in the event of fire, power failure (exceeding thirty (30) minutes), floods or other emergencies also beyond the control of the Company. In such cases employees will be paid only to the time of the forced lay-off.

11.12 The Shop Steward and the Union shall be given twenty-four (24) hours' notice of all lay-offs, if possible. A copy of the Notice in Article 11.11 will be given to the Shop Steward and the Union when given to the employee.

11.13 Any employee with seniority standing, when recalled for work, shall have the right to by-pass once. After by-passing the work call once, the employee shall lose seniority standing if the employee does not return to work on the next call. The second (or subsequent) recall notice to work shall only be used to terminate an employee's seniority standing if a full calendar month has passed subsequent to the month in which the first recall notice was given. Sickness confirmed by a Doctor, or absence while receiving Workers' Compensation benefits, will not be counted as a by-pass.

ARTICLE XII - GENERAL PROVISIONS

12.01 Employees will take orders from the Plant Manager or Superintendent only when their immediate Foreman or Charge Hand is not readily available.

12.02 In the event of an employee being temporarily employed at a higher paid class of work than his own, the full hourly rate of pay agreed to for such classification shall be paid.

12.03 Any employee asked to do temporary work at a classification with a lower hourly rate of pay shall receive his usual rate of wages.
12.04 Any employee who is a member of a specific working crew is expected to render whatever assistance may be necessary at any time while he is not engaged in his own operation.

12.05 The Company agrees to pay equal pay for all work classifications herein agreed to, regardless of sex.

12.06 Jury Duty: All time lost by an employee due to necessary attendance on Jury Duty, or on call for Jury Duty shall be paid for at the difference between the employee's regular hourly pay and the amount received for such Jury Duty, provided however, that any such employee shall make himself available for work before or after being required for such Jury Duty whenever practicable.

12.07 All time lost by an employee due to being called by subpoena to act as a witness in a court of law, except where the employee is personally involved, shall be paid for at the difference between his regular hourly rate and the amount he received from the court, provided however, that any such employee shall make himself available for work before or after being required for such activity whenever practicable.

12.08 When such leave is being requested and/or taken, the employee must notify the Personnel Department. Abuse of this section will render the employee liable to non-payment of this allowance.

12.09 Bereavement Leave: In case of death in the immediate family of a non-probationary employee, such employee shall be granted up to a maximum of three (3) day's leave of absence with full pay for the purpose of attending or arranging the funeral, or attending to the estate or similar need. Immediate family shall mean none other than husband, wife, common-law spouse, mother, father, sister, brother, children, mother-in-law, father-in-law, step-mother, step-father, brother-in-law, sister-in-law, and grandparent.

When an employee is on authorized vacation leave and a death occurs in his immediate family, the employee may substitute his vacation with bereavement leave, subject to and in accordance with the terms of the collective agreement governing bereavement leave.

In the case of Bereavement Leave, the Company may request bereavement verification (including date of death and relationship) from the employee.

12.10 In case of parents, husband, wife, common-law spouse, or children, such leave of absence may be granted up to a maximum of five (5) working days.

12.11 The Company shall supply free of charge for welders:
   (a) coveralls (also for painters);
   (b) leather sleeves;
   (c) leather aprons where appropriate.

12.12 The Company shall supply gloves, when required, free of charge.
12.13 Cost of Living Allowance: A Cost of Living Allowance (COLA) subject to the conditions outlined below shall be paid to each employee. The Allowance will be based on the Consumer Price Index (All Items) for Canada (2002 = 100) hereinafter referred to as the C.P.I. and will be calculated as follows (in the event that Statistics Canada rebases the C.P.I. = 100 on another year, this formula will be adjusted to provide equivalent wage adjustment):

For each 0.3% the cost of living rises above three (3%) per cent, measuring July 2010 over July 2009, the Company will pay five ($0.05) cents per hour, to the nearest cent. Any COLA generated will be rolled into the wage rates effective September 1st, 2010.

For each 0.3% the cost of living rises above three (3%) per cent, measuring July 2011 over July 2010, the Company will pay five ($0.05) cents per hour to the nearest cent. Any COLA generated will be rolled into the wage rates effective September 1st, 2011.

12.14 Severance Pay: All employees forced to retire because of ill health (upon medical documentation), or retiring early or at normal retirement age on Union pension, or due to plant closure, shall be entitled to Severance Pay as follows:

(a) Seven (7) to ten (10) years' service - two (2) weeks pay.

(b) Over ten (10) years' service - two (2) weeks pay plus one (1) day's pay for every year of service thereafter.

(c) Pay period accumulation for vacation credits will be used as service standard in calculating severance pay.

(d) Severance pay under this Article can only be exercised once.

(e) If an employee dies, his accumulated retirement severance pay earned pursuant to this Article will be paid to his designated beneficiary.

12.15 There shall be no strikes or lockouts during the term of this Agreement in accordance with the Labour Relations Code.

ARTICLE XIII - GRIEVANCE PROCEDURE

13.01 Grievances shall be adjusted and finally settled and for that purpose, all matters, save those affecting company or Union policy, or the changing of established conditions or procedure (which shall, if in the opinion of the Management or Union, affect Company policy or the changing of established conditions or procedure, be dealt with under the provisions of Clause 3.02) shall be settled without stoppage of work, by the following steps:

(a) Firstly, by negotiations between the Operations Manager, and Shop Steward or Shop Stewards of the Department or Departments concerned.

(b) Secondly, in the event that agreement between the aforementioned is not reached, then negotiations for settlement will be conducted between Management of the Company and the Bargaining Representatives. All parties concerned may be called to said negotiations if considered necessary by either Party.
c) In the event of arbitration being required, there shall be a single arbitrator to be selected by the Parties.

(d) The Party desiring arbitration shall give notice, in writing, to the other Party, together with a written statement of the question to be arbitrated. After receiving such notice and statement, the two Parties shall appoint an arbitrator within ten (10) days. In the event that the two Parties cannot select an arbitrator who is able and willing to serve, either Party may request the Director of the Collective Agreement Arbitration Bureau to appoint an arbitrator.

13.02 The decision of the arbitrator will be final and binding upon the Parties hereto.

13.03 The provisions of the Labour Relations Code shall apply to any arbitration held under the terms of this Agreement. An arbitrator shall not have the power to change, modify, or alter this Agreement in any respect.

13.04 Each Party shall pay its own costs and expenses of arbitration and one-half (1/2) of the compensation and expenses of the arbitrator and stenographic expenses.

ARTICLE XIV - DURATION OF AGREEMENT

14.01 This Agreement shall remain in force until August 31st, 2012 and thereafter shall be subject to termination at any time within two (2) months.

14.02 Either Party hereto may, at any time within four (4) months immediately preceding the date of expiry of this Agreement, by written notice, require the other Party to the Agreement to commence collective bargaining, and both Parties shall thereupon enter into such negotiations.

14.03 It is mutually agreed that sub-sections 2 and 3 of Section 50 of the Labour Relations Code are excluded from the operation of this Agreement.

IN WITNESS WHEREOF the Parties hereto have caused their common seal to be affixed in the presence of such officers duly authorized on the day of October, 2007.

FOR THE UNION: FOR THE COMPANY:

________________________  ______________________
________________________  ______________________
SCHEDULE "A"

JOB CLASSIFICATIONS AND HOURLY WAGE RATES

<table>
<thead>
<tr>
<th>Classification</th>
<th>Effective September 1,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2007</td>
</tr>
<tr>
<td>Maintenance Man</td>
<td>23.66</td>
</tr>
<tr>
<td>Welder and Burner (no ticket)</td>
<td>23.49</td>
</tr>
<tr>
<td>*Welder (AE 1 ticket)</td>
<td>26.21</td>
</tr>
<tr>
<td>Welder AE b-u</td>
<td>24.89</td>
</tr>
<tr>
<td>Shipper</td>
<td>23.66</td>
</tr>
<tr>
<td>Machine Operator #1 (detailed to set all machines)</td>
<td>23.47</td>
</tr>
<tr>
<td>Machine Operator #2</td>
<td>23.16</td>
</tr>
<tr>
<td>Shear Operator</td>
<td>23.20</td>
</tr>
<tr>
<td>General Helper. (after 242 days worked)</td>
<td>22.47</td>
</tr>
<tr>
<td>Helper (161 to 242 days worked - 95% of GH)</td>
<td>21.35</td>
</tr>
<tr>
<td>Helper (61 to 160 days worked - 90% of GH)</td>
<td>20.23</td>
</tr>
<tr>
<td>Helper (first 60 days worked - 85% of GH)</td>
<td>19.09</td>
</tr>
<tr>
<td>Welders (training period: three months)</td>
<td>23.49</td>
</tr>
<tr>
<td>Service Man</td>
<td>23.24</td>
</tr>
</tbody>
</table>

Student rate shall be $12.00 per hour. A student employee is a bona-fide student presently enrolled full-time in a post-secondary program or a Grade 12 graduate who has applied for such enrollment, and who is employed between May 1 and September 15 in any given year. Notwithstanding the provisions of the Collective Agreement: student employees shall be considered temporary employees and shall have no seniority; can be laid off without notice and lay-off shall not be subject to arbitration and will not be questioned by the Union; and the provisions of Articles 8.01; 11.02; 11.04; 12.06 - 12.10; 12.14 of the Collective Agreement shall not apply to them. No student shall be hired so long as any employee with valid seniority is on a lay-off.

First Aid Man: forty cents ($0.40) above his rate.

Charge Hand rate shall be seventy-five cents ($0.75) per hour above the higher of own base rate or highest base rate of person under his charge, while so designated and acting.

Lead Hand rate shall be forty cents ($0.40) per hour above the higher of own base rate or highest base rate of person under his charge, while so designated and acting.

Burner to be supplied with protective clothing.

* Welders holding E-Z-Rect qualification welding procedure "AE1" certification: Company will qualify and retain three certified AE1 welders. All other welders holding an AE1 ticket shall be paid the AE1 rate for the shift while doing such work. At all other times welders holding the AE1 ticket shall be paid Welder and Burner (no ticket) rate plus fifty cents ($0.50) per hour. The time required for the welding to retain the AE1 ticket does not qualify for the AE1 rate.

First Aid man to be supplied with smock.