

COLLECTIVE AGREEMENT

BETWEEN

LINE CREEK OPERATIONS

AND

THE INTERNATIONAL UNION
OF OPERATING ENGINEERS
LOCAL 115

EFFECTIVE

1 JUNE 2009 TO 31 MAY 2014

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Company Seniority	Line Creek Journeyman	Schedule
Call-Out	Pay Period	Shift
Cycle	Prep Work	Week
Day	Qualification	Workday

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STATEMENT OF INTENT

It is our mutual desire to establish the Line Creek Operation as a safe and environmentally responsible operation that is reliable, efficient and a profitable supplier of coal with a working environment where all employees feel a sense of pride and accomplishment. In striving to achieve this concept of excellence, Management and the Union agree to cooperate fully to encourage the development of practices and procedures relating to the effective utilization of those employees coming within the scope of this agreement. Both parties pledge their support for the following:

The work shall be organized so that both the needs of the Company and the employees shall be considered in an effort to provide meaningful work, efficient production, safe working conditions and the opportunity for personal development.

To provide fair and equitable compensation based on demonstrated and applied knowledge and skills with opportunities for training being provided in line with both the needs and desires of the employees and the Company.

To foster a climate which will encourage initiative and generation of new ideas, supported by open two-way communication.

To encourage employees and Supervisors to deal constructively with differences as they arise so that trusting relationships will be developed and maintained.

ARTICLE 1 MUTUAL RECOGNITION

- 1.01** The Line Creek Mine (herein after known as the Company) recognizes the International Union of Operating Engineers, Local 115 (herein after known as the Union) as the sole bargaining representative for all its employees as defined in Article 2 regarding rates of pay, hours of work, benefits and all other conditions of employment in conformity with the laws of the Province of British Columbia.
- 1.02** The Union recognizes and agrees that the primary responsibility of the Company is to achieve a level of profitability through the effective management of employees and facilities, which will establish and maintain the Line Creek Operation as a viable business entity, and in so doing shall retain, maintain, and exercise all managerial rights, authorities and prerogatives, subject only to the express terms and provisions of this Agreement.
- 1.03** Management shall exercise its rights under this Article in a manner that is fair, reasonable and consistent with the terms of the Agreement.
- 1.04** An employee shall not be disciplined or discharged except for just and reasonable cause.
- 1.05** In furtherance to the philosophy outlined in the Statement of Intent, the Company agrees that prior to implementing changes in policy matters, these matters will be discussed with the Union for the purposes of obtaining input. Copies of all policies relating to employees shall be forwarded to the Union prior to implementation. Any changes in such policies made by the employer shall not be in conflict with the provisions of this Agreement.
- 1.06** This agreement shall become effective on June 1, 2009, and shall remain in full force and effect to and including May 31, 2014 and from year to year thereafter unless either party serves upon the other written notice to

commence collective bargaining. Such notice shall be delivered within the 120 day period prior to May 31, 2014 or the anniversary date in any year thereafter.

1.07 Should either party give written notice to the other party pursuant to Article 1.06 of this Agreement shall thereafter continue in full force and effect until:

- a) the Union shall give notice of lawful strike and has taken any action pursuant to such notice; or,
- b) the Company shall give notice of lawful lockout and has taken any action pursuant to such notice; or,
- c) the Parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.

1.08 The Operation of Section 50(2) of the Labour Relations Code of British Columbia is hereby excluded.

Executed this 9th day of February, 2010.

**International Union of
Operating Engineers
Local 115**

Line Creek Mine

Gord Chaisson
(Member Rep.)

Don Sander
(General Manager)

Todd Dvorak
(Worker Rep.)

Glen Campbell
(Manager, Employee Relations)

Ron Downey
(Worker Rep.)

Amy Mac Con
(Superintendent, Employee Relations)

Kevin Mitchell
(Worker Rep.)

Daren Baher
(Worker Rep.)

Troy Ballak
(Worker Rep.)

ARTICLE 2 DEFINITION OF EMPLOYEE

2.01 The term “employee(s)” as used in and for purposes of this Agreement shall include all mine and plant operators, maintenance, warehouse and related personnel of the Company at its’ Line Creek Mine and associated facilities geographically located at Line Creek Ridge and downstream to the confluence of Line Creek, the Fording and Elk Rivers, B.C. Exceptions are those employees excluded by the Industrial Relations Act of B.C., supervisory, professional, clerical, administrative, technical, laboratory, safety, security, environmental and survey personnel.

The parties recognize that there may be a need to contract out development work to prepare a new site for mining. This would be subject to the contracting out provisions of this Agreement.

ARTICLE 3 SINGULAR OR MASCULINE TERMS

3.01 Singular and masculine terms have been used throughout this Agreement for the sole purpose of simplifying the writing of the text. For purposes of interpretation and meaning, the plural and feminine form should be used where the context requires.

ARTICLE 4 JOB CLASSIFICATIONS

4.01 Job classifications are set out in the following departments:

1. Plant Operations
2. Maintenance
3. Mine Operations
4. Warehouse

4.02 Changes or deletions to the job classifications as set out herein require the mutual agreement of the parties.

4.03 Where the Company introduces a new function or effects changes to an existing job function which significantly alters the responsibility or complexity of the job, the appropriate pay rate

shall be determined through negotiation between the parties. The changes or the new function shall be in effect for an experience period of 30 working days prior to the negotiation of the rate, in order for the parties to evaluate the responsibility, complexity and workings of the new function or the impact of the changes. The Company shall set an initial rate for the new or significantly changed job, which shall remain in effect during the experience period and until the parties have mutually agreed to a new rate. New rates shall be made retroactive to the date of introduction of the new function or changes.

Failing agreement on a new rate, the difference may be presented to the General Manager or his representative for resolution.

Failing a satisfactory resolution at that stage, the difference may be referred to Arbitration, as per Article 21, for final and binding settlement. In such cases, the arbitrator shall have the power to determine the appropriate pay rate and to order the retroactive payment of wages owing to person(s) performing the job since its introduction.

4.04 Classifications

CLASSIFICATIONS	JOB LEVEL
Mine Operator	1 - 3
Plant Operator	1 - 7
Plant H.E.O.	3 - 5
Plant Janitor	Janitor
Specific Trade Tradesman (includes Apprentices)	1 - 12
Serviceman	3
Lubeman	2
Maintenance Helper	1
Janitor (Mine Services Building)	Janitor
Tireman	1 - 3
Cable Belt Repairman	1 - 3
Certified Warehouseman	1 - 7

ARTICLE 5 WAREHOUSE DEPARTMENT

Rates effective June 1st of each year.

5.01 The following charts represent the applicable wage rates and the progression systems in the Warehouse Department.

a) Certified Warehouseman

JOB LEVEL	JOB FUNCTION	HOURLY RATE				
		2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
7	Warehouseman	34.05	35.07	36.12	37.20	38.32

b) Apprenticeship Program

JOB LEVEL	JOB FUNCTION	HOURLY RATE				
		2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
6	31 - 36	30.51	31.42	32.37	33.34	34.34
5	25 - 30	30.05	30.96	31.89	32.84	33.83
4	19 - 24	29.61	30.50	31.41	32.36	33.33
3	13 - 18	29.16	30.03	30.94	31.86	32.82
2	7 - 12	28.75	29.61	30.50	31.41	32.35
1 Entry	0 - 6	28.29	29.14	30.02	30.92	31.84

ARTICLE 6 MAINTENANCE DEPARTMENT

Rates effective June 1st of each year.

6.01 The following charts represent the applicable wage rates and the progression systems in the Maintenance Department.

a) Certified Tradesman

See appendix "A" for the applicable Tradesman rates

b) Apprenticeship Program

See appendix "A" for the applicable Apprentice rates

<u>Job Level</u>	<u>Months</u>
10	55 - 60
9	49 - 54
8	43 - 48
7	37 - 42
6	31 - 36
5	25 - 30
4	19 - 24
3	13 - 18
2	7 - 12
1 (Entry)	0 - 6

Duration of Current Apprenticeship Programs:

36 Months

- Welder
- Lineman
- Industrial Warehouseman

60 Months

- Industrial Instrumentation

48 Months

- Light Duty Mechanic
- Heavy Duty Mechanic
- Millwright
- Machinist
- Electrician
- Carpenter
- Steamfitter/Pipefitter

c) Serviceman/Lubeman/Helper

JOB LEVEL	JOB FUNCTION	HOURLY RATE				
		2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
3	Serviceman	31.26	32.19	33.16	34.15	35.18
2	Lubeman	30.84	31.77	32.72	33.70	34.72
1 Entry	Helper	27.50	28.33	29.18	30.05	30.95

Backup: Should the full Serviceman function be required, a Heavy Duty Mechanic, Lubeman or Helper may be assigned.

Helpers and Lubemen assigned to provide backup in the full serviceman function will be paid the Serviceman rate while performing this function.

Helpers assigned to the Lubeman function shall be paid the Lubeman rate while performing this function.

d) Tireman

		HOURLY RATE				
JOB LEVEL	JOB FUNCTION	2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
3	After 2064 hours	31.19	32.13	33.09	34.08	35.11
2	1032 - 2064 hours	29.80	30.69	31.61	32.56	33.53
1	0 - 1032 hours	28.70	29.56	30.45	31.36	32.31

Backup: Heavy Duty Mechanics on site may change tire assemblies to meet production needs.

Serviceman may perform air pressure checks.

e) Janitor

		HOURLY RATE				
JOB LEVEL	JOB FUNCTION	2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
Entry	Janitor	27.50	28.33	29.18	30.05	30.95

6.02 a) Conventional Crane

Due to the minimum operating hours, the Company may elect to utilize certified contract crane operators rather than train. Should the current conventional crane operator be unavailable, including the use of overtime, the Company may utilize certified contract crane operators.

b) Hydraulic Crane

A minimum of one qualified Crane Operator shall be selected and shall be given adequate training to cover maintenance activities from each of the following crews:

A, B, C and D Shift and the two Dayshift Crews.

ARTICLE 7 PLANT OPERATIONS DEPARTMENT

7.01 Progression

The Plant Operations Department has a single line progression based upon meeting the time restraints and the written and practical performance standards.

7.02 Job Classification

Rates effective June 1st of each year.

a) Plant Operators

		HOURLY RATE				
JOB LEVEL	JOB FUNCTION	2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
7	Journeyman Plant Operator	34.05	35.07	36.12	37.20	38.32
6	Control Room Operator	32.59	33.57	34.57	35.61	36.68
5	Fine Coal Operator	31.88	32.84	33.82	34.84	35.88
4	Coarse Coal Operator	30.69	31.61	32.56	33.54	34.55
3	Load Out Operator	30.17	31.08	32.01	32.97	33.96
2	Dryer Operator	29.68	30.57	31.48	32.43	33.40
1	Breaker Operator	28.80	29.66	30.55	31.47	32.42

b) Equipment Operators

JOB LEVEL	JOB FUNCTION	HOURLY RATE				
		2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
5	Dozer	31.88	32.84	33.82	34.84	35.88
4	L.D. Loader	30.69	31.61	32.56	33.54	34.55
3	Haulage Truck	30.17	31.08	32.01	32.97	33.96

c) Janitor

JOB LEVEL	JOB FUNCTION	HOURLY RATE				
		2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
Entry	*Janitor	27.50	28.33	29.18	30.05	30.95

* Janitor shall not be considered entry level into the Plant or H.E.O.

d) Cable Belt Repairman

JOB LEVEL	JOB FUNCTION	HOURLY RATE				
		2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
3	After 1080 hours	32.70	33.69	34.70	35.74	36.81
2	721 – 1080 hours	30.89	31.81	32.77	33.75	34.76
1	0 – 720 hours	29.10	29.98	30.88	31.80	32.76

7.03 Training for Minimum Competency

- The employee shall receive theoretical training, and must pass a written examination.
- The supervisor or a designated operator shall work with the operator for introduction to the area until the trainee is fully familiar with the area and related duties.

- c) The examination shall take place within 16 shifts worked from the start of the training. The trainee shall notify the foreman when ready to challenge the test. The applicable rate change shall go into effect upon successful completion of the required time.
- d) Where the trainee has indicated the readiness but is not able to do the examination within 16 working days through no fault of his own, the change in pay rate, upon successful completion, shall be made retroactive to the 17th working day from start of training.
- e) Journeyman Plant Operator status is achieved upon completion of the control room operator skill level.

7.04 Training Assignments

All training assignments for the purpose of progression shall be announced in a training notice which shall be displayed on the Plant bulletin boards for seven calendar days. A copy of the notice shall be forwarded to the Union office.

7.05 Time Restraints

Time restraints are set at 72 scheduled shifts worked. Where an operator is not able to attend the scheduled shifts worked, eg. by reason of sickness, vacation, or leave of absence, completion can be challenged through a field test as long as a minimum of 54 shifts have been worked in the specific skill level. Having passed the field test the operator shall move to the next skill level upon expiration of the 72nd scheduled shift worked.

7.06 Procedures on Not Meeting Performance Standards

- a) Examination: if an examination is failed, there shall be additional training in the classroom and in the field. A second examination shall be done within 12 working shifts from the first examination.

- b) Performance: if an operator encounters major problems in a specific skill level, he shall receive additional training beyond the 72 scheduled shifts worked. He shall be given an additional 20% of the 72 scheduled working day time restraints (up to 86 scheduled shifts worked) to meet the skill requirements. If he fails to achieve competency within the additional time he shall rotate downwards until an opening (for training) becomes available in that skill level.

7.07 Accelerated Progression

- a) Accelerated Progression indicates a reduction from the time restraints of the 72 scheduled shifts worked.
- b) Accelerated Progression is applied to secure the required skill levels within a crew as a provision to reduce the need for crew/schedule changes.
- c) Accelerated Progression can be a consideration at the time the need for a crew/schedule change is established, thus increasing the options.

Such an offer shall be made to the appropriate candidate if:

1. A minimum of 54 shifts worked is completed in the current skill level at the time that the crew/schedule change arises, and;
 2. The candidate will pass the field test in the current skill level.
- d) Management reserves the right to accelerate an employee prior to 54 shifts worked to meet operational needs.

7.08 Rotation

Job rotation is a means of:

- providing a variety of work situations;

- maintaining competency in all levels;
- creating training and progression opportunities for all operators.

7.09 Integrated Rotation

At all times it is essential that the Plant must be operated in an efficient and safe manner.

To ensure stability and quality of operation, the opportunity to rotate between the Plant and H.E.O. functions can take place under the condition that each crew has a core of operators in the required level of skills.

To provide the option for Plant operators and heavy equipment operators to rotate and progress through the Plant and H.E.O. functions on an integrated basis:

- a) Plant Operators, after obtaining the skill level 7 in Plant, shall have the opportunity to rotate through the H.E.O. classification, maintaining his skill level 7 pay, providing:
 1. The crew composition is such that the required skill levels are maintained should the exchange take place.
 2. The Plant operator agrees to return to duties in the Plant when required.
- b) Heavy equipment operators, after reaching skill level 5 in the heavy equipment classification, shall have the opportunity to rotate through the Plant operator classification. His skill level 5 pay rate shall be maintained until he progresses beyond that level in the Plant operator classification, providing:
 1. The rotation through Plant shall not result in a shortage of heavy equipment operations skills on the crew.

2. The heavy equipment operator agrees to return to duties as heavy equipment operator when required.
 3. There is no one in training in the Breaker Operator Job Function on the crew.
- c) A trainee on integrated rotation may within the first 14 calendar days voluntarily discontinue training and be returned to his previous classification. This shall cancel that specific integrated rotation opportunity.
- d) Each operating crew shall maintain a minimum of two (2) Integrated Operators. If a vacancy exists and no applicants volunteer in accordance with Article 7.09 (a) and (b) the vacancy will be filled utilizing the following criteria:
1. Volunteer on crew.
 2. Volunteer in Department.
 3. Crew Realignment in accordance with Article 9.04.
 4. Assign junior employee in Department with equipment skills.
 5. Assign junior employee in Department

Assignments will be reviewed with the Union prior to implementation.

7.10 General

- a) Plant operators, subject to having the required skills may assist in functions other than their assigned function.
- b) H.E.O's, Cable Belt Repairmen and Plant Operators shall be considered as part of the Plant crew for vacation scheduling.

ARTICLE 8 MINE OPERATIONS DEPARTMENT

Rates effective June 1st of each year.

8.01 Job Classification

JOB LEVEL	FUNCTION	MINIMUM COMPETENCY - HOURLY RATE				
		2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
3	Shovel, Blaster, Drill	33.31	34.31	35.34	36.40	37.49
2	Hoe, H.D. Loader, Dozer, Grader	31.84	32.79	33.78	34.79	35.84
1	Haulage, Wheel Dozer, Mine Helper	30.80	31.73	32.68	33.66	34.67
		COMPETENCY - HOURLY RATE				
JOB LEVEL	FUNCTION	2009 3%	2010 3%	2011 3%	2012 3%	2013 3%
3	Shovel, Blaster, Drill	34.05	35.07	36.12	37.20	38.32
2	Hoe, H.D. Loader, Dozer, Grader	32.56	33.54	34.54	35.58	36.64
1	Haulage, Wheel Dozer, Mine Helper	31.14	32.07	33.03	34.02	35.04

8.02 General

To be a successful candidate for any job function in Mine Operations the employee must be physically able to perform the full function of the job, be eligible for selection, and have any necessary qualifications and/or prerequisites to perform the work.

8.03 Permanent Skill Requirement

In accordance with the procedure outlined in Article 9.01(f), a permanent skill requirement shall be posted on all bulletin boards, and shall be selected in the following manner:

- a) For All Job Levels:
 - i) Senior qualified applicant (Company seniority).
 - ii) Senior applicant (Company seniority within the department).

- iii) Senior applicant (Company seniority).
 - iv) Should no applicant accept, the junior qualified employee shall be assigned from within the department.
- b) The vacancy shall be filled within 14 calendar days of the selection being made subject to (i) and (ii) below.
- i) Should the employee be unable to fill the position within 21 calendar days due to a personal leave of absence, injury, illness, from the date of becoming the successful applicant, the posting on which he was selected shall be awarded to the next eligible applicant who is physically able to perform the work at that time.
 - ii) Should there be an inability to train due to manpower or equipment restrictions, the designated back-up shall be temporarily assigned. In such event the Crew Supervisor shall inform the successful employee of the reason for the delay in training and the date the training shall commence.
- c) Trade-offs may be allowed providing the operators have reciprocal skills.
- i) Should employees trade off they shall maintain their regular rates of pay;
 - ii) The Company may require employees to trade off for safety or training purposes and in such instances the employees shall be paid the greater of their present rate or the rate for the function being performed;
 - iii) Trade-offs shall not occur without the prior knowledge and consent of the Supervisor. It is understood that the Supervisor will not unreasonably deny the trade-off.
- d) Employees who are not required to operate equipment in their regular function shall be assigned as required, subject to Article 8.13 (b).

8.04 Minimum Permanent Skill Requirement

The Company shall determine the composition of permanent skills necessary for the effective operation of each crew.

Should either party raise a specific concern during the ongoing operation of the Mine Operations department as to the minimum number of permanent skills required, then the following formula shall be used:

$$\frac{\text{Actual Operating Hours for the Previous Six Months} = \text{Permanent Skill Requirement}}{750 \times \text{Number of Crews}}$$

In the event of a significant change to the mining process which may impact the number of permanent skills required, then the following formula shall be used:

$$\frac{\text{Forecasted Operating Hours for the Next Six Months} = \text{Permanent Skill Requirement}}{750 \times \text{Number of Crews}}$$

In applying the formula, the operating hours shall be the hours for the crew(s) performing the similar function being evaluated. The number of crews shall be the number of crews for which the review is being conducted. The Company shall not be required to conduct a review more often than once in a six-month period for each permanently posted equipment fleet.

A permanent skill shall be required for each whole number. For any resultant 1.0 or greater, any fraction 0.75 or greater shall be rounded up to the next whole number. For any resultant less than 1.0 a back-up shall be posted excluding the Secondary Drill, which shall be operated using any employee in the Mine Operations department with the skill.

8.05 Temporary Skill Requirement

- a) A temporary skill requirement shall be filled from within the crew to cover absences of up to six months in duration due to injury, illness, or approved leaves of absence. At the end of this period, a temporary skill requirement shall be posted

unless upon review with the Union, it is agreed that the employee's return is imminent.

- b) If filling a temporary skill requirement from within the crew results in a temporary deficiency in back-up skills, the qualified employee in ascending order of Company seniority within the department in Job Level 1 may be reassigned providing he is not presently a designated back-up for a function in Job Level 2 or 3 and subject to maintaining the required skills on crew.
- c) Upon return to work from an absence of up to one year in duration as a result of a non-occupational injury, illness, approved leave, or up to two years for occupational (WCB) illness or injury, the employee shall be returned to the permanent job function held at the time he became absent.
- d) In the event the employee returns from an absence to that function within the time period specified, the employee filling the temporary skill requirement shall return to his former function. If the temporary skill requirement extends beyond the time limits as per Article 8.05(c), the vacancy shall be posted as permanent unless upon review with the Union it is agreed that the employee's return is imminent. Filling of a temporary skill requirement does not prohibit the employee from bidding on any other permanent vacancy that may arise, however, the employee may not bid on any other temporary vacancy.
- e) Upon return to work after an absence of greater than the time limits in Article 8.05(c), the employee shall be managed in accordance with Article 8.12(a)(i)(ii).
- f) Employees returning to work from an absence of greater than the time limits in Article 8.05(c) shall be paid the greater of the rate for the assigned job function or, if applicable, the red circled rate. If, however, due to medical restrictions, the employee is unable to perform on an ongoing basis all the skills associated with his red circled rate, within six months of

his return to work with medical restrictions, his red circled rate shall be reduced accordingly as per Article 8.10(e).

8.06 Permanent Back-Up Skill Requirement

Back-up skills shall be maintained on the crews to cover instances of incidental absences, fluctuating workloads, and temporary vacancies.

- a) If two or more designated back-ups are established in a function the opportunity to operate the equipment shall be distributed as equitably as practical amongst the back-ups.
- b) Back-up opportunities shall be filled from within the crew and the Company shall maintain a system which will verify that employees designated as back-up were selected in accordance with the following selection criteria and process:
 - i) Designated back-ups shall be selected or assigned from job levels lower than the function requiring back-up except for Job Level 1.
 - ii) Senior qualified employee on crew in descending order of Company seniority who is eligible to fulfill a back-up position;
 - iii) Post on a departmental basis and select the senior qualified (Company seniority within the department);
 - iv) Assign a qualified employee from the crew, in ascending order of Company seniority, who does not already hold a designated back-up position and is eligible to fulfill a back-up function.

An employee shall have the right to decline the assignment, however, should they be in receipt of a red circled rate it shall be reduced in accordance with Article 8.10(e).

The Company may elect to bypass Article 8.06 b) iv) and proceed directly to Article 8.06 b) v).

v) Senior employee (Company seniority within the department).

vi) Assign junior employee on crew (Company seniority);

Should the successful applicant be from another crew, then they shall be permanently transferred to the crew and assigned to Haulage and paid the applicable rate for the function, or if applicable, their red circled rate. If required, the junior employee on crew in Haulage shall be reassigned. He shall be paid the greater of his present rate or the rate for the function he is assigned to

c) Employees may hold only one designated back-up position at a time.

d) Due to the critical nature of the Shovel and Rotary Drill functions, employees in these functions shall not be entitled to hold a designated back-up function.

e) While performing the back-up function the employee shall receive the greater of his present rate or the rate for the function in accordance with Article 8.10.

f) If an employee through occasionally providing back-up, obtains minimum competency he shall be considered qualified in the skill.

g) Back-up opportunities shall be assigned as follows:

Full Shift: The designated back-up shall be assigned the task. Should the designated back-up be unavailable to accept the assignment, then the opportunity shall be offered to:

i) A qualified employee not required to perform their regular function.

- ii) Any employee with the skill.

8.07 Training Application

- a) Once an employee has been assigned as a Trainee, he shall spend 100% of the time in that function until minimum competency is attained. The parties recognize there may be exceptions to the above. These shall be discussed with the Union prior to implementing.
- b) Employees requiring training shall enter the position at the minimum competency rate for the function. Employees receiving a red circle rate who bid to any position requiring training shall forfeit the red circle rate.
- c) The Company will determine when familiarization training is required. If familiarization training is required for a piece of equipment within a function, the training opportunities shall be offered to all employees holding permanent and back-up skill requirements in the function.
- d) On the job training shall be done by a qualified Trainer as designated by the Company. Qualified Trainers from within the Mine Operations department shall be selected by the Company and the selections shall be reviewed with the Union. Employees wishing to be considered as qualified Trainers shall advise their Supervisor in writing of their desire.
- e) In order to be designated as a Trainer, the employee must have completed their competency hours on the equipment they are providing instruction as a Trainer.

8.08 Discontinuance of Training

- a) A Trainee may within four shifts worked of commencing training, voluntarily discontinue training and be returned to his previous function and shall have any applicable red circled rate reinstated, however, he shall be suspended from bidding

until the completion of the appropriate suspension as per Article 8.09.

- b) Should an employee have to discontinue training due to medical restrictions they shall be assigned to a Job Function in Level 1 for which they have the necessary skills and prerequisites to perform. If the employee discontinues after the 21 calendar day period, the vacancy shall be re-posted.

Employees who have discontinued due to permanent medical restrictions shall have their red circling reinstated, however, should the employee, due to the medical restriction, be unable to perform on an ongoing basis all the skills associated with red circled rate, it shall be reduced accordingly as per Article 8.10(e).

- c) Should the Trainee be discontinued by the Company for reasons other than competency he shall be given preference over other senior applicants requiring training for a period of two years from the date of discontinuance, providing he bids on the next posting for the same vacancy. Employees who are discontinued by the Company for reasons other than competency shall be paid the greater of their previous rate or any applicable red circling.
- d) Should the placement of the employee into a training position create a vacancy, it shall not be posted until the completion of the four-shift period as contemplated in Article 8.08(a).

8.09 Selection Suspensions

All successful applicants for a permanent skill requirement and employees as otherwise noted within this Article shall not be permitted to bid on another permanent skill requirement within the department from the date of the selection for a period of:

- Job Level 3 - 12 months
- Job Level 2 - 9 months
- Job Level 1 - 6 months

The successful employee for a back-up position shall not be selected for another back-up position within the department for a period of six months after the date the selection was made.

Selection suspension does not apply in the following cases:

- i) an employee holding a permanent skill requirement wishing to be considered for selection as a permanent back-up;
- ii) an employee holding a permanent back-up skill requirement wishing to bid on a permanent skill requirement posting;

However, no employee shall be entitled to hold any two functions at the same time which require training.

A successful candidate for either a permanent or back-up skill requirement may neither decline the posting, nor withdraw, except as provided for in Articles 8.08(a) & (b).

8.10 Competency

Employees shall be paid the greater of the rate for the function they are permanently assigned to, the function they are performing, or the applicable red circled rate, except as otherwise provided for within this Article.

Rate of Pay

- a) Employees requiring training shall enter the position at the minimum competency rate for the function. An employee receiving a red circle rate who is the successful employee for any position requiring training shall forfeit the red circled rate upon commencement of such training.
- b) The employee shall receive the competency rate and shall be considered qualified when it is determined through an evaluation by the Crew Supervisor that the employee is performing at the competency performance standards and the employee has completed the necessary hours.

In the event the evaluation occurs after the completion of the necessary hours, the rate increase shall be paid for all hours worked since the completion of the necessary competency hours.

- c) An employee with verifiable, previous relevant operating experience which is either claimed on hire or acquired at Line Creek in the function shall be entitled to be evaluated at the competency level prior to accumulation of the necessary competency hours. Should he meet the competency performance standard he shall receive the competency rate.
- d) Employees hired into the Mine Helper function shall enter the function at the entry rate and shall receive a rate increase following completion of the necessary competency hours.
- e) An employee's red circled rate shall be as defined in Article 33 and may be less than the rate an employee is actually being paid. When an employee's red circled rate is reduced in accordance with this Article, it shall be reduced only once for each skill affected in the following manner:

Should the red circled rate be equivalent to a full rate for a particular job level, the rate shall be reduced by an amount equivalent to one half of the full rate wage difference between the aforementioned job level and the one below it.

Should the red circled rate be between two job levels the amount shall be equivalent to one half of the difference between the full rates for the two aforementioned job levels.

Should, due to medical restrictions, more than one reduction be required at a specific time, each value calculation shall be done separately from the preceding one.

The removal of all or part of any employee's red circle rate shall not remove the employee's skill qualification, and they shall be considered qualified except for instances due to medical restrictions.

8.11 Pre-Competency Review

Employees shall be reviewed relative to the competency performance standards once they have completed the minimum competency hours as per Article 8.16. Should the employee not meet the required performance standards they may be removed from the function.

8.12 Removal From Function

- a) Should the employee be removed from the function for reasons of competency, and as otherwise identified within this Article, the employee shall:
 - i) be assigned to Job Level 1, and perform any necessary functions for which he is qualified.
 - ii) the employee shall be considered as having bid on all permanent skill requirements for which he is qualified;
 - iii) be paid the greater of the rate for the job function he is assigned to, or if applicable, any red circled rate which shall be reduced as per Article 8.10(e);
 - iv) not be used in the discontinued function;
 - v) employees who fail at competency shall not re-apply for the training in the same skill as the one at which he is unsuccessful;
 - vi) employees who leave a function prior to achieving minimum competency shall not re-apply for training in the same skill for 24 months;
 - vii) employees who leave a function due to medical restrictions shall not re-apply for the same skill for 12 months after the removal of the pertinent medical restrictions.

- b) Should an employee be removed from a function due to medical restrictions which prohibit him from doing the function he shall be handled in accordance with Article 8.12(a). Employees who have discontinued due to medical restrictions shall have their red circled rate reinstated, however, should the employee, due to the medical restriction, be unable to perform on an ongoing basis all the skills associated with his red circled rate, it shall be reduced accordingly as per Article 8.10(e).
- c) Employees hired as qualified into a vacancy who are unable to perform at the competency performance standards within eight shifts worked in the function shall have their employment terminated.
- d) Employees hired into training who are unable to obtain competency as per this Article shall be terminated.
- e) All employees must be competent in Haulage.

8.13 Reassignment From Function

- a) Where there is more than one employee on crew having a permanent skill function the reassignment from performing the function shall rotate amongst all such employees on a 4-cycle basis.

Article 8.13 (a) does not apply to Shovel, Rotary Drill or Heavy Duty Loader.

- b) Reassignment from the function shall be done in the following manner:

Full Shift: Where an employee's regular function is not required, and where a choice exists, alternate duties shall be offered to the affected employee(s) in descending order of seniority.

Partial Shift: The employee(s) whose regular function is discontinued part way through the shift shall be the one reassigned during that shift.

- c) Employees who are not performing their regular function shall be given the first opportunity to return to their normal function unless they are required to continue their present assignment due to the shortage of skills.
- d) The Company, however, may reassign any employee if necessary due to an incidental shortage of skills.

8.14 Utility Crew

- a) The Utility Crew will perform development and road maintenance activities at the Line Creek Mine. Other duties will be performed as required.
- b) In order to qualify to bid on the Utility Crew employees shall be qualified on at least three of the following pieces of equipment:
 - Hoe
 - Grader
 - Sand Truck
 - Dozer
 - Loader

If there is a need to change this major equipment list, Article 4.03 of the Collective Agreement shall apply. The Company shall inform the Union of the change, and explain the reasons for it prior to posting.

Order of Applicant Selection

- i) The senior applicant (Company seniority) having either Grader or Backhoe and at least two of the other listed skills.
- ii) The senior applicant (Company seniority) having either Grader or Backhoe and at least one of the other listed skills.

- iii) The senior applicant (Company seniority) applying.
- c) The Grader, Light Duty Loader, and Hoe as well as familiarization with the Sand Truck are the only functions where training shall be done on the Utility Crew. This training shall not affect red circled rates.
- d) Utility Crew employees shall be paid at Job Level 2 regardless of the function being performed.

8.15 Blasting Crew

- a) The function of the Blasting Crew is to carry out the blasting activities at the Line Creek Mine.
- b) Vacancies on the Blasting Crew shall be posted in accordance with Article 8.03 Permanent Skill Requirement.
- c) If an employee through occasionally providing back-up to the Blasting Crew completes the requirements of a Blaster, he shall be considered qualified.

8.16 Mine Operator Classification

JOB LEVELS WITHIN A CLASSIFICATION	FUNCTIONS WITHIN JOB LEVEL	MINIMUM COMPETENCY (OP. HOURS)	COMPETENCY (OP. HOURS)
3	Shovel	392	1,475
	Rotary Drill	392	1,475
	Blaster	982	1,475
2	Hoe	295	1,100
	HD Loader	295	1,100
	Dozer	295	1,100
	Grader	196	745
1	Haulage	196	745
	Wheel Dozer	196	745
	Mine Helper	196	745

- The Mine Helper function shall include the tasks of Dumpman, Sand / Water Truck, Cable Reeler, Light Duty Loader and labourer duties.

- Fueling and servicing of equipment is included within the responsibility of the Equipment Operator function.

ARTICLE 9 JOB/TRAINING VACANCIES – AREA / SCHEDULE CHANGES

9.01 Job Vacancies

- a) A job vacancy arises as a result of an addition or replacement to the work force in any classification.
- b) All job vacancies shall be posted at the entry level or the certified trade level.
- c) For the purpose of this article, the following applies:
 1. Entry level has no qualification requirements except for Tireman, Certified Trades and Trades Apprentices.
 2. Certified means any provincial or inter-provincial ticket.
 3. The Company may choose to post for qualified Plant Operator vacancies above Job Level 1.
- d) Entry level and certified trade level are defined as the following:
 1. Plant Operations
 - i) Janitor/Helper
 - ii) Plant Entry Level
 - iii) H.E.O. Entry Level
 - iv) Cable Belt Repairman (0 – 12 months)
 2. Mine Operations
Level 1 excluding Rubber Tire Dozer.
 3. Warehouse
 - i) Certified Warehouseman
 - ii) Apprentice (0-6 months)

4. Maintenance

- i) Helper
- ii) Janitor
- iii) Certified Tradesman
- iv) Apprentice (0-6 months)
- v) Serviceman
- vi) Lubeman (Plant)
- vii) Tireman (0-12 months)

- e) Job vacancies shall only be applied for by employees not in the classification in which the vacancy exists, except in Mine Operations where the procedure in Article 8.03(a) shall be followed [9.01(h) shall apply].
- f) Notification of a job vacancy shall be displayed on all bulletin boards for seven calendar days, during which time interested employees may make application for the vacancy. Within an additional seven calendar days, the successful applicant shall be selected. A notice of the selection shall be posted on the Company bulletin boards. Within 14 calendar days of the award being made, the successful applicant shall be placed into the new position.
- g) The notice of job vacancy shall set out the job description, trades qualifications and/or prerequisites required. A copy of the notice shall be forwarded to the Union Office.
- h) All employees on layoff shall be deemed to have bid on all job vacancies for which they have the necessary prerequisites and/or qualifications.
- i) Job vacancies shall be filled in the following order:
 - 1. Senior applicant (Company seniority) who is physically able and has the necessary trades qualifications and/or prerequisites to perform the work.
 - 2. New hire.

- j) Should there be a Tireman in training (0-2,064 hours), the successful applicant for a Tireman vacancy must be qualified.

9.02 Application While on Vacation/Leave of Absence

Prior to going on either vacation or leave of absence of 31 calendar days or less, an employee may submit, through his supervisor, an application for any specific vacancies in which he is interested. This application shall be in effect until the employee is scheduled to return to work. A vacancy awarded to an employee while on vacation or leave of absence shall be held until his scheduled return.

9.03 Crew Schedule Changes (Mutual and Individual)

Applications for change of crew/schedule within a classification are not to be accommodated through the job posting provisions but are to be processed as follows:

- a) An application must be made in writing to the General Foreman.
- b) Applications shall be recorded and listed by each department on a Company seniority basis.
- c) Approved crew/schedule changes shall take place within 60 calendar days and shall not be unreasonably denied.
- d) An employee who obtains a crew/schedule change under the provisions of this Article shall not be eligible for another crew/schedule change under this Article for a period of six months from the date of change.

9.04 Crew Re-alignment

Where a need is identified to change crew size, crew make-up or the number of crews within a classification, which will result in the movement of an employee from one crew to another, it shall be managed as follows:

- a) Management shall notify all employees within the classification of the planned realignment by a posted notice on a blue sheet for seven calendar days. The requests for crew/schedule changes as referenced in Article 9.03 shall subsequently be reviewed to see if the need (number and required skill level or trade) can be satisfied.
- b) Where after considering the requests for crew/schedule changes, a need still exists to move an employee, the junior employee (Company seniority within the classification or trade) with the required skill, skill level or trade shall be notified that he is required to move. If a crew is identified as having extra personnel, the junior employee (Company seniority within the classification or trade) shall be required to move, subject to the provisions of this Article.
- c) An employee required to move within a classification shall be given the opportunity to accept the opening or move an employee with less Company seniority in the same classification provided the senior employee has the ability and qualifications to perform the work. The movements shall continue until the planned realignment is met or until the most junior employee (Company seniority within the classification or trade) is assigned to satisfy the need. All moves shall be made at approximately the same time, subject to the schedule changes. An employee will be afforded the opportunity to review previous selections prior to making their personal choice.
- d) Where a total classification is to be realigned, notification shall be posted for a period of 30 calendar days.

ARTICLE 10 APPRENTICESHIP

10.01 The Company shall sponsor an apprenticeship program in accordance with the statutes of the Province of British Columbia and the provisions of this Agreement.

- a) The selection of apprentices from within the existing workforce will be based on the following criteria:
- i) Education qualifications;
 - ii) Successful completion of trade aptitude testing;
 - iii) Attendance;
 - iv) First priority to those candidates who were previously displaced from the same apprenticeship;
 - v) Second priority to those candidates who do not already hold a certified trades designation.
 - vi) Company seniority.
- b) There shall be a quota of one apprentice for each group of seven Tradesmen in each designated trade, except as otherwise provided for in this Article.
- i) The second Linesman and Machinist, the fourth Light Duty Mechanic and the fourth Instrumentation Mechanic shall be an apprentice.
 - ii) When Heavy Duty Mechanic manpower numbers are 46 or less, the maximum number of Heavy Duty Mechanic apprentices shall be four.
 - iii) Quotas shall be filled by apprentices selected from current employees. Should the specified quota be met in a particular trade, the use of additional apprentices in that trade shall be entirely a matter for the Company's discretion.
- c) The certification or addition of an apprentice shall not initiate a layoff from the trade or result in an increase in manpower in a department.

d) Designated trades for the purpose of this Article shall be as follows:

- Carpenter
- Electrician
- Heavy Duty Mechanic
- Industrial Instrumentation
- Industrial Warehouseman
- Light Duty Mechanic
- Lineman
- Machinist
- Millwright
- Pipefitter/Steamfitter
- Welder

e) The apprentice, on achieving certification, shall be placed on a crew/schedule where a need exists subject to Article 9.04. The newly certified tradesman shall be deemed to have the least seniority for the application of Article 9.04 in this instance.

f) For purposes of rotation of apprentices the provisions of Article 9.04 does not apply.

g) If a tradesman is moved as a result of apprenticeship rotation, he shall be returned to his original position when the apprentice vacates the position or becomes certified.

10.02 The parameters governing the employee's attendance at technical school are:

a) The apprentice shall be scheduled on a Monday to Friday, 40 hour work week at least one week prior to attending school and for the duration of the school term.

b) The employee's pay during this period shall be 40 hours per week at his base rate.

c) In lieu of pay for travel time, the Company shall pay a travel allowance of one return trip per training period as follows:

1. Regular return airfare from the airport nearest the employee's residence to the airport nearest the school;
or

2. \$0.23 per km from the employee's residence to attend school in Cranbrook or Nelson.
- d) The employee shall reimburse the Company for all Government subsidies excluding living away allowance.
- e) Should an apprentice fail to pass school term examinations, the Company shall consider the circumstances surrounding the failure, and where the employee has applied himself, will extend the provisions of this Article for one repeat during the complete apprenticeship.

Removal from the apprenticeship, due to failure, shall be subject to appeal by the employee.

Should the employee fail to pass any two apprenticeship examinations, including the same level twice, during the complete apprenticeship, the Company shall remove them from the apprenticeship program and the Company and Union shall meet to discuss the assignment of such employee.

- 10.03** Rates of pay for apprentices shall be as set forth in Articles 5.01(b) and 6.01(b).
- 10.04** Rate increases are contingent upon successful completion of the required apprenticeship examinations.
- 10.05** Employees who quit or are removed due to competency from an apprenticeship are not eligible to bid into that apprenticeship program again.

ARTICLE 11 SAFETY

- 11.01** The Company and the Union recognize the benefits to be derived from safe working conditions and work practices. Accordingly, it is agreed that all employees, Union representatives and Supervisors at all levels, shall cooperate to promote safe work practices, safe and healthy working

conditions and the enforcement of safety rules. All employees are encouraged to put forth suggestions for improvements or alternatives. Further, all employees of the Company are fully obligated to comply with any and all reasonable rules of conduct established by the Company and bearing on safety and health.

- 11.02** a) The Company does not want an employee to work in any situation which is unsafe or hazardous. No employee shall be required to perform work that he has reasonable grounds to believe constitutes imminent danger to himself or others, nor shall he be disciplined for such refusal. An employee who is unsure of the safety of any action should, prior to committing such action, discuss his concerns with his Supervisor and, if necessary, his Safety Representative, and/or Steward. The Supervisor is responsible for arriving at a speedy resolution, together with the employee and the Safety Representative if necessary.

In the event that other employees are requested to perform the same function after the situation is investigated, the Supervisor shall ensure that such employees are made aware of the alleged dangers associated with the work.

- b) When required to work in a (potentially) hazardous location, remote from other employees, an employee may request of his Supervisor, and his Supervisor shall authorize another employee, to accompany him or establish a more frequent visitation by himself or others to ensure the employee's safety.

- 11.03** The Union shall notify the Company in writing of the names of those who have been elected or appointed Safety Representatives. The Company shall recognize them when so notified. The Company will recognize one Safety Representative for each crew in each of the following areas:

- Plant Operations - Mine Operations - Mine Maintenance

In addition, the Union shall elect or appoint and the Company shall recognize one Safety Representative in each of the following areas:

- Warehouse
- Plant Maintenance (dayshift)

Where the Parties can agree that a specific need exists, an additional Safety Representative shall be elected or appointed and recognized for the area identified.

11.04 The Company and the Union shall continue to address safety issues through the following committees:

a) Occupational Health & Safety Committee

The Committee shall be comprised of:

- Company - Supervisor, Loss Control*
- Three Department Heads*

- Union - Safety Chairman*
- One Worker Rep from each department
- Health and Welfare Chairman*
- * or designates

The Committee, in an advisory role shall support the General Manager in monitoring and improving the Health & Safety Program, including the Safety Recognition program and fulfill its responsibilities under the current Health, Safety and Reclamation code.

b) Monthly Safety Inspection Groups

The Monthly Safety Inspection Group shall consist of:

- Company - General Foreman and/or Supervisor*

- Union - Crew Safety Representative*
- * or designates

Responsibilities shall include identifying all substandard acts or conditions and providing reports including recommendations to the Supervisor, Safety & Loss Control and the OHSC. The majority of audits will be scheduled on dayshift.

- 11.05** The Senior Crew Supervisor and the Crew Safety Representative shall, in addition to the above, meet at least once monthly to discuss safety related items or substandard performance with a view to maintaining and improving safe operating practices for all crew members.
- 11.06** Time spent on authorized Safety Committee inspections and meetings shall be considered as time worked.
- 11.07** Whenever a serious accident occurs, the Union Safety Chairman shall be notified by the Company and permitted access to the place of the accident to make an investigation. Where a report is prepared by either the Company or the Union relative to a serious accident, a copy shall be provided to the other party.
- 11.08** a) The Company and Union agree to cooperatively conduct accident investigations. All investigations shall involve a Union Safety Representative and Supervision from the area. Prior to the conclusion of that work day, if possible, the Union Safety Representative and Company shall prepare the proper documentation and distribute copies to those concerned. The Supervisor and Union Safety Representative shall determine whether or not an investigation is required.
- b) The Company and Union agree to investigate, as soon as possible, all accidents to make recommendations for remedial or preventative action. The Supervisor shall be responsible for notifying the Safety Representative and shall arrange for the time and place of investigation prior to the conclusion of that work day.

c) It is recognized that there shall be occurrences for which an in-depth investigation may or may not be required. If it is determined that an in-depth investigation is not required, a report shall be filed and made available for review by the Union Safety Chairman.

11.09 Safety meetings for all employees shall take place monthly or more frequently if deemed necessary. These meetings shall be scheduled in order to accommodate all crew members attending the same meeting. Where safety meetings are split, the Union Safety Representative will be present at both meetings.

11.10 It is the intention of Line Creek Operations to supply the following safety protection equipment to its employees. These items of safety equipment and protective apparel shall be supplied by the Company on a loan basis and the employee shall be required to sign for same and return it in good and serviceable condition (fair wear and tear excepted). If the employee fails to do so, as a result of negligence on his part, he may be charged with replacement cost of the articles in question. The following items shall be supplied, where required

- Hard Hats
- Chin Straps
- Safety Glasses, Clear or Tinted (Non-Prescription)
- Work Gloves
- Welders' Jackets, Pants, Aprons, Helmets and Shields
- Dust Masks and Respiratory Equipment
- Hearing Protection
- Rain Suits
- Safety Belts and Lines
- Tag Out Locks
- Rubber Boots
- Linemens' Gloves
- Goggles
- Winter Liners

- Painters' Masks
- Safety Asbestos Gloves
- Aprons and Face Shields for Handling Corrosive Substances
- Prescription Safety Glasses (apply through Supervisor).
- Coveralls.

In addition to the above, the Company will provide a steel-toed safety footwear rebate providing for a 100% rebate of the purchase price to a maximum of \$100 per year. In years where no rebate is claimed, the \$100 may be carried forward to a maximum of \$300.

ARTICLE 12 UNION-MANAGEMENT COMMITTEE

12.01 The Union and the Company recognize the mutual benefits of ongoing consultations and open communications. Without limiting the opportunities for employees and Management to use other avenues for communications, the parties agree to the utilization of a Union-Management Committee wherein matters of mutual concern and interest can be freely and candidly discussed with a view to exploring possible solutions which are acceptable and beneficial to employees, the Union and Management.

12.02 The Union-Management Committee will meet once a month or as deemed necessary. The Committee shall be comprised as follows:

Union

Member Representative*
 Council Chairman*
*Chief Shop Steward**
*Safety Chairman**
*Recording Secretary**
 or designates*

Management

General Manager*
 Two Operations Dept. Heads*
Superintendent, Employee
*Relations**
 or designates*

Additional representatives of Union or Management shall attend Union Management Committee meetings to represent

their respective positions or departments as indicated by the agenda. Topics not on the agenda and without proper representation should not be discussed at these meetings.

ARTICLE 13 BENEFIT PLAN

13.01 The benefit plans described shall be effective for the term of this Agreement.

13.02 Where an outside carrier is involved, the benefits shall be payable subject to the terms and conditions of the specific insuring agreements for each policy. In all instances, benefits shall be paid according to the terms of the master insurance contracts and applicable provincial or federal legislation, or Company policy in relation to "Other Benefit Plans". The terms and conditions of the plan shall not be changed in any way unless agreed to by the parties to this Collective Agreement, except for premium changes with respect to Voluntary Life and Voluntary AD & D programs. The Union shall be advised of any changes in Insurance Carriers and shall be given a copy of applicable Master Agreements, and any changes made thereto.

13.03 Benefit Plans - Participation and Eligibility

The following benefit plans are available to all regular, full-time employees of Line Creek Mine.

BENEFIT PLAN	PARTICIPATION	ELIGIBILITY	PREMIUM COST
HEALTH BENEFITS: Provincial Hospital / Medical	See 13.07 (a)	1 st of month..... following employment	Company
Extended Health Care	Optional	Immediate.....	Company
Vision Care	Optional	Immediate.....	Company
Dental Plan	Optional	Immediate.....	Company

BENEFIT PLAN	PARTICIPATION	ELIGIBILITY	PREMIUM COST
INCOME PROTECTION: Full/Short Term Disability (1.1.3.26) Long Term Disability Worker's Compensation	Required	Immediate.....	Company
	Required	Immediate.....	
	Required	Immediate.....	Company
SURVIVOR BENEFITS: Basic Life Insurance Voluntary Life Insurance Basic Accidental Death & Dismemberment Insurance Voluntary Accidental Death & Dismemberment Insurance	Required	Immediate.....	Company
	Optional	Date of Approval.....	Employee
	Required	Immediate.....	Company
	Optional	Immediate.....	Employee
SAVINGS PLAN:	Optional	Immediate.....	Employee
EMPLOYEE PENSION PLAN:	Required	Immediate.....	Company
OTHER BENEFIT PLANS: Educational Assistance Physical Fitness Employee Assistance Program	Optional	Immediate / Company Approval	Shared
	Optional	Immediate / Company Approval	Shared
	Optional	Immediate / Company Approval	Company

13.04 Accredited Service

Benefit entitlement for the pension plan, vacation entitlement and the income protection plan is determined by an employee's accredited service.

Accredited service is accumulated in accordance with the following chart.

ABSENCE REASON	PENSION PLAN	SAVINGS PLAN	VACATION	INCOME PROTECTION	BARGAINING UNIT SENIORITY
Vacation/Floaters/Stats.	Y	Y	Y	Y	Y
STD:Occupational	Y	Y	Y	Y	Y
STD:Non-Occupational	Y	Y	Y	Y	Y
LTD:Occupational	Y	N	N	N	Y
LTD:Non-Occupational	Y	N	N	N	Y (up to 18 months)
Personal Leave of Absence (up to 30 days)	Y	Y	Y	Y	Y (up to 60 days)
Personal Leave of Absence (over 30 days)	N	N	N	N	N (over 60 days)
Jury Duty/Maternity Leave/Bereavement Leave	Y	Y	Y	Y	Y
Shutdown/Layoff(up to 32 days)	Y	Y	Y	Y	Y
Shutdown/Layoff(over 32 days)	N	N	N	N	Y (up to 1 year)
Leave of Absence for Union Business	Y (up to 30 days)	Y (up to 30 days)	Y (up to 30 days)	Y (up to 30 days)	Y
Suspension (up to 30 days)	Y	Y	Y	Y	Y
Suspension (over 30 days)	N	N	N	N	N

Note: Y = Accumulated N = Not Accumulated

13.05 Government Plans

In addition to paying the entire premium cost for single, double or family coverage under the provincial hospital/medical care plans, Line Creek Mine shall contribute to each employee's Canada Pension Plan and Unemployment Insurance coverage as prescribed by legislation. The Company shall also pay the assessed costs of providing Workers' Compensation coverage for employees.

13.06 Benefit Plans - Terms and Conditions

The following is a general description of each of the benefit plans. A more detailed description may be obtained by contacting Human Resources. It is the responsibility of the employee to notify the Line Creek Mine of any change in personal status which may affect coverage.

13.07 Health Benefits

Premiums are paid by the Line Creek Mine. Benefits are paid according to the appropriate provincial fee schedule.

a) Provincial Hospital and Medical

Each province has its own plan to assist in covering the cost of basic hospital and medical expenses. Coverage varies from province to province, but is essentially the same in that the plans pay:

- Doctor's charges
- Standard ward hospital accommodation
- Out-patient services
- Out-of-province coverage subject to provincial limitation

Some exclusions from the plans are:

- Hospital admission charges
- Extra billing by doctors
- Services not recommended and approved by a physician

Membership in a provincial medical plan through the Line Creek Mine group coverage is compulsory for employees. The exception is where an employee specifically states in writing, that he has such coverage through another arrangement.

b) **Extended Health Care**

This plan provides additional medical coverage for specified eligible expenses. The employee and eligible dependants are covered for certain reasonable and customary medical expenses not covered by the provincial plans, including but not limited to:

100% of Cost:

- Private or semi-private hospital accommodation.
- Professional ambulance services as approved by a physician (including air and rail transportation) to nearest medical facility where required treatment can be provided.
- Out-of-province/country expenses for emergency treatment, provided such charges are reasonable and customary.
- Non-emergency treatment must receive prior approval by the Insurance Company.
- Maximum of \$75,000.00 per injury or disease.
- Services of an osteopath, podiatrist, chiropractor, naturopath, or Christian Science practitioner, to a maximum of \$200.00 per year.
- Charges for hearing aids, artificial limbs, eyes, splints, trusses, braces, crutches or casts.
- Orthopedic shoes when prescribed by a Specialist / Physician.
- Rental or purchase of a motorized electric wheelchair (when prescribed by a Specialist / Physician and is medically necessary), hospital bed or iron lung.

- After an annual \$15.00 deductible per family each calendar year, the cost of drugs available by prescription only.
- All costs are initially paid for by the employee, with claim forms and receipts submitted to the Insurance Company for reimbursement.

c) **Travel Expenses**

The Company shall pay travel expenses to a maximum of \$100.00 per trip for expenses incurred by an employee who is required to travel to attend a specialist for consultation, treatment or hospitalization. This benefit is restricted to employees and shall be reimbursed through an expense statement supported by receipts.

d) **Vision Care**

The plan provides a maximum benefit of \$150.00 for one service in any 12 month period, commencing the first date of service, per employee and eligible family member. This benefit is accumulative to a maximum of \$300.00 for one service in any 24 month period. Coverage includes prescription or corrective glasses (lenses and/or frame), transition lenses, contact lenses and number one tinting. Benefit may be applied to laser eye surgery.

Non-prescription sunglasses, photogrey, protective eyewear for specific sporting activities, and glasses not designed to correct a vision defect are not covered by the plan.

All costs are initially paid for by the employee, with claim forms and receipts submitted to the Insurance Company for reimbursement.

e) **Dental Plan (100-100-50)**

The dental plan assists employees and eligible dependents in meeting the cost of dental care.

Basic Services:

The plan reimburses 100% of the eligible expenses for:

- **Diagnostic**
 1. Oral examinations (once every six months)
 2. Consultations
 3. X-Rays (full mouth once every two years)

- **Preventative**
 1. Cleaning and scaling of teeth
 2. Topical fluoride treatment
 3. Space maintainers

- **Surgical**
 1. Extractions
 2. Routine surgical procedures

- **Restorative**
 1. Fillings
 2. Repair, adjustment, rebasing and relining of dentures

- **Periodontics**
 1. Treatment of gums and tissues

- **Endodontics**
 1. Root canal therapy
 2. Pulpal therapy

Major Services:

The plan reimburses 100% of the eligible expenses for:

- **Crowns & Inlays**
 1. Including the use of gold when a reasonable substitute would not result in a lower expense.

- **Bridges & Dentures**
 1. Initial bridgework, complete or partial dentures.

2. Replacement if existing appliance is at least 5 years old and cannot be made serviceable.
3. Repair to bridgework.

Orthodontic Services:

The plan reimburses 50% of the treatment cost, to a lifetime maximum of \$2,500.00. Coverage includes:

- Diagnostic procedures, including models, oral examinations and related oral surgery.
- Therapy and appliances.
- Correction of malocclusion.

Some exclusions from the plan are:

- Treatment considered cosmetic in nature.
- Broken appointments.
- Services and supplies for a full mouth reconstruction, vertical dimension correction, or temporomandibular joint disfunction.

Pre-Authorization of Treatment:

If dental expenses for any of the preceding services are expected to exceed \$300.00, a pre-authorization must be submitted to the Insurance Company. Where pre-approval has been granted the carrier must honour the approval for 90 calendar days.

f) **Continuation of Benefits**

The Company shall extend the health benefits, including Provincial Medical, Extended Health, Vision Care and Dental Care for a period of three months for dependents of a deceased employee.

13.08 Income Protection

Income protection is a Company funded benefit plan which provides income in the event of absence from work due to occupational or non-occupational illness or injury.

All benefits, payable under the Income Protection Plan, are integrated with any other disability benefits received from Government plans, excluding Employment Insurance (EI) benefits, and are taxable.

In order to qualify for income protection benefits (S.T.D., L.T.D., W.C.B.), the employee must provide the required medical certification.

a) First Twenty-Six (26) Weeks - Short-Term Disability

Depending on the length of accredited service, benefits are first payable from Full Income Disability and are followed by Short-Term Disability on the following schedule, and subject to previous absenteeism, as outlined below:

Years of Service	Hours – 100% Basic Earnings	Hours – 66 2/3% Basic Earnings
Less than 1	40	1,000
1 but less than 2	80	960
2 but less than 3	120	920
3 but less than 4	160	880
4 but less than 5	200	840
5 but less than 6	240	800
6 but less than 7	280	760
7 but less than 8	320	720
8 but less than 9	360	680
9 or more	400	640

The hours payable at 100% may be reduced dependent upon the employee's total cumulative absent hours as defined within the Income Protection Benefit Plan (13.08),

over the three calendar years immediately preceding the year in which each claim is submitted, as per the following:

Hours Absent	100% Income Disability Reduction
≤120	0%
>120 to ≤200	25% (hours reduced paid @ 66 2/3%)
>200 to ≤280	50% (hours reduced paid @ 66 2/3%)
Over 280	75% (hours reduced paid @ 66 2/3%)

1.1.3.26

This applies to those employees who are eligible for basic income protection benefits from the:

- 1 - first day of accident
- 1 - first day of hospitalization
- 3 - third day of illness
- 26 - for a total of 26 weeks (1,040 hours).

The two-day waiting period does not affect the 26-week period of full income disability or short-term disability.

The 1.1.3.26 eligibility period applies to each separate occurrence of a health-related absence or new claim in a calendar year, with the exception of an unbroken absence, which occurs in one calendar year and continues into the following calendar year.

1.1.1.26

This applies to those employees who have earned and are eligible for benefits from the first day of disability absence by having had the equivalent of less than three shifts absence due to non-compensable injury or illness in the previous calendar year.

Benefits are payable from:

- 1 - first day of accident
- 1 - first day of hospitalization

- 1 - first day of illness
- 26 - for a total of 26 weeks (1,040 hours)

Disability periods involving hospitalization at any time during the absence shall be paid from the first day and shall not impact the following year's eligibility for 1.1.1.26.

An employee who is eligible for 1.1.1.26 benefits shall revert to 1.1.3.26 benefits in the year of their entitlement if they have had the equivalent of three shifts or more of absence due to non-compensable illness or injury.

New Claim

A new claim shall occur when an employee has returned to regular employment for a period of 120 calendar days should the subsequent absence be as a result of a continuation of the same disability.

Ongoing Treatment

When the original injury or illness results in ongoing physiotherapy, radiation treatment, chemotherapy, dialysis (or other similar ongoing treatments) being prescribed by a physician, the employee shall be paid as though hospitalized, providing that all appropriate waiting periods have been fulfilled.

Hospitalization

When an employee is admitted to a hospital overnight or when he has undergone general anesthesia and requires monitoring by medical personnel during the period of recovery in the hospital or clinic, he shall be deemed to have been hospitalized.

Employee Goes Home Due to Illness

Where an employee goes home with permission due to illness, any time missed shall be considered as sick leave

and shall be administered under the Income Protection Program.

Emergency Dental Treatment

Where an employee is unable to work due to the need for emergency dental treatment, or where the affects of such treatment prevents the employee from working, the time required away from the job shall be considered as sick leave and shall be administered under the Income Protection Program.

Workers' Compensation

If an employee is eligible to receive compensation from the Workers' Compensation Board due to an occupational illness or accident, the employee shall be paid directly by Line Creek Mine through the Income Protection Program, and the W.C.B. benefit shall be paid directly to the Company. Where the level of benefit from W.C.B. is greater than the income protection benefit, the Company shall pay the difference to the employee.

b) Long Term Disability

After the 26 week (1,040 hours) qualifying period, this plan provides a benefit of 2/3 of basic earnings to a maximum benefit of \$5,000.00 per month if the employee is totally disabled. Benefits will continue if the employee is unable to perform any reasonable occupation for which they are qualified by education, training or experience.

The employee must be under the continuous care of a legally qualified physician to be eligible for benefits.

Long-term disability benefits cease when you recover, reach age 65, or become deceased, whichever occurs first.

The L.T.D. benefit is reduced by:

- C.P.P. disability benefits

- W.C.B. wage loss benefits
- C.P.P. dependent children disability benefits
- Income from employment or any other group insurance or pension plan.

c) **Rehabilitation**

Employees receiving income protection benefits who are identified as being possible long-term disability candidates, shall be reviewed for application of the rehabilitation program. Following consultation with the employee by the Insurance Company, and through discussions with Line Creek Mine and the insuring agent, a re-training program may be developed dependent upon the employee's age and extent of disability. The Company will include the Union in these discussions where applicable.

The period of retraining is determined by previous education, experience and attained skills, and is intended to provide the employee with sufficient training to resume or attain employment.

d) **Return To Work**

Except as provided for in Article 8.05, and subject to any working restrictions, should an employee who was absent on either Worker's Compensation or Long Term Disability return to work, he shall return to the last classification he held prior to the commencement of his absence.

e) **Medical Assessment**

In addition to the requirements of any Insurance Company and the Workers Compensation Board, and following consultation with the Union, the Company may send an employee to a medical specialist and/or an assessment facility of it's choice when it determines the employee is not responding to and/or receiving the appropriate medical attention in a timely fashion.

13.09 Survivor Benefits

a) Life Insurance

1. **Basic** - coverage is provided by the Company for a benefit of 1 1/2 times basic annual earnings, rounded to the next higher \$1,000.00 if not already a multiple of \$1,000.00.

Maximum coverage without medical evidence is \$200,000.00, and with medical evidence is \$400,000.00.

2. **Voluntary** - coverage is optional to the employee at 1 or 2 times basic annual earnings. The premiums are paid by the employee and are based upon age. Medical evidence of insurability is required and must be approved by the Insurance Company.

Maximum coverage is \$200,000.00.

b) Accidental Death & Dismemberment

1. **Basic** - coverage is provided by the Company for a benefit of 1 1/2 times basic annual earnings, rounded to the next higher \$1,000.00 if not already a multiple of \$1,000.00.

2. **Voluntary** - coverage is optional to the employee at 1 or 2 times basic annual earnings. The premiums are paid for by the employee, based upon the amount of coverage selected. Family coverage is available as follows:

- Spouse only; 50% of employee coverage.
- Spouse and children; coverage includes 40% for spouse and 5% for each dependent child.
- Children only; 15% of employee coverage.

Benefits are payable for accidental loss of life, limbs, speech, hearing or sight. Loss includes “loss of use”, if such loss is permanent, total and irrecoverable.

Maximum coverage for both Basic and Voluntary AD & D combined is \$600,000.00.

Coverage for both Life Insurance and Accidental Death & Dismemberment benefits ceases at the earlier of retirement, age 65, or termination of employment. Life insurance is extended 31 days following termination of employment during which time the employee may convert to an individual policy.

13.10 Employee Savings Plan

This is an optional benefit plan which the employee may join upon employment or upon the first of any subsequent month. The employee contributes 4% of basic earnings (through 24 payroll deductions).

Contributions may be directed to a Non-registered and/or Registered (RRSP) Account. Within each account, employees may choose to invest in a Savings, Equity and/or Income fund, and Guaranteed Income Certificates (GIC). Twice per calendar year, the employee can withdraw funds (which includes transfers to outside RRSP accounts), and change tax and/or investment options. If these transactions occur more than twice per calendar year, then an automatic six month suspension is applied.

An employee may elect to contribute, through payroll deduction, up to an additional 10% of basic earnings. Such contributions would be administered as part of the original 4% in terms of investment income and allowable transactions.

13.11 a) Employee Pension Plan

Employees must join the pension plan immediately upon employment. The Company contributes all funds required

in order to provide pensions in accordance with the plan formula.

The monthly pension received from the Line Creek Mine during retirement depends upon:

- Pensionable Service - years and months of accredited service.
- Final Average Earnings - average of the highest consecutive 60 calendar months basic earnings while a member of the plan.

The pension formula is:

$$\begin{aligned} & 1 \frac{3}{4}\% \times \text{Final Average Earnings} \times \text{Pensionable Service} \\ & \text{less} \\ & \underline{1/2 \text{ CPP benefit} \times \text{years of Pensionable Service}} = \text{Pension Benefit} \\ & 35 \end{aligned}$$

Normal retirement is at age 65. The Company pension is paid monthly for the rest of the employee's life. Should the employee become deceased before 60 payments are made, the balance of 60 monthly payments would be made to the designated beneficiary. Optional forms of pension benefits are available.

Early retirement is available after 10 years of service, where age plus years of service total at least 75. Unreduced early retirement is available where age plus years of service total at least 90.

Employees may choose to make contributions to the Voluntary Pension Plan in order to supplement retirement income. The maximum allowable contribution in one calendar year is \$3,500.00 for present year service. During the calendar year of participation in the Voluntary Pension Plan, no form of investment in a RRSP is allowed.

A Pension Benefit is vested after two years of pensionable service. There is no age requirement to the vesting, and the benefit is based on an accredited service date.

Survivor benefits shall be paid in accordance with the provisions of the pension plan and governing legislation. The value of the benefit shall be based upon 60% of the vested accrued pension assuming termination of employment the day prior to death.

- b) The employees have opted to have the employer deduct and contribute a minimum of \$0.55 per hour of their wages to the I.U.O.E. Pension Plan. The \$0.55 per hour contribution to the Pension Plan is reflected in the wage rates, however, it is understood that the wage rates actually paid will be net of the \$0.55 per hour contribution to the Pension Plan. The wage rates shown herein will be used to determine the level of all other benefits and/or provisions employees are currently entitled to.

The contribution to the plan shall be deducted at source by the Company and remitted to the Treasurer of the International Union of Operating Engineers in a manner agreed to by the parties, on or before the 15th day of the month following the month in which covered hours are worked on a monthly basis. The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that shall arise either out of, or by reason of the Company's complying with the contribution to the Union Pension Plan and/or the Union's administration of the plan.

13.12 Educational Assistance Plan

To encourage continuing education, the Company shall pay 75% of the cost of registration fees, tuition fees, examination fees and prescribed texts for any Company approved course the employee successfully completes.

The course or courses must either be directly related to the employee's present or future work with the Company or the improvement of his general education, normally leading to a degree or certificate.

13.13 Physical Fitness Program

To promote the physical well-being of employees, the Company shall contribute 50% of the cost of an employee's membership in an approved physical fitness program. The maximum Company contribution is \$125.00 per calendar year.

13.14 Employee Assistance Program

The Employee Assistance Program is designed to assist employees and family members listed as dependents in the Company benefit plan who are affected by alcohol/drug abuse, family, marital, emotional, legal and financial problems. Coverage varies according to the problem identified. Individual participation in the program shall be treated confidentially with all records held in confidence.

For further information contact the Health and Welfare Chairman, or the Human Resources Department.

13.15 General Holidays/Floaters

The Company observes the following ten general holidays each year:

- Labour Day
- New Year's Day
- Canada Day
- Victoria Day
- Thanksgiving Day
- Boxing Day
- Good Friday
- Remembrance Day
- Christmas Day
- Civic Holiday (B.C. Day)

All overtime worked on a general holiday shall be paid as described in Article 15 - Overtime.

When work is required on a general holiday and the staffing needs are not achieved voluntarily, including the offering of overtime, the Company may assign the most junior qualified employees from the crew normally scheduled to work.

Employees laid off in accordance with Article 24.04 shall be paid, as described above, for all holidays falling within the layoff period.

In addition, two floater holidays are provided each calendar year to be scheduled on an individual basis by mutual agreement between the employee and his Supervisor. Employees unable to use either or both of their floaters because of absence due to illness/injury of at least 22 weeks in duration in one calendar year, shall have their floaters paid out. Employees who do not work any time in a calendar year shall not be eligible for a floater payout.

The following pay shall apply to general holidays:

Twelve (12) Hour Shift Schedule:

- When a general holiday falls on an employee's scheduled day off, the employee shall be paid 8 hours at his hourly rate for the holiday.
- When a general holiday falls on an employee's scheduled workday and the employee does not work, the employee shall be paid 12 hours at his hourly rate.
- When the employee works a general holiday, he shall receive 12 hours pay at his regular rate, and in addition, shall be paid one and one-half times his hourly rate for all hours worked in accordance with his regular work schedule.

Forty (40) Hour Per Week Schedule:

- When a general holiday falls on a Saturday or Sunday, another day shall be observed in lieu. When a general

holiday falls within the work week, the holiday shall be observed on the day it occurs. Employees shall have the day off unless scheduled to work in accordance with this Article.

- When a general holiday falls on an employee's scheduled workday and the employee does not work, the employee shall be paid eight or 12 hours at his hourly rate in accordance with his regular work schedule.
- When the employee works a general holiday, he shall receive eight or 12 hours at his regular rate, and in addition shall be paid one and one-half times his hourly rate for all hours worked in accordance with his regular work schedule.

Christmas - New Year's Holidays:

With reference to the observance of the Christmas and New Year's holidays the commencement of the shutdown period shall be as follows:

Christmas - No later than 4:05 p.m., December 24th to 7:45 a.m., December 27th.

New Year's - No later than 4:05 p.m., December 31st to 7:45 a.m., January 2nd.

13.16 Vacation

- a) Vacation entitlement is based on length of accredited service.

LENGTH OF SERVICE	VACATION TIME	VACATION PAY
After 6 months but less than one year	Pro-rated from 1 st year's entitlement	
One year but less than five years	120 hours	6%

LENGTH OF SERVICE	VACATION TIME	VACATION PAY
Five years but less than eight years	168 hours	8%
Eight years but less than eleven years	180 hours	8%
Eleven years but less than eighteen	204 hours	10%
Eighteen years or more	240 hours	10%

- b) When a general holiday, as set out in Article 13.15, occurs during an employee's vacation period, he shall be entitled to one extra vacation day.
- c) Regular vacation must be scheduled to be taken as time off during the year of its entitlement, except in special circumstances, a portion of that year's entitlement may be deferred, provided approval is obtained in accordance with Company policy.
- d) Upon application, an employee shall receive his vacation pay with his regular pay that immediately precedes the commencement of his vacation.
- e) 1. Any portion of earned vacation in excess of 168 hours, may be taken as pay in lieu of time off upon application by the employee.
2. An employee may request in writing to take any portion of earned vacation in excess of 96 hours, in pay in lieu of time off.
- f) With reference to employees on a 12 hour work schedule, where an employee's vacation entitlement would require him to return to work in the middle of a work schedule, the employee may request a leave of absence without pay and/or a floating holiday for the remainder of that week's schedule. In such cases, employees requesting leave of

absence and/or a floating holiday to bridge vacation entitlement to regular days off shall receive first preference over the other leave of absence requests for the same period, provided such requests are received well in advance of the vacation period and would not result in the cancellation of another employee's leave of absence which had been previously approved.

- g) Vacation requests must be submitted on the appropriate form prior to March 15th and responded to in writing by April 1st. A crew vacation list shall be posted in the respective department bulletin boards, listing the vacation booked with standby employees listed. This list shall be updated promptly by the foreman as needed.

The vacation requests shall be scheduled on the basis of Company seniority and skills requirements.

All vacation during June, July and August must be scheduled in full sets.

Except for vacations scheduled above, requests for vacation, banked time and floaters shall be considered on a first-come, first-serve basis.

An employee shall be granted unscheduled vacation, floaters or banked time on a first-come, first-serve basis providing the granting of such time does not exceed the vacation quota and at least 48 hours prior notice has been received. Such requests may be granted with less notice, however effective manpower levels shall be considered.

- h) **Vacation Pay Adjustment**

A vacation adjustment shall be paid on or before February 28th to all active full-time employees as of the last pay period ending date of the previous year, calculated as follows:

$(\text{Gross Earnings} \times \text{Vacation Pay \%}) - (\text{Annual Entitlement} \times \text{Rate of Pay}) = \text{Vacation Pay Adjustment}$

Gross Earnings = Gross earnings as reported on the employee's T4 less:

- Taxable Allowances
- Previous year vacation pay adjustment
- Vacation Pay % = as defined in Article 13.16.
- Annual Entitlement = as defined in Article 13.16.

Rate of Pay = Employee's hourly rate as of the last pay period at year end or the termination date.

For employees who commenced employment during the year, the vacation pay adjustment shall be prorated based on the number of calendar days in the Company's employ.

Upon termination, all outstanding vacation entitlement will be paid out and a further vacation pay adjustment will be made to adjust for the period from the employee's accredited service date and their termination date.

i) **Cancellation of Scheduled Vacation**

An employee may only cancel approved vacation by providing written notice to his immediate Supervisor of his intention to do so prior to the first day shift of the previous cycle. Cancellation of scheduled vacation shall not impose additional cost to the Company.

13.17 Benefit Coverage During Layoff

Benefit coverage shall be provided, at the employee's option, for employees laid off for more than 32 calendar days during the term of the Collective Agreement, subject to the following provisions:

- a) Benefits covered:
 - 1. Provincial Health Care
 - 2. Extended Health Care
 - 3. Basic Life Insurance
 - 4. Basic AD & D Insurance
- b) Benefit coverage shall be for a period up to one year from the date of layoff.
- c) The employee must decide on this coverage at the time of layoff, and may cancel his participation at any time during the one year period. Once an employee cancels his coverage he shall not be eligible for further benefit coverage until he is recalled.

Benefit coverage shall terminate under this Agreement if the employee is recalled or is paid severance pay during the one year period.

- d) Premiums for the benefits shall be paid by the Company and subsequently deducted from the employee's severance allowance, as provided in Article 24.13, if paid out, or from future earnings if the employee is recalled.

ARTICLE 14 - HOURS OF WORK

14.01 The following provisions are established for payroll calculation purposes only, and shall not be construed as a representation or guarantee by the Company of any time or period of work or employment.

14.02 The following are recognized shift schedules at the Line Creek Mine:

- a) 1. (5X2) days work schedule: Monday to Friday, consisting of 40 hours a week.

2. (4X3) days work schedule: Monday to Friday, consisting of 40 hours a week in one of the following formats:

- Monday through Thursday (12-8-12-8)
- Tuesday through Friday (12-8-12-8)
- Tuesday through Friday (8-12-12-8)

3. 12 hour shift (average of 42 hours a week):

- (4X3) days (3X4) nights
- (4X4) days
- (4X4) 2 days and 2 nights

4. 12 hour shift (average of 40 hours a week)

- (5x2x3) days and nights

b) For those working a 40 hour week schedule, the normal day shall be eight or 12 consecutive hours of work at the employee's designated working place in any consecutive 24 hour period, except at regular shift rotation time or shift change.

c) For those on a (4X4) or (5x2x3) work schedule, the normal day shall be 12 consecutive hours of work at the employee's designated work place.

14.03 A day shall be the 24 hour period commencing with the start of the employee's regular scheduled shift. A week shall be the seven day period between 8:00 a.m. Monday and 8:00 a.m. on the succeeding Monday.

14.04 The Company may, from time to time, initiate, maintain or discontinue continuous or semi-continuous work schedules.

14.05 Prior to the introduction of a work schedule, which is not a recognized shift schedule, the Company will meet with the Union to explain the new schedule, discuss and consider alternatives in order to resolve any concerns which may arise

with the new schedule. Failing resolution, the Company retains the right to introduce new work schedules.

14.06 The Company may wish at some future time to introduce compressed or modified work week schedules subject to the applicable statutes and regulations of the Province of British Columbia. The Union and the Company shall jointly apply for approval of such schedules where approval is required under the provisions of any relevant statute or regulation, and where a vote is required, the schedule has received the support of the majority of the employees affected.

14.07 a) For eight hour shifts, an employee shall commence his shift at the designated starting time and working place and shall cease at the designated stopping time and place. The employee shall be provided with a paid lunch period of 20 minutes at the employee's designated lunch place between the third and fifth hours of the shift and two paid rest breaks of 15 minutes between the second and third, and sixth and seventh hours of the shift.

b) For 12 hour shifts, an employee shall commence his shift at the designated starting time and working place and shall cease at the designated stopping time and place. The employee shall be provided with three paid lunch/rest periods of 20 minutes each at the employee's designated lunch place between 11:00-1:00, 1:00-3:00, and 4:00-6:00.

c) HOT CHANGE

The Company and the Union agree to a Hot Change for all employees.

The following start and stop times will be utilized by all departments:

SHIFT	START TIME	STOP TIME
8 Hour	7:45	4:05
12 Hour	7:45	8:05

Employees shall make themselves available to receive work instructions and must report to their designated place of work prior to the start of their shift.

An employee shall not leave his place of work at the end of shift until their replacement has reported to work or as instructed by the supervisor.

Employees will be paid a premium of \$9.00 for each complete shift worked.

14.08 Supervisors shall allow maintenance employee's time prior to quitting time for putting away tools.

14.09 Where an employee reports for work as scheduled and is sent home due to no work being available, he shall be paid as follows:

- a) If the employee is sent home prior to one-half of a shift being completed, he shall be paid one-half of his scheduled shift at his applicable hourly rate.
- b) Where the employee is sent home after completing one-half of a shift, he shall be paid for hours actually worked.

14.10 The parties agree that the following absences shall result in no pay being processed:

- Union leave without pay.
- Layoff.
- Special leave without pay.
- Emergency shutdown (Article 24.06).
- Absence without leave (AWOL).
- Personal leave (where granted without pay).
- Legal strike.
- Any time not worked which is not otherwise provided for within this Agreement.

14.11 Employees may bank time from General Holidays and/or overtime to a maximum of 96 hours in a 12 month period.

- a) Overtime: Bank the hours worked and be paid the premiums.
- b) General Holiday: Bank the applicable holiday hours and be paid for applicable premiums for those General Holidays.
- c) Banked time shall be earned on a June 1 to May 31 year basis and may be taken in time off or as a cash payout during the 12 month period in which it was earned or it shall be paid out on or near May 31st.
- d) The scheduling of banked time off shall not interfere with vacation scheduled in accordance with Article 13.16(g).

ARTICLE 15 – OVERTIME

15.01 Overtime work shall be on a voluntary basis and it is mutually agreed that overtime opportunity shall be distributed as equitably as possible among the employees in the classification who regularly perform the work. The overtime distribution procedures established between the Company and the Union shall be followed. Disputes arising out of the administration of the provisions of these procedures shall be subject to the Settlement of Differences, Article 20.

15.02 Remedy for Improper Overtime Assignment

Where an allegation of abuse is substantiated through the Settlement of Differences procedures, the employee shall be able to make up the lost overtime hours at any time convenient to the employee during the following month.

The exception to the above is when the mine is not in operation.

15.03 Overtime is time worked in excess of an employee's regular scheduled shift or time worked outside of a recognized shift schedule, as described in Article 14 (Hours of Work).

15.04 Premiums or penalties shall not be paid on hours where overtime is paid.

15.05 a) An employee who works two hours or more before the start of or beyond the end of his regular shift will be provided with a hot meal. Where the overtime is anticipated to extend beyond two hours the hot meal will be made available as soon as practical after the end of the regular shift.

b) An employee who works on a scheduled day of rest shall be treated as follows:

1. Where prior notification is given he shall be expected to provide his own lunch(es).

2. Where prior notification is not given he shall be provided with the appropriate lunch(es) and breaks.

3. Notification shall be given at least 12 hours prior to the start of overtime.

c) An additional lunch shall be provided for the employee for each additional four hours of continuous overtime worked.

d) All employees shall be provided with the following option for one of the first two overtime meals as outlined above. The choice must be made by those working together on a particular job as a group and all involved must abide by the selection of:

1. A hot meal, or

2. Continue the job without the meal break and receive one additional one half hour pay at the applicable overtime rate.

The choice of (2) does not exclude the opportunity for appropriate rest breaks during overtime period.

- 15.06** Where an employee is required to report for work prior to his scheduled starting time, in order to perform overtime work, and where the employee has received notice of the requirement prior to the end of his preceding shift, overtime premiums only shall apply to such work. Where the employee does not receive the required prior notification, the pre-shift work shall be treated as a call-out.
- 15.07** Where an employee reports for work prior to the beginning of his regularly scheduled shift and where agreement is reached with his Supervisor, an employee may report off shift after working the normal number of hours in his regularly scheduled shift. Overtime would apply on hours worked outside the normal shift.
- 15.08** With regard to the eight and twelve hour shift schedules, the following shall apply in the event that an employee commences work more than four hours prior to the start of his regular shift without receiving eight hours prior notice:
- a) Should the employee be unable to complete the equivalent number of hours as his regularly scheduled shift due to fatigue resulting from lack of rest or having worked the maximum allowable hours, an employee may report off shift. His pay shall be maintained for the equivalent number of hours of his regular shift and all hours worked outside the regular shift shall be paid at the applicable overtime rates.
 - b) Should the employee complete the equivalent number of hours of his regular shift but be unable to complete the balance of his regular shift due to fatigue, he may report off shift and will have his pay maintained for the hours remaining in his regular shift.

15.09 Eight Hour Shift Schedule

The overtime rate(s) for work performed in excess of an employee's regular scheduled shift on a daily basis shall be as follows:

- a) one and one-half times the base rate for the first two hours of overtime work performed;
- b) two times the base rate for any overtime work performed in excess of the first two hours.

15.10 The overtime rate(s) for work performed on an employee's day(s) of rest shall be as follows:

- a) one and one-half times the base rate for all overtime hours worked up to the accumulation of eight overtime hours worked in the work week;
- b) two times the base rate for all overtime hours worked after the accumulation of eight overtime hours worked in the work week.

15.11 If an employee is called out to work he shall receive a minimum of four hours at the applicable overtime rate.

15.12 Twelve (12) Hour Shift Schedule

The 12 hour shift schedule shall result in an average of 42 hours per week over an eight week cycle. An employee working on such a schedule shall be paid overtime at the rate of one and one-half times the base rate for the last two hours of his scheduled shift in the week.

Any unpaid absences during the week shall result in a prorated loss of the overtime payment set out above. [ie., One day's absence shall result in a half-hour loss of overtime].

15.13 Two times the base rate shall be paid for all hours worked in excess of 12 hours in the workday.

15.14 When an employee works on scheduled rest days within a work cycle, he will be paid the first six hours at one and one-half times the base rate; additional hours worked in the same rest cycle will be paid at two times the base rate.

15.15 If an employee is called out to work, he shall receive a minimum of six hours at the applicable overtime rate.

ARTICLE 16 SHIFT DIFFERENTIALS AND PREMIUM PAY

16.01 a) For the purpose of the eight hour shift, shift starting times shall be defined as follows:

Dayshift	-	7:00 a.m. to 8:00 a.m.
Afternoon Shift	-	3:00 p.m. to 4:00 p.m.
Nightshift	-	11:00 p.m. to 12:00 a.m.

b) For purposes of the 12 hour shift, shift starting times shall be defined as follows:

Dayshift	-	7:00 a.m. to 8:00 a.m.
Nightshift	-	7:00 p.m. to 8:00 p.m.

c) However, other starting times may be established subject to the mutual agreement of the Company, the Union and the majority of the employees affected.

16.02 An employee working other than dayshift shall be paid the following differential in addition to his regular base rate:

a) For the eight hour shift:

Afternoon Shift	-	\$4.80 per shift
Nightshift	-	\$6.80 per shift

b) For the twelve hour shift:

Nightshift	-	\$11.60 per shift
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Shift differential rates shall not apply where overtime or other premium pay is being paid (excluding Saturday/Sunday premium).

16.03 An employee working on regular scheduled shifts, which include Saturday and Sunday shall be paid the following weekend premium for each Saturday and Sunday worked in addition to his regular base rate.

a) For the eight hour shift: \$16.00 per shift

b) For the twelve hour shift: \$24.00 per shift

16.04 For purposes of this article, Saturday and Sunday shall be defined as the 48 hour period commencing 8:00 a.m. Saturday and ending at 8:00 a.m. Monday.

16.05 Change of Shift

a) When it is necessary for the Company to change an employee's shift, the employee shall be given 40 hours notice prior to the commencement of his previous regularly scheduled shift. In the event that the 40 hours notice is not given the employee shall be given two times his basic rate for all hours worked on the first shift of the change.

b) Where a change of shift results in an employee working a schedule which is not a recognized schedule, the applicable overtime rate shall be paid for the shifts that are different than the recognized schedule.

16.06 Change of Schedule

a) When a change to an employee's work schedule takes place, the effective date of the new schedule will commence after the employee's previously scheduled days of rest. Where the employee works his scheduled day of rest, the applicable overtime rates will apply.

- b) The new schedule can commence on a day of work or a day of rest. Therefore, the new schedule may result in additional day(s) of rest and, accordingly, a reduction of earnings when compared to the previous schedule. In such cases, the employee will be provided with options as to how the transition to the new schedule can take place, with the opportunity to maintain his earnings as close as possible to his original schedule within the appropriate operating payroll period.

ARTICLE 17 LEAVE OF ABSENCE

17.01 Employees may request an extended leave of absence for special purposes and personal leave for urgent and unavoidable personal reasons.

Employees are required to schedule arrangements for dealing with personal business outside of working hours. However, the Company recognizes that certain situations may arise which deserve consideration for granting a leave of absence.

Bearing in mind the reason for the leave, its length, the employee's shift schedule, and the operational impact on the Company, management may grant the employee a leave of absence. Such leave shall not be unreasonably denied.

a) Approval Process

Requests for leave must be made in writing to the immediate Supervisor as far in advance as possible and a reply received in writing within four working days of the request being made.

In the event of an emergency, the employee must contact his Supervisor prior to the commencement of the absence in order to request verbal approval. It is understood that receipt of such prior notification does not constitute approval of the absence.

b) Payment

Except as otherwise provided for in this Agreement, all leaves of absence shall be without pay.

Employees must utilize any remaining floaters or banked time prior to being granted a leave of absence without pay in accordance with Article 17.07(b).

17.02 Union Leave

Employees who have been selected or elected by the Union to attend Union functions shall be granted a leave of absence without pay for this purpose provided the Company's work requirements shall allow for such leave. The request for such leave must be made by the employee and confirmed by the Union as far in advance as possible prior to the date the leave is to commence. Normally no more than four employees [maximum of two employees from any one department] may take such leave at one time and the leave shall not exceed 14 calendar days.

17.03 The Company shall consider an application for extended leave of absence without pay for Union business subject to the following conditions:

- a) Application for such leave must be submitted by the Union on the employee's behalf at least three weeks in advance of the date the leave is to commence.
- b) The leave, if granted, shall be for a maximum period of one year.
- c) Only one employee at a time shall be granted such leave.

17.04 Bereavement Leave

In the case of a death in the immediate family of an employee, upon application to his immediate supervisor, an employee shall be granted a leave of absence of two days with pay.

Where the employee attends the funeral or must attend to arrangements concerning the death and requires time away from work to do so, an additional leave of absence of up to three days with pay shall be granted.

Immediate family of the employee shall mean spouse (including common-law), mother, father, son, daughter, sister, brother, mother-in-law, father-in-law, grandmother, grandfather, grandfather-in-law, grandmother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandchildren and step parents.

17.05 Birth/Adoption of a Child

One day's leave of absence with pay shall be granted for the birth or adoption of a child where such birth or adoption occurs on an employee's scheduled day of work.

17.06 Jury Duty

An employee called for jury duty, or as a subpoenaed witness in a criminal proceeding before the court, shall be paid each day of jury service or subpoenaed witness on which he was scheduled to work the difference between his regular pay and the payment he received for jury service. The employee shall present proof of service and of the amount of pay received therefore.

17.07 Personal Leave

a) **Personal Leave With Pay** may be granted for the following situations:

1. Reasonable time off required to attend a scheduled medical appointment which could not be arranged for an alternate time when the employee was not scheduled to work.
2. Reasonable time off required for an initial visit to a specialist for consultation and diagnosis.

b) **Personal Leave Without Pay** may be granted for an employee to attend important appointments. Some examples of situations which would be considered are:

1. Legal appointments (other than Jury Duty).
2. Financial appointments.
3. Counselling (other than E.A.P.).
4. To attend a funeral or to attend to arrangements concerning a death (other than as provided under Bereavement Leave).
5. Changing residence (dependent on work schedule and timing of move).
6. Bridging for annual vacation.

c) **Compassionate Leave With Pay**

In the event of serious illness, critical accident, sudden critical family matters in the immediate family requiring the employee's immediate presence, up to two days leave shall be granted providing the employee is regularly scheduled to work at the time of the incident.

17.08 Shift Exchanges

If an employee requires time off for reason, and it cannot otherwise be provided for, the employee may request to exchange a shift(s) with another employee providing they have reciprocal skills. Employees performing the same functions on their respective crews will be assigned to that function on the exchange crew subject to other applicable provisions of the agreement. Shift exchanges may be granted when an employee has no banked time or floaters remaining or approval of such time has been denied.

Such requests must be submitted in writing to the General Foreman as far in advance as possible and a reply received within eight calendar days. The request shall be on the appropriate form signed by the employees concerned and the specific dates involved. There shall be no additional cost to the Company as a result of employees exchanging shifts.

ARTICLE 18 UNION SECURITY

- 18.01** All employees covered by this Agreement shall become members of the Union and shall remain members during the term of the Agreement.
- 18.02** Each new employee shall make application to the Union and tender, or by assignment tender, the appropriate fees and/or assessments. The Company shall require all new employees to sign a Union application card and check-off card upon hiring on with the Company.
- 18.03** The Company shall honour a written assignment of wages by an employee to the Union on the applicable form available from the Union.
- 18.04** Notwithstanding any provisions contained in Article 18.02, there shall be no financial responsibility on the part of the Company for dues of an employee unless there are sufficient unpaid wages of that employee in the Company's hands.
- 18.05** The Company shall remit the dues deducted to the Union at least once each month on or before the 10th day of the month following the month in which such deductions were made, together with a list of employees from whom such sums have been deducted and the amount of each deduction, including the Social Insurance Numbers and occupation of employees.
- 18.06** The said deductions shall commence with the calendar month in which the employee receives his first pay cheque from the Company, except where the employee has been hired in the

last half of the month, deductions shall then commence in the following month.

- 18.07** The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other form of liability that should arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any provision of this Article.

ARTICLE 19 UNION ACTIVITY

- 19.01** It is the parties' desire to establish and maintain excellent labour relations in the work place. To this end, the Union and the Company shall jointly acquaint new employees with the Collective Agreement. The Company shall provide sufficient time during the employee's orientation for a Union representative to discuss matters specific to the Union. Further, the Company shall introduce all new employees to the Steward on the crew to which they are assigned.
- 19.02** The Company recognizes that it is necessary that certain Union activities, as expressly provided for in this Agreement, be conducted on Company time.
- 19.03** Upon receiving permission from his Supervisor, a Steward or Safety Representative may leave his work area or duties to attend to Union business or affairs. Such permission shall not be unreasonably withheld.
- 19.04** The Union shall notify the Company, in writing, of the names of those who have been elected or appointed Stewards. The Company shall recognize them when so notified. The Company shall recognize one Steward and one Safety Representative for each crew in each of the following areas:
- Plant Operations
 - Mine Operations
 - Mine Maintenance

In addition, the Union shall elect or appoint and the Company shall recognize one Steward and one Safety Representative in each of the following areas:

- Warehouse
- Plant Maintenance (dayshift)

Where the Parties can agree that a specific need exists, an additional Steward and Safety Representative shall be elected or appointed and recognized for the area identified.

19.05 Upon receiving permission from the Company, Member Representatives shall be permitted to enter the Company's operations to carry out their duties as provided for in this Agreement. The Union agrees that such activities shall not result in any disruption of the Company's operations or affairs and employees shall not neglect their work duties and responsibilities.

19.06 The Company shall provide bulletin boards on the Company's property for joint use in posting notices.

ARTICLE 20 - SETTLEMENT OF DIFFERENCES

20.01 The parties recognize that when dealt with constructively, differences can be a source of creativity. Employees are encouraged to surface any differences, so that problems can be clearly understood and promptly resolved. It is preferable that such problems be discussed and resolved between the employee and his immediate supervisor in order that an open and trusting relationship be maintained. Both parties agree to work toward this end.

20.02 Stage I

Where a difference arises between the Company and any employee, or any group of employees regarding the interpretation, application or alleged violation of the provisions of this Collective Agreement, or a question as to whether any

matter is arbitrable, an earnest effort shall be made to settle the difference at the earliest possible stage.

At the first practical opportunity from the time the difference arose, the employee concerned, with a Steward, shall initiate discussions with the immediate Supervisor.

20.03 Stage II

Failing a satisfactory solution as a result of discussions at Stage I the employee, with his Steward, may within thirty (30) calendar days from when the alleged grievance arose, or within thirty (30) calendar days from the time the employee should reasonably have known of the occurrence giving rise to the grievance, state the difference in writing, describing the event giving rise to the grievance and specifying the article or articles which are alleged to have been violated, date and sign it, obtain the appropriate grievance number and deliver to the immediate Supervisor who shall deliver it to the Department Head or his designate. The Department Head or his designate along with member(s) of the supervisory staff concerned and a representative of the Employee Relations Department shall within ten (10) working days of receipt of such notification meet with the employee and the Union to discuss the grievance. The Department Head or his designate shall give his decision in writing within five (5) working days of the Stage II meeting. For purposes of this stage, the "Union" shall mean up to three employee members of the Union, one of whom shall be the Chief Shop Steward or designate.

20.04 Stage III

Failing a satisfactory solution at Stage II, the Union may, within five (5) working days of the Company response at Stage II, give written notice that the grievance is advanced to the General Manager. The General Manager or his designate along with the supervisory staff concerned and a representative of the Employee Relations Department, shall within ten (10) working days of receipt of such notification meet with the employee and the Union to discuss the grievance.

The General Manager or his designate shall give his decision in writing within five (5) working days of the Stage III meeting. For purposes of this stage, the "Union" shall mean up to four members of the Union, including the Member Representative or designate.

20.05 Stage IV

Failing a satisfactory settlement at Stage III, either party may within thirty (30) calendar days from the Stage III answer, by written notice to the other party, refer the grievance to arbitration.

20.06 Time Limits

A grievance shall be deemed to be abandoned and all rights of recourse ended, unless:

- i) The grievance is submitted under Stage 2 within thirty (30) calendar days after the occurrence of the act, the decision giving rise to the act, or from the time an employee should reasonably have known of such an act;
- ii) The grievance is advanced to Stage 3 within five (5) working days after a decision was made or should have been made;
- iii) The grievance is referred to arbitration within thirty (30) calendar days of the Stage III answer.

Time limits may be extended by mutual agreement in writing between the parties.

20.07 Differences related to policy or Union differences shall be presented in writing at Stage III of this procedure. Such differences shall be submitted only by the Chief Steward or Member Representative.

20.08 Differences filed by the Company shall be submitted in writing to the Union at Stage III of this procedure. The same time

limits and obligations that apply to the Union under this Article shall apply to the Company and vice versa.

- 20.09** Arrangement for all meetings at Stage II and beyond shall be coordinated by the Employee Relations Department. Wherever practicable, such meetings shall be held during normal working hours.
- 20.10** Differences involving the discharge of an employee may be submitted directly to Stage III of this procedure.
- 20.11** For the purposes of this article, "working days" means Monday to Friday excluding General Holidays.

ARTICLE 21 ARBITRATION

- 21.01** Where parties have made every effort to resolve a difference concerning the interpretation, application or alleged violation of this Agreement, and have exhausted the procedure outlined in Article 20, without reaching a settlement, either party may refer the difference to Arbitration.
- 21.02** Wherever, pursuant to the provisions of this Agreement, a reference to arbitration is invoked, the parties shall endeavour to agree upon an impartial single arbitrator. In the event that the parties fail to agree upon a single arbitrator within ten days from the date of reference to arbitration, the parties shall, within a further ten days, each appoint one person who shall be a member of the Arbitration Board.
- 21.03** The two appointees shall, within five days, endeavour to agree upon an impartial third member who shall be Chairman of the Board. In the event that the two members fail to agree upon a Chairman, the Chairman shall be appointed by the Minister of Labour of the Province of British Columbia.
- 21.04** The Arbitration Board shall, within 15 days of the naming of the Chairman, hear the parties to the difference and give its

decision. The 15 day period may be enlarged or abridged by mutual consent of the parties to the arbitration.

- 21.05** The Arbitration Board shall have jurisdiction and authority to interpret and apply the provisions of this Agreement insofar as it may be necessary to the determination of a difference referred to arbitration, but shall not have the jurisdiction nor the authority to alter, amend, add to or delete from any part of the provision of this Agreement.
- 21.06** In any arbitration, the written difference shall be presented to the Arbitration Board and the award of the Arbitration Board shall be confined to determining the issues set out therein.
- 21.07** The decision of the Arbitration Board shall be final and binding on the employee(s) concerned and on the parties to this Agreement.
- 21.08** Each party shall bear the expense of its Appointee and the costs of preparation. The expense of the Chairman shall be borne equally by the Union and the Company.
- 21.09** The parties agree that the operation of Section 87 of the Labour Code of British Columbia is excluded.

ARTICLE 22 - SENIORITY

22.01 Probationary Clause

Notwithstanding anything in this Agreement, a permanent employee shall be on probation for forty-five (45) shifts from the date of last permanent hire by the Company. In recognition by the parties that the purpose of a probationary period is for the Company to evaluate new employees, it is agreed that probationary employees are subject to dismissal for a lesser cause. For the purpose of this clause the employment of a probationary employee may be discontinued where the Company in its discretion, determines he is unsuitable or unsatisfactory.

An employee shall not be deemed to have any Company seniority until he has completed his probationary period. Company seniority shall be retroactive to the last permanent hire date.

Temporary employees who become permanent employees with unbroken service shall have a probationary period no longer than forty-five (45) shifts combined.

22.02 The parties recognize that job opportunity and security shall increase in proportion to the length of service in the bargaining unit at the Line Creek Mine.

22.03 For the purpose of this agreement, there shall be one type of seniority:

Company seniority is the length of service an employee has within the bargaining unit at the Line Creek Mine, except as provided for in this Article.

For application of seniority within a department it shall be Company seniority for employees within the department.

22.04 Company seniority of an employee shall be completely lost and the employee shall be terminated from the payroll for any of the following reasons:

- a) Voluntary termination or resignation.
- b) Discharge for just and reasonable cause.
- c) Recalled to work following a layoff and fails to comply with the provisions of Article 24.11.
- d) Acceptance of severance payment under Article 24.13.

22.05 Seniority shall be maintained and accumulated during:

- a) Absence due to an occupational illness or accident.

- b) Absence due to non-occupational illness or accident not exceeding two years.
- c) Authorized leave of absence not exceeding 60 calendar days.
- d) Authorized leave of absence as per Article 17.03.
- e) Absence due to layoff by the Company if less than one year.

22.06 Seniority shall be maintained but not accumulated during:

- a) Absence due to non-occupational illness or accident exceeding two years.
- b) Authorized leave of absence exceeding 60 calendar days.
- c) Absence due to a layoff of greater than one year.
- d) With respect to 22.06(c) above, the accumulation of seniority for severance pay purposes (Article 24.13) shall be for a maximum of one year.
- e) The first six (6) months an employee accepts a supervisory or other staff position, after which his seniority shall be completely lost.

22.07 Temporary Employees

- a) The Company may employ temporary employees in the following instances:
 - 1. Vacation relief.
 - 2. Illness, injury, or approved leaves of absence.
 - 3. Projects.

4. Vacancies created when Apprentices are away at school.
 5. Supplement manpower for fluctuating work loads (not to exceed 2% of each department).
 6. Temporary vacancies awaiting permanent placement by regular, full time employees.
- b) All employees on layoff who have the necessary qualifications and/or prerequisites shall be recalled [subject to Article 24.11(a)] before temporary employees are hired.
- c) i) Where the temporary employee has been hired for work of a project nature, qualified employees within the department shall have the opportunity to fill the temporary position providing that any previously approved vacation will not hinder the successful completion of the work. Employees may elect to move their vacation providing that the movement of the vacation does not impact another employee's previously scheduled time off.
- ii) When a temporary employee is to be hired as a tradesman for a period of two cycles or more, permanent employees with the trades certification and relevant experience required, who are not working as tradesmen, and who have notified the Employee Relations Department in writing of their desire to be considered for opportunities of this nature, will be given the opportunity to fill the temporary vacancy, provided they are able to commence employment as a tradesman within 24 hours of the Company's first attempt to contact the employee. Overtime will not be paid to the employee for either the transfer to the new schedule, or the reversion to his previous schedule upon the completion of the temporary assignment, nor will the employee suffer a net loss of hours of work as a result of any such schedule changes. Any hours worked for the purpose of retaining the same net hours

will be worked at straight time and will not be used for the purpose of the calculation of overtime. A temporary employee will be slotted into either the original, or resultant vacancy.

- iii) Work of a project nature will be reviewed with the Union.
- d) Temporary hires that exceed six months will be reviewed by the Parties.
- e) Temporary employees shall not accumulate seniority in the bargaining unit, but shall pay regular monthly union dues and shall become members of the Union and remain so during the term of their employment. Should a temporary employee be retained and hired as a permanent employee, his bargaining unit seniority shall commence on the date of his first shift as a permanent employee.
- f) Provisions of the Collective Agreement other than those restricted by this Article shall apply.
- g) Overtime, change of shift and change of schedules shall be administered as follows:
 - i) For temporary employees assigned to a recognized shift schedule, Articles 15, 16.05 and 16.06 will apply.
 - ii) Assignment to a recognized shift schedule is defined as working at least two complete sets of working days on a recognized shift schedule.
 - iii) For temporary employees not assigned to a recognized shift schedule, Articles 15, 16.05 and 16.06 will not apply. Overtime will be paid for hours in excess of 40 averaged over a three week period. The first six hours in excess of 40 will be paid 1.5 times the base rate, 2.0 times thereafter.

- h) Where circumstances allow, the Union will be provided 48 hours notice prior to a temporary employee commencing work, but in any event, the Union will be notified of the reason for, and anticipated duration of all temporary hires as soon as practicable. The Company shall provide a monthly listing of temporary employees.
- i) Temporary employees shall receive \$0.60 per hour in lieu of benefits.
- j) Following 90 shifts worked a temporary employee shall be given preference for the next available job vacancy for which they have the necessary prerequisites and skills.
- k) Article 13.16 shall not apply to temporary employees. Vacation pay shall be paid on each pay period based upon the employee's length of service pursuant to Article 13.16 a). Temporary employees may defer vacation pay to shutdown periods.
- l) Temporary employees shall not be eligible for floater holidays.
- m) Temporary employee wage rates:

TEMPORARY EMPLOYEE EXPERIENCE	HOURLY RATE
0 – 745 Hours	80% of Job Performed
745-1,100 Hours	90% of Job Performed
1,100 + Hours	100% of Job Performed

Temporary Tradesman will receive the applicable certified trades rate.

22.08 Students

- a) Students shall not accumulate seniority in the bargaining unit. A student shall not be required to pay initiation fees but shall pay regular monthly union dues.

- b) Crew vacation quotas shall be increased by one for every two summer students assigned to each Mine Operations crew when operating Haulage Truck.
- c) Students shall be provided the following benefits on an as needed basis:
 - 1. Basic Life and A.D. & D. insurance (students who are married or have dependents only).
 - 2. Provincial Health/Medical insurance.
 - 3. Extended Health Care.
- d) Students shall be entitled to payment for any statutory holidays which occur during their employment period providing they work their regularly scheduled shift immediately before and after the statutory holiday.
- e) All employees on layoff, who have the necessary qualifications and/or prerequisites, shall be recalled subject to Article 24.11(a) before students are hired.
- f) Student Wage Rates

Rates effective to May 31, 2014.

Student Experience = Number of 4 month terms worked at the Line Creek Mine.

STUDENT EXPERIENCE	HOURLY RATE
1	17.00
2	17.50
3	18.00
4+	18.50

ARTICLE 23 TECHNOLOGICAL CHANGE

- 23.01** a) The Company and the Union agree that technological change is both necessary and desirable for the viability of the Company and the on-going security of its employees.
- b) In recognition of the foregoing, the Company undertakes to reduce the effects of technological change on the job security and earnings of employees who are laid off or demoted as a direct consequence of technological change, as set out below.
- 23.02** For purposes of this Article “technological change” means the automation of equipment or the mechanization or automation of duties which directly results in the layoff or demotion of employees.
- 23.03** The Company shall notify the Union not less than 90 days in advance of its intention to institute technological changes which will affect employees as set out in 23.02. If possible, the notification will set forth the estimated number of employees affected, together with the nature and extent of the change anticipated. Notice or pay in lieu of notice to any employees affected shall be provided as described in Article 24 (Layoff). Planned reduction in manning levels will take place following the proven implementation of technological change.
- 23.04** Following the notice of technological change, and if a significant number of employees are affected, the Company and Union will meet in accordance with Article 54 of the Labour Relations Code. In any event, the parties will review the practicality of re-training affected employees.
- 23.05** a) Where an employee’s job is eliminated as a result of technological change introduced by the Company, the employee shall have the right to exercise his seniority as provided in Article 24.
- b) Employees affected by technological change shall be given the opportunity to post for any new jobs that result from

technological change before any new hires are brought on to the property.

ARTICLE 24 LAYOFF

- 24.01** a) In the event of a planned layoff (except emergency or vacation shutdowns), affecting bargaining unit employees, the Company shall convene a meeting of the Union-Management Committee no less than seven calendar days prior to the expected date of notification of the employees affected.
- b) The purpose of the meetings will be to discuss the extent of the layoff and its impact on Line Creek employees.
- c) Notice, for the purpose of this Article, shall be in writing, either hand delivered or by registered mail to the employee(s) affected.
- 24.02** Employees reduced from their job function shall have the right to displace other employees in accordance with their Company seniority and in compliance with Article 24.05. This shall include the right to displace an employee in a higher job level.
- 24.03** In the case of a reduction in work force, the Company shall consider the requirements and efficiency of operations and those factors described in Article 22 in determining which employee(s) shall be affected.
- 24.04** In the case of any reduction in work force, planned shutdown of the Company's operation or section thereof, resulting in a layoff of employees of less than 33 calendar days, employees on the crews directly affected shall be laid off by Company seniority.
- 24.05** In the case of any reduction in the work force, planned shutdown of the Company's operation or section thereof resulting in a layoff of employees in excess of 32 calendar

days, the Company shall lay off employees based on Company seniority.

An employee affected by a reduction in the workforce shall be allowed to displace an employee in another job function within his own classification, provided he has the necessary prerequisites and/or qualifications to perform the work in the job function and is more senior than the employee in the job function being claimed. For the purposes of this Article, qualified shall mean either the job function was previously held at the Line Creek Mine and the employee is still qualified to the standards set by the department, or the employee is qualified to the standards set by the department for the job function.

An employee who is unable to displace an employee as outlined above may displace a less senior employee in another classification, provided he has the ability to perform the work in the job function being claimed, in one of the following job functions:

Plant Operations up to and including Job Level two
Refuse Truck
Cable Belt Repairman
Mine Operations up to and including Job Level one excluding Rubber Tired Dozer functions
Maintenance Helper
Serviceman
Tireman (less than 2064 hours)
Certified Trade (if previously employed in that trade at Line Creek)
Janitor

In all cases, employees shall receive the rate of the job that they perform.

Should a Certified Trade be affected by layoff, apprentices shall be laid off first in accordance with their achieved skill level (lowest skill first). Apprentices hired outside of the quota referred to in Article 10.01 b) iii) shall be laid off before apprentices hired within the quota.

If an apprentice is scheduled to attend school within six months of being laid off from his trade, the Company will allow the apprentice to attend school as scheduled.

For the purpose of this Article, Plant Operations personnel shall be slotted by Company seniority in accordance with their achieved skills to fill all functions of the Plant with level seven, Control Room Operator being most senior to entry level most junior. Those slotted in level two or one per crew shall be subject to displacement.

24.06 In the event of a temporary emergency shutdown of the Company's operation or section thereof of less than 33 calendar days, employees on the crews directly affected may be temporarily laid off, by Company seniority, irrespective of the other provisions of this Article that apply to layoff and recall. Emergency shutdown shall mean anything other than a planned shutdown. If the shutdown extends in excess of 32 calendar days, the Company shall effect recall or layoff as per Article 24.05.

24.07 The Company may elect to take a vacation shutdown and grant employees their vacations at that time. Notification of summer vacation shutdown periods shall be communicated no later than March 1st, when possible.

1. Any time designated as a vacation shutdown shall be scheduled to coincide with the major school vacation periods.
2. The Company may schedule up to 96 hours of an employee's vacation as a result of vacation shutdowns during the year.
3. In the event that an employee has not used all vacation entitlement prior to the end of the calendar year, the Company may require the employee to schedule any unused vacation during a Christmas shutdown.

4. Employees shall not be permitted to schedule vacation on both ends of a shutdown period if it conflicts with another employee's vacation request.
5. Where the identified Christmas shut down falls within an employees work cycle, it shall not be deemed to be booking both sides by the employees affected.

24.08 Where work is required during a vacation or other shutdown of less than 33 calendar days, the selection of those employees required shall be as follows:

1. Senior qualified employee (Company seniority) normally scheduled shall be offered the work.
2. Assign junior qualified employee (Company seniority) normally scheduled to work.

24.09 If a layoff occurs which results in the displacement of an employee from his classification or in the case of a Certified or Apprentice Tradesman from his trade, he may elect to accept layoff status rather than the reclassification, provided he notifies the Company within 24 hours of his being informed of such reclassification by the Company.

24.10 In the case of a planned layoff, the Company shall provide employees the greater of 16 calendar days notice or the required notice prescribed by the Employment Standards Act. Notice may be working notice, pay in lieu of notice, or some combination thereof.

24.11 Recall

- a) An employee eligible for recall shall be recalled under the following criteria:
 1. All employees on layoff shall be deemed to have bid on all job postings for which they have the necessary prerequisites and/or qualifications.

2. Employees shall be recalled into any classification or trade, dependent on their seniority, and be paid the rate of the job performed.
 3. An employee who refuses a permanent recall to a classification or trade other than in 24.11 a) 4 shall forfeit his seniority and all recall rights.
 4. Employees on layoff from a trade may refuse a recall for work to a classification other than their trade without it adversely affecting their recall rights.
- b) It shall be the responsibility of employees who have been laid off and who wish to be available for recall to keep the Employee Relations Department informed of their current mailing address.
- c) In case of recall, the Company shall notify the employee by registered mail forwarded to the employee's last known address.
- d) When the employee is notified of recall as in c) above, he must indicate his intention to the Company Employee Relations Department within ten (10) calendar days of the date of receipt of notice, and report for work within thirty (30) calendar days of receipt of such notice unless prevented from reporting for a reason acceptable to the Company.

For the purpose of administration it shall be deemed that the mail was received in ten business days from the date of mailing. The Company will be deemed to have fulfilled the requirements of c) above if the notice is hand-delivered to the employee.

- e) Failure to comply with the provisions of c) above or if the registered mail is returned with no known forwarding address, it shall result in termination and removal from the recall list.

- f) New hires shall not be offered employment in a trade or classification until all employees laid off who have the necessary prerequisites and/or qualifications are offered the opportunity for recall.

24.12 Non-permanent Recall

- a) Non-permanent work will not be posted and will be offered to laid off employees based on seniority for which they have the necessary prerequisites and/or qualifications subject to.
 - 1. Employees must notify the Company of their desire to participate in the Non-permanent work pool. Articles 24.11 c) and d) will not apply for the purposes of this article. Employees will be telephoned for available work opportunities. Unavailability will be considered a refused work opportunity.

Employees may declare themselves unavailable for a work assignment but this shall be considered as a refused work opportunity.

A pattern of refused work may result in removal from the Non-permanent work pool. The employee will receive one written warning prior to being removed from the pool.

A senior non-permanent employee who does not have a work assignment and who possesses the necessary prerequisites and/or qualifications, may displace a junior non-permanent employee once the junior employee completes his current work cycle.

- 2. Non-permanent employees must report for work when and as required. Non-permanent work may cease at any time.
- 3. Article 24.05 will not apply to non-permanent employees at the end of their work assignment.

b) Overtime, change of shift and change of schedules shall be administered as follows:

1. For non-permanent employees assigned to a recognized shift schedule, Articles 15, 16.05 and 16.06 will apply.
2. Assignment to a recognized shift schedule is defined as working at least two complete sets of working days on a recognized shift schedule.
3. For non-permanent employees not assigned to a recognized shift schedule, Articles 15, 16.05 and 16.06 will not apply. Overtime will be paid for hours in excess of 40 averaged over a three week period. The first six hours in excess of 40 will be paid at 1.5 times the base rate, 2.0 times thereafter.

c) Pay and benefits for non-permanent employees are as follows:

1. Employees will be paid the rate for the job performed.
2. Benefits will be in accordance with Article 13 with the following exceptions:
 - i. Article 13.16 shall not apply. Vacation pay shall be paid on each pay period based upon the employee's length of service pursuant to Article 13.16 a). Non-permanent employees may choose to defer vacation pay to shutdown periods.
 - ii. A maximum of one paid floater shall be earned per calendar year after working 1040 hours.
 - iii. Entitlement for income protection benefits under Article 13.08 will be calculated as one day's 100% income protection at basic earnings for each period of 252 hours worked.

3. Eligibility for benefits will commence on the first day of employment and cease upon:
 - i. Thirty consecutive days not worked.
 - ii. Immediately, for employees removed from the non-permanent pool as per Article 24.12 a) 1.

24.13 An employee will be deemed to have been permanently laid off when:

1. The Company has announced the permanent shutdown of the Company's operation or section thereof.
2. Technological change has eliminated the employee's job in accordance with Article 23.
3. An employee has been on layoff in excess of 64 calendar days.
4. The Company may determine that an employee has been permanently laid off prior to the time period stated in Article 24.13 (3) above.

24.14 Subject to the seniority provisions of this Agreement, any employee who becomes permanently laid off in accordance with Article 24.13 shall be entitled to a severance allowance in accordance with his seniority. The amount of severance allowance which an employee shall be paid shall be determined as follows:

SENIORITY	SEVERANCE PAY
Greater than 6 months but less than one year	2 cycles
1 year but less than 2 years	3 cycles
2 years but less than 3 years	4 cycles
3 years but less than 4 years	5 cycles
4 years but less than 5 years	6 cycles

SENIORITY	SEVERANCE PAY
5 years but less than 6 years	7 cycles
6 years but less than 7 years	8 cycles
7 years but less than 8 years	9 cycles
8 years but less than 9 years	10 cycles
9 years but less than 10 years	11 cycles
10 years but less than 11 years	12 cycles
Etc.	

Recall rights shall cease where an employee on layoff is paid severance allowance referred to above.

ARTICLE 25 DISABILITY MANAGEMENT / PROGRESSIVE RETURN TO WORK

25.01 It is agreed that it is in the mutual interest of the Company, Union and employees to promote effective rehabilitation of employees. The Company will review with the Union cases of permanent employees who, as a result of injury or illness, would benefit from returning to their regular function in a progressive manner. The parties shall take into account the interest of the employee and Company in determining which function or tasks are appropriate for the employee to be assigned during the period of rehabilitation.

At the employee's request and if available, a Union Representative shall attend all initial meetings for PRTW's anticipated to last more than two weeks.

The parties also recognize the responsibility to attempt a reasonable accommodation of employees with permanent disabilities.

The purpose of any discussions under this article is to identify as early as practicable, cost effective, productive and meaningful work that balances the disabilities of such employees and at the same time seeks to ensure the economic viability of the Company.

ARTICLE 26 GENERAL PROVISIONS

- 26.01** Upon prior agreement with the Employee Relations Department, employees in the bargaining unit shall be permitted to review their personal records in the presence of an Employee Relations representative. Upon request, the employee shall be provided with copies of material contained in such records. If the employee wishes, he may be accompanied by his Steward.
- 26.02** Where there is no running water available, drinking water in approved sanitary containers shall be provided.
- 26.03** Bargaining unit employees who have been specifically designated by the Company as a trainer for purposes of instruction or training other employees in job skills, shall be paid a premium of \$1.00 per hour while on training assignments.

This rate shall apply when the Company determines an employee has a need for training or additional skills and assigns a bargaining unit employee to give such training either on the job or in a classroom setting.

It does not apply where new employees or transferred employees are shown the work area, location of equipment or facilities.

26.04 Paydays

Payday shall be bi-weekly on Friday. The Company shall be allowed one week hold-back in order to prepare payrolls. If a general holiday falls on the regular payday, employees shall be paid the day before. The employee's pay stubs shall be available at the end of dayshift on Thursday prior to payday, except if delayed by reasons beyond the Company's control. Employees shall be paid by direct bank deposit.

26.05 Work Assignments

Work within a classification shall be assigned to employees within that classification. The Company may assign work to employees outside their classification only when employees within the classification are not available and as per Article 26.06.

26.06 Temporary Assignment

Normally an employee shall perform the work of their job classification, however, the Company shall have the right to assign an employee temporarily to a task or classification commensurate with their abilities. Such assignment shall not result in the layoff or reduction of normal working hours of any current job incumbent.

1. When employees are assigned to work outside their department, no other permanent employee shall be assigned to the job they vacated.
2. An employee shall retain their rate of pay for the duration of the temporary assignment unless the normal rate for the assignment is higher in which case the employee shall receive the higher rate for the duration of the temporary assignment.
3. Temporary assignments which exceed one shift shall be reviewed with the Union Steward on crew.
4. Temporary assignments involving the Certified Trades which exceed one shift shall be subject to the overtime procedures.

26.07 Specialized Training

Specialized training is training not required for trade certification or pay progression.

This refers to theoretical and practical training, given by the Company and/or supplier, to enable employees to perform work within their job classification more effectively and more efficiently.

Such training opportunities shall be offered to employees on a crew to which the specialized training is applicable in a fair and equitable manner. This training will be reviewed with the shop steward and crew members.

26.08 Janitorial Services

Janitors shall be assigned to each crew. Dry facilities shall be cleaned each working shift. Notwithstanding the above, the Company maintains the right to contract out janitorial work to clean the Plant and Mine Services second floors.

26.09 Tools

Tool boxes shall be provided on loan basis to Heavy Duty Mechanics and Servicemen permanently assigned to the maintenance field crews.

Except as provided in Article 26.09, an employee shall be responsible for his own tools.

The Company shall provide the employee with a minimum tool list for each trade which shall be maintained. The employee shall provide a complete list of his tools on an annual basis. This listing shall be audited by the Company.

The Company shall reimburse an employee for the value of his tools which are destroyed due to fire or major disaster occurring to the Company's property. In the event of major tool theft, a full investigation shall be done and if warranted the employee shall be reimbursed for the loss.

ARTICLE 27 SUPERVISORS WORKING

27.01 Supervisors shall not perform duties of bargaining unit employees covered by this Collective Agreement except when necessary to instruct employees, to assure safety of employees and to protect Company property. A Supervisor may assist an hourly employee when such assistance is requested.

27.02 LEAD HANDS

The Company may designate employees as Lead Hands, with the acceptance of the employee, when the Supervisor is absent from the department or unable to attend to his regular duties in the department.

A Lead Hand acts as a leader of a group or groups of employees working on similar or related work. The Lead Hand assigns work to employees and works along with and coordinates work among them. He is responsible for the safe and correct completion of work but not for disciplinary action or other personnel matters, which are the responsibility of the supervisor to whom the Lead Hand reports.

ARTICLE 28 NO INTERRUPTION OF WORK

28.01 The parties agree that the Company shall not cause or direct any lockout of employees during the term of this Agreement, and neither the Union, nor any representative of the Union, nor any employee shall in any way authorize, encourage or participate in any strike or any other interruption of work of any kind, on the part of any employee or group of employees that is intended to or does in any way impede, restrict or limit productivity during the term of this Agreement. This mutual obligation to maintain uninterrupted work is a statement of the parties' commitment to constructively deal with and resolve differences in a responsible and amicable manner to the mutual benefit of all concerned.

**ARTICLE 29 PERFORMANCE EFFECTIVENESS
MANAGEMENT (P.E.M.)**

29.01 The Union recognizes the Performance Effectiveness Management program as an alternative to a more traditional approach to manage employee performance and discipline. In recognizing the principles of the P.E.M. program, the Company agrees that the program shall be applied in the following manner:

- a) P.E.M. is constructed of four interrelated parts:
 - 1. Establishment of, and common understanding of performance standards.
 - 2. Development of an effective working relationship.
 - 3. Taking preventive actions to avoid the occurrence of performance discrepancies.
 - 4. Managing performance discrepancies through a constructive correction process.

These four parts form a complete cycle, each dependent on how effectively the others are applied.

- b) Part four of the program deals with performance problems when high stake issues or a behaviour pattern has been established, and consists of three steps:
 - 1. Efforts between an employee and Supervisor (others if necessary) to resolve the matter through on job or off job talks.
 - 2. Second level talks.
 - 3. Third level talks.

These three parts must be applied sequentially, subject to certain high stake issues which may be managed at Level 2 or Level 3.

It is further agreed between the parties that the following terms shall be defined and applied as guidelines in the following manner:

c) **Pattern**

A repeated discrepancy within a period of time may be considered a pattern. The time frame is judged by the seriousness or stake of the discrepancy.

d) **Stake**

A low stake discrepancy is one which has little or no effect, or potential effect on work results, the employee's welfare, or on the welfare of other employees.

A high stake discrepancy is one which has a definite negative effect on work results, on the employee's welfare, or on the welfare of other employees.

It is agreed that the descriptions are guidelines only and the application is based on the discipline fitting the discrepancy.

29.02 Performance Discrepancy Meetings (Attendees)

a) **Level I**

Sr. Foreman or Supervisor (as applicable)
Shop Steward
Safety Representative (if applicable)
Employee

b) **Level II**

a) plus, General Foreman*
Chief Shop Steward*
Safety Chairman (if applicable)
* or designates

- c) **Level III**
 - a) and b) above plus
Department Head*
 - Member Representative*
 - * or designates

- d) **Time Frames**

Level I	3 - 6 months
Level II	6 - 12 months
Level III	12 months or more

Reviews to be done at 50% and 100% of the above time frames.

- e) Copies of all Performance Discrepancy Management documentation shall be forwarded to the Union Office.

ARTICLE 30 JOB DESCRIPTIONS

30.01 The following job descriptions are provided to determine the assignment of work and the retention of the appropriate trades personnel in the event of a reduction in work force.

These descriptions are not intended to be restrictive but rather an attempt to outline the primary functions of the job identified.

This is not intended to restrict management's ability to determine the number of employees required in the designated trades.

30.02 The application of job descriptions at the Line Creek Mine shall be related to the Provincial Apprenticeship trade guidelines and on the job training specific to Line Creek Mine equipment.

30.03 Should overtime in a specific trade be required and employees within the trade are not available, then such overtime shall be offered first to other tradesmen provided they have the skills required.

30.04 Job Descriptions (Primary Functions)

All Job Descriptions listed below shall include Prep Work as identified in Article 32.

Carpenter

Using hand and power tools, a Carpenter constructs, erects, installs and repairs structures and industrial buildings conforming to local building codes. An important aspect of the job is the skill required to select specified types of lumber and other materials to do either rough work and/or interior finishing. A Carpenter may encounter the construction of concrete forms and/or erecting scaffolding for assembling structures above ground level.

Electrician/Industrial Instrument Mechanic

The Electrician/Industrial Instrument Mechanic installs, constructs, alters, repairs, maintains, replaces, calibrates, commissions, tests, and services all electrical and electronic systems as well as all process monitoring and control instruments, including indicators, recording devices, control loops and computers, whether these instruments are pneumatic, hydraulic, electronic, electrical, mechanical, fluidic, nuclear, optical or chemical, including signal transmission, telemetering and digital devices in any premises, place, building or structure or mining equipment.

Heavy Duty Mechanic*

The Heavy Duty Mechanic adjusts, repairs and/or replaces worn and damaged mechanical, hydraulic, pneumatic and electrical parts on tractors, shovels, graders, trucks, loaders and other heavy equipment. The mechanic must have the ability to diagnose electrical, mechanical, air and hydraulic troubles and make repairs according to the manufacturer's specifications. The work involves the ability to determine the cause of faulty operations of equipment, disassembling and reassembling parts of equipment such as the engine,

transmission, cooling system, fuel and exhaust system, clutch and differential by using the necessary hand and power tools and specialized equipment. Sufficient knowledge and experience in the use of oxy-acetylene and minor arc welding. Does running repairs on light vehicle equipment when Light Duty Mechanics are not available.

Industrial Warehouseman

The Industrial Warehouseman receives stock and direct charge material from external sources, issues material and ships all obsolete or surplus stock to vendors for credit. Warehouses all stock materials, including planning of space in accordance with stock levels to ensure adequate space available for new receipts. Operates material handling equipment (ie. forklifts, pallet jacks, hand carts, etc.). Investigates discrepancies and finalizes stocktakings, handling and storage of fuels and lubricants. Identifies parts for maintenance tradesmen and maintains automated system for warehouse stock. Expedites high priority material and performs housekeeping duties.

Light Duty Mechanic*

The Light Duty Mechanic repairs and overhauls automobiles, buses, trucks of one ton or less and other automotive vehicles, and when required, shall repair vehicles with gas engines over one ton. Adjusts, repairs and/or replaces worn and damaged mechanical and electrical parts on light duty vehicles. Sufficient knowledge and experience in the use of oxy-acetylene and minor arc welding.

Lineman

Construct and maintain network of power lines used to conduct electricity, etc. Direct and assist ground men in attaching crossarms, insulators, lighting arrestors, switches, wire conductors and auxiliary equipment to poles preparatory to erection. Erect poles or towers and adjustment of guy wires. Climb erected poles or towers to install additional equipment

such as transformers. String conductors or cables between erected poles with assistance of ground crew. Adjust slack in conductors. Splice conductors and transformer connections. Maintain substations. Operate line truck.

Serviceman

A Serviceman shall fuel and lubricate all types of equipment at the Line Creek Mine. They shall also perform checks and minor repairs to the equipment including the lubricating systems, adjusting tracks, changing of oils and filters, engaging tools, steps, mirrors, lights, tightening of clamps and bolts, etc. They shall also steam clean and perform other Helper functions as required. When the regular Tireman is unavailable the Serviceman shall perform tire pressure checks on all rubber tired equipment. The Serviceman will record all pressures taken and report any discrepancies. Nothing within this description shall prohibit other qualified employees from performing these tasks.

Lubeman (Mine Maintenance)

Lubricates and fuels all types of Mine equipment at the Line Creek Mine. Maintain lube truck service equipment and perform minor repairs to lubricating systems, adjusts tracks, identify and report unusual noises or malfunctions on equipment.

Lubeman (Plant Maintenance)

Lubricate, service, change oil and filters on all types of Plant equipment at the Line Creek Mine. Identify and report unusual noises or malfunctions on equipment.

Machinist

A Machinist operates a variety of machines, including lathes, planers, shapers and boring mills, and many specialized machines. In the manufacture, repair and rebuilding of machines and machine components. The machinist works

with a variety of steels, steel alloys, non-ferrous materials, plastics, and assists line-up of critical equipment.

Maintenance Helper

Utilizing appropriate equipment such as steam cleaning, pressure washing, bobcat, forklift, shop cranes, jacks, etc., the Maintenance Helper performs general duties as assigned in the Maintenance Department.

Millwright*

A Millwright dismantles, moves, installs, repairs and maintains a large variety of machinery, piping and heavy stationary mechanical equipment. The activities of a Millwright includes the construction of foundations for machinery such as conveyors, pumps, compressors, hydraulic systems and pneumatic equipment at the Line Creek Mine. The assembling, levelling, aligning and speed testing of such equipment as pulleys, shafts and belts, rollers, presses are also fundamental processes. An important aspect of the job is the skill to evaluate the overall system performance in order to determine areas of possible trouble. The work also involves an understanding of metallurgy and welding.

Steamfitter/Pipefitter

A Steamfitter/Pipefitter installs, repairs and maintains various types of heating and process piping systems at the Line Creek Mine. The work involves general knowledge of a variety of metal and non-metal piping and their pressure capacities for use in high and low pressure pipe systems. The activities of the Steamfitter/Pipefitter include working from building plans and cutting openings in floors, walls and ceilings according to specification. The pipes themselves must be measured, cut, threaded and bent to the required sizes, shapes using a variety of hand and machine tools, and then joined to other sections of pipe by means of threading, soldering, brazing, cementing or welding. Finally, the overall evaluation of a piping system, including the cleaning of pipe units and fittings,

and the testing of systems for leaks using gauges to check the pressure of air, water, gas or chemicals, is an important skill of the job.

Tireman

Repair and maintain truck and mobile equipment tires as per the Company's tire program. Operate the mobile tire manipulator, tire breakdown equipment, shop and hand tools. Make and repair tire chains. Be familiar with the handling of liquid ballast. Maintain tire records. Service the tire maintenance machinery except for the tire manipulator.

Cable Belt Repairman

Clean up, monitoring cable belt and related equipment. Change out, alignment, setting / adjustment and change out of line stand pulleys, shimming of line stands. Repairs to belt dislodgement devices, bushing replacement, magnet alignment, repairs to pull cords, and splicing of belting.

Vibration Analyst

Vibration Analyst collects information, using various instruments, documents and analyses information and presents results and recommendations to the maintenance department staff. He records all findings to establish base line information and advises on planned replacement of critical components.

Welder

A Welder fuses, bonds, cuts and forms metals in the repair, rebuilding, fabrication and installation of plate, sheet, pipe, castings and structural members using a variety of welding processes and necessary related knowledge.

- * Sufficient knowledge and experience in the use of oxy-acetylene and minor arc welding refers to destructive welding (ie. cutting off bolts, brazing cracks in fenders,

rosebud, etc.). Arc welding after proper training - can weld nuts on bolts and brackets (except where safety is a concern).

ARTICLE 31 CONTRACTING OUT - WORK PERMITS

31.01 The Union recognizes the Company's concern with respect to efficiency and competitiveness, and the Company recognizes the Union's concern over the use of contractors to do the work that bargaining unit employees normally perform, and as such agree that no bargaining unit employee shall be displaced, laid off, or have their right to recall deferred as a result of contracting out.

31.02 General Guidelines

- a) Should the Company decide that it is necessary to contract out the work, the Department Head or designate shall ensure the pertinent information is recorded for the purposes of Union notification.
- b) The Department Head or designate shall ensure that a Union Representative on shift is made aware of all contractors on site.
- c) The Company shall forward a monthly list of contractors to the Union containing a description of the nature, scope and duration of the contract work.

31.03 Contracting Out Administration

The Company shall pay a sum to the Union Council in the amount of \$4,350/month unless a definite or indefinite shut down is in effect, excluding shut downs for maintenance and/or vacation purposes.

Additional fees will apply to the contracting out of bargaining unit work for significant projects. These fees will be calculated as two hours at the journeyman rate for each employee of a

contractor for each month or portion of a month the contractor's employee(s) perform project work at the Line Creek Mine.

ARTICLE 32 DEFINITIONS

Accident:	A specific, undesirable, definable, physical incident resulting in injury requiring medical attention.
Company Seniority:	Defined in Article 22.03.
Call-Out:	A request made to an employee to return to the mine site during his regularly assigned period of rest for the purpose of performing a specific task.
Cycle:	One set of scheduled workdays and the associated days of rest.
Day:	Defined in Article 14.03.
Days Of Rest:	The days of rest follow days of work.
Line Creek Journeyman:	Trades: a certified tradesman. Operations: a person who has earned recognition of the Line Creek Mine upon successful completion of all the required training and the associated demonstration of skills in accordance with the specifications outlined in Articles 5, 6, 7 and 8.
Pay Period:	The time between two cut-off days, used to determine the employee's pay.
Prep Work:	Preparing a job for assembly, disassembly, maintenance or troubleshooting. May require cleaning of

immediate area/components in order for the job to progress, and may include the requirement to clean-up following completion of the task.

Qualification:

For the purpose of filling job vacancies and completion of training: determined to have sufficient skill and knowledge to be judged competent in a job function in compliance with the various training programs at the Line Creek Mine.

For the purpose of layoff/recall: a classification which the employee has performed as a permanent assignment at the Line Creek Mine.

Red Circle Rate:

An employee's rate of pay as of the date of ratification of the 1992 Collective Agreement, plus any negotiated wage increases, less any adjustments.

Schedule:

Pre-determined pattern of workdays and associated days of rest.

Shift:

Hours of work to be performed on a given day.

Week:

Defined in Article 14.03.

Workday:

Defined in Article 14.02.

LETTER OF AGREEMENT NO. 2009- 01

SUBJECT: EMPLOYEE TRANSPORTATION

The Company will continue to provide the current level of transportation (to Fernie, Sparwood and the Crowsnest Pass) for the duration of this Collective Agreement.

Cost effective alternatives for transportation to and from Elkford will be jointly investigated and agreed to prior to implementation.

Executed this 9th day of February, 2010

**INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL 115**

Gordon Chaisson

LINE CREEK MINE

Don Sander

LETTER OF AGREEMENT NO. 2009- 02

SUBJECT: ADMINISTRATION OF LONG TERM DISABILITY (L.T.D.)

1. Line Creek Mine shall initiate the L.T.D. claim procedure sufficiently in advance of the estimated L.T.D. commencement to ensure prompt payment of L.T.D. benefits.
2. An initial letter outlining the benefit payment (gross payment, deductions and net payment) shall be forwarded to the employee by the Insurance Company prior to the commencement of L.T.D.
3. The Company shall, along with a Union Representative, discuss with each employee, prior to the commencement of L.T.D., the application of the L.T.D. benefits and the responsibilities of all parties concerned.
4. The Insurance Company shall include a statement with each monthly L.T.D. payment showing the gross payment, period of coverage, deductions and net payment.
5. The level of the L.T.D. benefit shall be the greater of the benefit provisions of the Collective Agreement or the relevant coverage by the Insurance Company.
6. Unless the parties agree that an employee's return to work is imminent the employee shall have his earned vacation paid out upon reaching his LTD date. Vacation carry over from one calendar year to the next must receive Company approval.

Executed this 9th day of February, 2010

**INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL 115**

Gordon Chaisson

LINE CREEK MINE

Don Sander

LETTER OF AGREEMENT NO. 2009- 03

SUBJECT: 4x3 DAYS WORK SCHEDULE

In accordance with Article 14 of the Collective Agreement, the parties agree to work a (4x3) days work schedule for those employees assigned to 40 hours per week (dayshift) in the Maintenance Department, or elsewhere upon mutual agreement of the parties, subject to the following:

1. An employee shall have the right to choose to work either the eight hour (Monday to Friday) shift schedule or the (4x3) days work schedule. Once a choice is made, an employee must continue on that schedule for a minimum of four weeks.
2. The Company shall have the ability to assign the employee who volunteers to work the (4X3) schedule to a Monday to Thursday or Tuesday to Friday work week.
3. Where a need exists for specific coverage from Monday to Friday and the number in the classification/function precludes that coverage from being accommodated on the (4X3) schedule, the Company may require up to 50% of the employees in the classification/function to work the Monday to Friday (5X2) schedule.
4. There shall be no additional cost to the Company as a result of employees rotating among the (4x3) days work schedules.
5. Floater holidays shall be equivalent to 20 hours and can be taken as one eight and one 12 hour shift.
6. With respect to general holidays, the following shall apply:
 - When a general holiday falls on an employee's scheduled day off, the employee shall be paid eight hours at his base rate for the holiday.

- When the general holiday falls on an employee's scheduled work day and the employee does not work, the employee shall be paid eight or 12 hours at his base rate in accordance with his particular work schedule for that day.
 - When an employee works a general holiday, he shall be paid in accordance with the provisions of the Collective Agreement.
7. Thirty hours or more lost due to illness on the modified work week schedule for all employees of the modified shift schedule rotation in a calendar year, shall result in the employee going onto the 1-1-3-26 Program and will have to be off 20 hours before qualifying for sick pay.

Executed this 9th day of February, 2010

**INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL 115**

Gordon Chaisson

LINE CREEK MINE

Don Sander

LETTER OF AGREEMENT NO. 2009-04

SUBJECT: CABLE BELT

The parties recognize the importance of the proper maintenance and operation of the Cable Belt, and to this end agree that in general terms, only employees with trades certification, and where applicable, apprentices may perform work in the following areas:

1. The Drive House

- Alignment of couplings, Koepe wheels, major equipment
- Gears, drives, bearings, hydraulic system fans, air compressor system, dust collector and overhead door repairs.

2. The Head End

- Bearing replacement and set-up for drum and deflection pulleys.

3. The Tension Bridge

- Bearings for tender and carriage
- Alignment of carriage rollers and drum
- Bearings for deflection pulleys

4. The Counterweight System

- Winch repairs
- Crosby clips
- Turn pulleys

5. The Tail End

- tail pulleys and drum
- deflection pulleys

Other duties not specifically identified in the foregoing list, may be performed by employees assigned by the Company, including Tradesmen, and shall include the following:

- clean up and monitoring of the Cable Belt and related equipment;
- change out, alignment, setting/adjusting, and maintenance of non-drive pulleys and rollers;
- shimming of line stands;
- splicing of belting;
- repairs to belt dislodgement devices, bushing replacement and magnet alignment; and,
- mechanical repairs to pullcords.

Non-trades employees assigned by the Company, and employees comprising the cable belt crew (if applicable), will receive the proper training on the performance of these duties.

Executed this 9th day of February, 2010

**INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL 115**

Gordon Chaisson

LINE CREEK MINE

Don Sander

LETTER OF AGREEMENT NO. 2009-05

SUBJECT: CRANE OPERATOR

Should the Company decide to post for a full-time Crane Operator, the following shall apply:

Selection

The Company shall select the Crane Operator based on the following criteria:

1. Input from crew;
2. Grade 12;
3. Successful completion of aptitude testing;
4. Company seniority.

Preference will be given to qualified operators.

Rate of Pay

Crane Operator

		HOURLY RATE				
JOB LEVEL	JOB FUNCTION	2009	2010 3%	2011 3%	2012 3%	2013 3%
11	Crane Operator	32.43	33.41	34.41	35.44	36.50

Executed this 9th day of February, 2010

**INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL 115**

Gordon Chaisson

LINE CREEK MINE

Don Sander

Appendix "A"
LINE CREEK MINE

WAGE RATES – EFFECTIVE JUNE 1, 2009

		Lineman HOURLY RATE				
LEVEL	JOB FUNCTION	2009	2010	2011	2012	2013
		Tool allowance rolled into wage: \$0.30/hr.				
Maintenance		3%	3%	3%	3%	3%
12	Certified Tradesman	34.41	35.45	36.51	37.60	38.73
11	Uncertified Trades	32.76	33.75	34.76	35.80	36.88
10	55-60 months app.	32.70	33.69	34.70	35.74	36.81
9	49-54 months app.	32.17	33.13	34.13	35.15	36.20
8	43-48 months app.	31.77	32.72	33.70	34.71	35.75
7	37-42 months app.	31.32	32.26	33.23	34.22	35.25
6	31-36 months app.	30.88	31.80	32.76	33.74	34.75
5	25-30 months app.	30.42	31.34	32.28	33.24	34.24
4	19-24 months app.	29.98	30.88	31.81	32.76	33.75
3	13-18 months app.	29.54	30.43	31.34	32.28	33.25
2	7-12 months app.	29.11	29.99	30.89	31.81	32.77
1	0-6 months app.	28.66	29.52	30.41	31.32	32.26
POSITION CODES						
1300	Certified Tradesmen		1306	31-36 months app.		
1301	Uncertified Trades		1307	25-30 months app.		
1302	55-60 months app.		1308	19-24 months app.		
1303	49-54 months app.		1309	13-18 months app.		
1304	43-48 months app.		1310	7-12 months app.		
1305	37-42 months app.		1311	0-6 months app.		

		Tireman HOURLY RATE				
LEVEL	JOB FUNCTION	2009	2010	2011	2012	2013
		Tool allowance rolled into wage: \$0.20/hr.				
Maintenance		3%	3%	3%	3%	3%
3	Tireman After 2064 hours	31.19	32.13	33.09	34.08	35.11
2	Tireman 1032-2064 hours	29.80	30.69	31.61	32.56	33.53
1	Tireman 0-1032 hours	28.70	29.56	30.45	31.36	32.31

POSITION CODE	
6053	Tireman After 2064 hours
6054	Tireman 1032-2064 hours
6055	Tireman 0-1032 hours

Appendix "A"

LINE CREEK MINE

WAGE RATES – EFFECTIVE JUNE 1, 2009

Electrician Industrial Instrumentation		Welder Instrumentation		Serviceman Lubeman		Pipefitter Carpenter		Cable Belt Repairman Vibration Analyst			
HOURLY RATE											
LEVEL	JOB FUNCTION	2009	2010	2011	2012	2013					
		Tool allowance rolled into wage: \$0.25/hr.									
Maintenance		3%	3%	3%	3%	3%					
12	Certified Tradesman	34.35	35.38	36.44	37.54	38.66					
11	Uncertified Trades	32.70	33.69	34.70	35.74	36.81					
10	55-60 months app.	32.63	33.61	34.62	35.65	36.72					
9	49-54 months app.	32.12	33.08	34.07	35.09	36.15					
8	43-48 months app.	31.70	32.65	33.63	34.64	35.68					
7	37-42 months app.	31.26	32.19	33.16	34.15	35.18					
6	31-36 months app.	30.82	31.75	32.70	33.68	34.69					
5	25-30 months app.	30.36	31.27	32.21	33.17	34.17					
4	19-24 months app.	29.93	30.82	31.75	32.70	33.68					
3	13-18 months app.	29.49	30.37	31.28	32.22	33.19					
2	7-12 months app.	29.07	29.94	30.84	31.76	32.71					
1	0-6 months app.	28.61	29.46	30.35	31.26	32.20					
3	Serviceman	31.26	32.19	33.16	34.15	35.18					
2	Lubeman	30.84	31.77	32.72	33.70	34.72					
3	Cable Belt Repairman (after 1080 hours)	32.70	33.69	34.70	35.74	36.81					
2	Cable Belt Repairman (721-1080 hours)	30.89	31.81	32.77	33.75	34.76					
1	Cable Belt Repairman (0-720 hours)	29.10	29.98	30.88	31.80	32.76					
POSITION CODE											
1200	Certified Tradesman	WELDER			INDUSTRIAL INSTRUMENTATION						
1201	Uncertified Trades	2100	Certified Tradesman	1400	Certified Tradesman						
1202	55-60 months app.	2101	Uncertified Trades	1401	Uncertified Trades						
1203	49-54 months app.	2102	55-60 months app.	1402	55-60 months app.						
1204	43-48 months app.	2103	49-54 months app.	1403	49-54 months app.						
1205	37-42 months app.	2104	43-48 months app.	1404	43-48 months app.						
1206	31-36 months app.	2105	37-42 months app.	1405	37-42 months app.						
1207	25-30 months app.	2106	31-36 months app.	1406	31-36 months app.						
1208	19-24 months app.	2107	25-30 months app.	1407	25-30 months app.						
1209	13-18 months app.	2108	19-24 months app.	1408	19-24 months app.						
1210	7-12 months app.	2109	13-18 months app.	1409	13-18 months app.						
1211	0-6 months app.	2110	7-12 months app.	1410	7-12 months app.						
		2111	0-6 months app.	1411	0-6 months app.						
6050	Serviceman	6014	Cable Belt Repairman After 1080 hours								
6051	Lubeman	6015	Cable Belt Repairman 721-1080 hours								
		6016	Cable Belt Repairman 0-721 hours								

Appendix "A"

LINE CREEK MINE

WAGE RATES – EFFECTIVE JUNE 1, 2009

		Heavy Duty Mechanic Light Duty Mechanic		Millwright Machinist		
HOURLY RATE						
LEVEL	JOB FUNCTION	2009	2010	2011	2012	2013
Tool allowance rolled into wage: \$0.35/hr.						
Maintenance		3%	3%	3%	3%	3%
12	Certified Tradesman	34.49	35.52	36.59	37.69	38.82
11	Uncertified Trades	32.81	33.80	34.81	35.86	36.93
10	55-60 months app.	32.76	33.75	34.76	35.80	36.88
9	49-54 months app.	32.24	33.21	34.20	35.23	36.29
8	43-48 months app.	31.83	32.78	33.77	34.78	35.82
7	37-42 months app.	31.39	32.33	33.30	34.30	35.32
6	31-36 months app.	30.94	31.87	32.83	33.81	34.83
5	25-30 months app.	30.49	31.40	32.34	33.31	34.31
4	19-24 months app.	30.05	30.96	31.89	32.84	33.83
3	13-18 months app.	29.60	30.49	31.40	32.35	33.32
2	7-12 months app.	29.17	30.04	30.95	31.87	32.83
1	0-6 months app.	28.72	29.59	30.47	31.39	32.33

POSITION CODES

HD MECHANIC	
1500	Certified Tradesman
1501	Uncertified Trades
1502	55-60 months app.
1503	49-54 months app.
1504	43-48 months app.
1505	37-42 months app.
1506	31-36 months app.
1507	25-30 months app.
1508	19-24 months app.
1509	13-18 months app.
1510	7-12 months app.
1511	0-6 months app.

LD MECHANIC	
1600	Certified Tradesman
1601	Uncertified Trades
1602	55-60 months app.
1603	49-54 months app.
1604	43-48 months app.
1605	37-42 months app.
1606	31-36 months app.
1607	25-30 months app.
1608	19-24 months app.
1609	13-18 months app.
1610	7-12 months app.
1611	0-6 months app.

MACHINIST	
1700	Certified Tradesman
1701	Uncertified Trades
1702	55-60 months app.
1703	49-54 months app.
1704	43-48 months app.
1705	37-42 months app.
1706	31-36 months app.
1707	25-30 months app.
1708	19-24 months app.
1709	13-18 months app.
1710	7-12 months app.
1711	0-6 months app.

MILLWRIGHT	
1800	Certified Tradesman
1801	Uncertified Trades
1802	55-60 months app.
1803	49-54 months app.
1804	43-48 months app.
1805	37-42 months app.
1806	31-36 months app.
1807	25-30 months app.
1808	19-24 months app.
1809	13-18 months app.
1810	7-12 months app.
1811	0-6 months app.