

COLLECTIVE AGREEMENT

Between:

MERIDIAN MARINE INC.

And:

**MARINE WORKERS & BOILERMAKERS
INDUSTRIAL UNION, LOCAL NO. 1**

January 15, 2013 – January 14, 2016

INDEX

Article		Page
I	Definition	3
II	Union Security	3
III	Union-Management Relations	5
IV	Wages.	5
V	Hours of Work.	5
VI	Statutory Holidays.	8
VII	Annual Vacations.	9
VIII	Grievance Procedure.	11
IX	Safety and Health	12
X	Working Regulations and Field Work.	13
XI	Seniority	14
XII	General Provisions	16
XIII	Severance Pay	17
XIV	Clothing and Tool Allowance.	17
XV	Duration of Agreement	18

Letters of Understanding

Schedule "A"

THIS AGREEMENT made the _____ day of _____ 2013.

BETWEEN:

MERIDIAN MARINE INC.

(Hereinafter referred to as "the Company")

AND:

**MARINE WORKERS & BOILERMAKERS
INDUSTRIAL UNION, LOCAL NO. 1**

(Hereinafter referred to as "the Union")

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

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

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

ARTICLE I - DEFINITION

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

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

ARTICLE II - UNION SECURITY

2.01 There shall be no discrimination against any employee for belonging to the Union, or carrying out Union policy within the terms of this Agreement.

2.02 The Company agrees that as a condition of employment, all employees will pay dues to the Union in the amount set for the class of work in which such employees are

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

Upon receipt of a check-off authorization from the Union, the Company shall make payroll deductions covering Union dues, initiations, reinstatement fees and assessments, as may be established by the Union's Constitution and/or By-laws. These deductions shall be remitted by the Company by the 15th of each month.

The Union agrees to indemnify the Company and hold it harmless against any claim that may arise in complying with the provisions of this article.

2.03 The Company agrees that any person employed who, at the date of this Agreement was a member of the Union in good standing, or who has become a member of the Union since that date, shall, as a condition of continued employment, maintain membership in good standing and any employee who hereafter, during the life of this Agreement becomes a member, or is reinstated as a member of the Union shall, as a condition of continued employment, maintain membership in good standing.

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

machinery will be allowed access to the plant in order to carry out these duties.

ARTICLE III - UNION MANAGEMENT RELATIONS

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

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

3.03 Employees will take orders from the Plant Manager or Superintendent only when their immediate foreman or charge-hand is not readily available.

ARTICLE IV - WAGES

4.01 Wage rates shall be in accordance with Schedule "A" attached hereto and shall be effective on the dates shown in Schedule "A".

ARTICLE V - HOURS OF WORK

5.01 The standard hours of work shall be forty (40) hours per week and whatever hours per day (not to exceed eight (8)), are mutually agreed between Management and employees.

5.02 Time worked in excess of standard hours of work shall be considered as overtime and shall be paid at double time. Except for planned maintenance as outlined in 5.03, all work performed on Saturdays and Sundays shall be paid for at double time.

5.03 On planned maintenance, seven (7) days' notice will be given employees required to work on Saturday, in which case Monday will be their day off, no overtime being paid for such work. On break-downs requiring work on Saturday when the seven (7) days' notice has not been given, overtime rates will prevail.

5.04 (a) If a second shift is employed, the hours of work shall be seven and one half (7 1/2) hours per shift and the shift premium shall be Two Dollars and 24 cents (\$2.24) per hour worked.

(b) If a third shift is employed, the hours of work shall be seven (7)

hours per shift and the shift premium shall be three dollars and sixty cents (\$3.60) per hour worked.

- (c) Two (2) full shifts must be worked by a second shift worker before that shift can be established. Otherwise overtime rates shall prevail.
- (d) When changed shifts for any employee do not last two (2) shifts or more, the time for these shifts will be paid at the usual overtime rates.
- (e) Any employee who starts work after the starting time of the first half of any shift and resumes work in the second half of the same shift shall be paid full time for the second half of the shift, but only for the actual time worked in the first half of the shift, unless the reason for terminating the work is beyond the control of the Company.
- (f) Employers will make every effort to schedule employee shift changes at the weekend. However, if it is necessary to change shifts in mid-week, where there are less than fifteen (15) hours between the end of the employee's former shift and the start of their new shift, they shall work only half of either the last shift they are leaving or the first shift they are joining without any loss in pay.
- (g) The parties may, by mutual agreement, institute twelve (12) hour shifts, in which case, the hours of work shall be as follows:

	<u>0700 – 1900</u>	<u>1900 - 0700</u>
Sunday	12 hours	12 hours
Monday	7 ³ / ₄ 4 ¹ / ₄	7 ¹ / ₂ 4 ¹ / ₂
Tuesday	7 ³ / ₄ 4 ¹ / ₄	7 ¹ / ₂ 4 ¹ / ₂
Wednesday	7 ³ / ₄ 4 ¹ / ₄	7 ¹ / ₂ 4 ¹ / ₂
Thursday	7 ³ / ₄ 4 ¹ / ₄	7 ¹ / ₂ 4 ¹ / ₂
Friday	7 ³ / ₄ 4 ¹ / ₄	7 ¹ / ₂ 4 ¹ / ₂
Saturday	12 hours	12 hours

and in this case the premium for second twelve (12) hour shift shall be three dollars and 11 cents (\$3.11) per hour worked.

5.05 Employees called in to work four (4) hours or less before the starting time of their regular shift, shall be paid overtime rates up to the starting time of their regular shift and straight time for the duration of their regular shift.

5.06 Employees called in to work more than four (4) hours prior to the start of their regular shift shall be paid overtime for all hours worked including those on their regular shift.

5.07 Employees called in more than four (4) hours prior to the start of their regular shift, so that there are less than eight (8) hours elapsed time between the time they finish work until the starting time of their regular shift, shall not be required to report for their regular shift until eight (8) hours from the time they finished work. In such case, they will be paid for that portion of their regular shift at straight time rates. The application of this section normally occurs and will be honoured by the Company to employees who have worked either in excess of two (2) continuous shifts, or more than sixteen (16) hours in a span of twenty-four (24) hours.

5.08 A day shift employee working after midnight on overtime work reporting for work on their next regular shift, shall not report until eight (8) hours have elapsed between the time they finished working overtime and the time they start work the following day. However, providing they report for work after the elapsed eight (8) hours and work until the end of their regular shift, they shall be paid as though they started the shift at the regular starting time.

5.09 The employee, by mutual agreement, may elect not to report for work before the eight (8) hour rest period has expired, in which case they shall be paid for the eight (8) hour rest period.

NOTE: If an employee works until 3:00 a.m., they should report to work at 11:00 a.m. and be paid for four (4) hours rest period. The rest period would be up to 11:00 a.m. and in that case they would be paid for four (4) hours rest period from 7:00 a.m. until 11:00 a.m.

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

5.11 Where an employee is scheduled to work more than two (2) hours overtime immediately following their regular shift, they shall be allowed time for supper either at their workplace or away, depending on the circumstances. This time is not to exceed one half hour and the employee will be considered to be at work for the time they are consuming the meal. If the length of the overtime is anticipated, it shall be given at the beginning of the overtime. If this is not possible, it will be given after two (2) hours of overtime have been worked. Any employee who purchases a meal under the conditions outlined above, will be allowed the cost of such meal up to a maximum of ten dollars (\$10.00). The ten dollar meal allowance will be paid for each four (4) hours thereafter. Receipts are to be submitted for

meals if asked for and meal allowance will not be included in pay cheques.

5.12 The Company shall not make any changes in the standard work week, shifts per day, number of hours worked, and lunch periods, except by mutual consent.

5.13 Every employee shall be paid not less than four (4) hours if hired after starting time.

5.14 Any employee on the Company seniority list and who has been laid off and is subsequently re-hired shall be guaranteed at least three (3) full shifts or the equivalent of monies earned for twenty-four (24) hours, unless mutually agreed by the parties.

ARTICLE VI - STATUTORY HOLIDAYS

6.01 Statutory Holiday pay shall be paid to all employees on the payroll at the time of a Statutory Holiday.

Every employee covered by this Agreement shall receive a day's pay for the following:

- | | |
|----------------|----------------------|
| New Year's Day | British Columbia Day |
| Family Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Easter Monday | Remembrance Day |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |

and any other days that may be declared as legal holidays by the Federal and/or Provincial Government. Statutory Holidays falling on a Saturday and/or Sunday shall be observed on the Monday and/or Tuesday next following.

There shall be an additional Statutory Holiday, the day to be mutually agreed upon.

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

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

The parties may, by mutual consent of the Union agree to observe any of the holidays on an alternate day.

In order to qualify for Statutory Holidays, employees must have worked at least fifteen (15) of the thirty (30) calendar days immediately preceding the holiday, or employees must have

worked on at least two (2) of the seven (7) calendar days immediately preceding the holiday and on one (1) day in seven (7) calendar days immediately following the holiday, unless the employee has been discharged for cause. An employee who has not qualified for a full day's pay shall be entitled to pro-rated statutory holiday pay. This amount is calculated by dividing the employee's total wages, excluding overtime, earned in the thirty (3) day period by fifteen (15).

6.02 An employee required to work on any of the above holidays shall receive overtime as provided in Article 5.02 in addition to the day's pay.

6.03 Employees will not qualify for statutory holiday pay while receiving Workers' Compensation, Unemployment Insurance, or wage indemnity benefits.

6.04 Unless otherwise arranged between the parties hereto, in determining the period of a holiday for employees on the second and third shift shall constitute a "day".

6.05 Employees on vacation, leave of absence and in receipt of welfare benefits, shall be considered as at work the day following the said statutory holiday.

ARTICLE VII - ANNUAL VACATIONS

7.01 All employees coming under the Union's jurisdiction with less than three (3) years service with the Company shall be paid vacation pay at the rate of five percent (5%) of their gross earnings with a maximum time of two (2) weeks off.

New employees hired after the date of ratification shall be paid vacation pay at the rate of four percent (4%) of their gross earnings and shall be given a maximum of two (2) weeks off.

7.02 All employees who have completed three (3) years of service, but less than eight (8) years of service shall be paid vacation pay at the rate of six percent (6%) of their gross earnings for the past twelve (12) months and shall be given three (3) weeks off.

7.03 All employees who have completed eight (8) years of service, but less than fourteen (14) years of service, shall be paid vacation pay at the rate of eight percent (8%) of their gross earnings for the past twelve (12) months and shall be given four (4) weeks off.

7.04 All employees who have completed fourteen (14) years of service, but less than twenty (20) years of service shall be paid vacation pay at the rate of ten percent (10%) of their gross earnings for the past twelve (12) months and shall be given five (5) weeks off.

7.05 All employees who have completed twenty (20) years of service shall earn additional vacation at the rate of one (1) day's additional vacation for each year of

completed service over twenty (20) to a maximum of five (5) days (one (1) week). Pay for each day of extra vacation shall be at the rate of point four percent (.4%) for each vacation day. Thus, the entitlement would be:

- 21 years' completed service - 5 weeks plus 1 day
- 22 years' completed service - 5 weeks plus 2 days
- 23 years' completed service - 5 weeks plus 3 days
- 24 years' completed service - 5 weeks plus 4 days
- 25 years' completed service - 6 weeks

7.06 Annual vacations shall be taken at a time mutually agreeable to both parties. Time off must be taken equivalent to time earned up to the time periods specified in Sections 7.01, 7.02, 7.03, 7.04 and 7.05.

A holiday schedule shall be prepared and, subject to Management's production requirements, shall give employees an opportunity to indicate vacation periods wanted. If there is a dispute, the senior employee may take preference. Once the list has been approved by Management, it shall be posted as final, and it shall not be changed by the Company within the one (1) month period immediately preceding the start of an employee's vacation, without the consent of the employee concerned.

7.07 In determining length of service, employees on the payroll for seventy-eight (78) two (2) week pay periods shall be deemed to have three (3) years service. Employees on the payroll for two hundred and eight (208) pay periods shall be deemed to have eight (8) years service. Employees on the payroll for three hundred and sixty-four (364) pay periods shall be deemed to have fourteen (14) years service. Only pay periods in which an employee has worked three (3) full shifts, or the equivalent of monies earned for twenty-three and one quarter (23 1/4) hours will qualify.

7.08 Any employee who has been in the employ of the Company for twelve (12) months shall receive holiday credit at their prescribed holiday rate for:

- (a) time off on Workers' Compensation, up to a maximum of six (6) months.
- (b) time off sick up to a maximum of thirty (30) days, provided that in the case of such sickness, a doctor's certificate can be provided upon request.

7.09 All employees shall receive their appropriate vacation pay entitlement every two (2) weeks, based on regular straight time earnings, including vacation and statutory holiday pay.

ARTICLE VIII - GRIEVANCE PROCEDURE

8.01 Any differences between the parties concerning the interpretation, application, operation or alleged violation of a provision(s) of the Collective Agreement, including any dispute with regard to discipline or discharge, shall be considered a grievance and shall be taken up in the manner set out below.

8.02 (a) Step 1

An employee grievance shall first be taken up between the Shop Steward and the employee's Supervisor within fifteen (15) days, and if in agreement, their decision shall be final.

(b) Step 2

In the event that agreement is not reached at Step 1, the grievance shall be taken up within ten (10) days between the Union Bargaining Representative and the Manager. At this stage, the grievance shall be submitted in writing. The written grievance shall briefly describe the nature of the incident or occurrence giving rise to the grievance, it shall clearly state the provision(s) of the Agreement that has been violated and it shall provide a statement as to the remedy or relief being sought.

If a solution is reached, this shall be final.

(c) Step 3

In the event that agreement is not reached at Step 2, the grievance may be submitted to Arbitration.

8.03 The time limits specified in 8.02 above may be extended by mutual agreement between the Company and the Union.

8.04 Grievance - Time Limits

Any discharged or suspended employee may, within seventy-two (72) hours of their discharge or suspension, (exclusive of Saturdays, Sundays or General Holidays), in writing, require the Company to give them the reasons for their discharge or suspension and the Company will give such reasons to them in writing, within seventy-two (72) hours of such request and in the event of any dispute or difference as to whether or not there was proper cause for the discharge or suspension of such an employee, only the reasons so set forth in writing, shall constitute cause.

8.05 The Parties agree that a Single Arbitrator shall be used as provided for in the

Labour Relations Code. The Company and the Union shall make every effort to agree on the selection of an Arbitrator within ten (10) working days after the Party requesting Arbitration has delivered written notice to the other Party.

8.06 In the event that the Parties fail to agree on the choice of an Arbitrator, they shall forthwith request the Director of the Collective Agreement Arbitration Bureau to appoint an Arbitrator.

8.07 The Arbitrator will be encouraged to commence a hearing within ten (10) working days of his appointment and to render a decision within fifteen (15) working days from the date of the conclusion of the hearing.

8.08 The authority of the Arbitrator shall be as set out in Section 89 of the Labour Relations Code of B.C. The Arbitrator shall not be vested with the power to change, modify or alter any of the terms of the Collective Agreement.

8.09 The decision of the Arbitrator shall be final and binding on both parties.

8.10 Each party shall pay its own costs and expenses of arbitration and shall bear one-half (1/2) of the cost of the Arbitrator.

ARTICLE IX - SAFETY AND HEALTH

9.01 A Safety Committee shall be maintained representative of all departments in the plant, and the Union shall have equal representation with the Management on such Committee.

9.02 Any employee suffering injury while in the employ of the Company must, if possible, report immediately to the First Aid Department, and also report to said Department on returning to work.

Any employee who is injured on the job, and having received proper medical care is unable to return to work, shall be paid for the full shift for that day, subject to doctor's verification.

9.03 Effective January 15, 2011 the Company will contribute Three dollars and forty cents (\$3.40) per hour earned for each employee to the Union Pension Plan and remit the total to the union.

9.04 The Union will submit an audited statement of their Pension Plan and send it to the Company annually.

9.05 Effective January 15, 2011, the Company will contribute fifty-five cents (0.55) per hour earned for each employee of the Long Term Disability Fund and remit to the union.

9.06 Effective January 15, 2011, the Company will contribute two dollars and thirty cents (\$2.30) per hour earned for each employee of the union Welfare Plan and remit to the union.

9.07 The monies remitted above will be forwarded to the Union not later than the 15th day of the month following the month for which the deduction is made.

ARTICLE X - WORKING REGULATIONS AND FIELD WORK

10.01 A field work premium shall be paid where an employee is required to be absent overnight from their normal residence (home). The rate of pay for Field Work shall be twelve percent (12%) above the employee's classified hourly rate of pay in Schedule "A"

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

10.03 If employees detailed for work away from the Shop are instructed to report at the Company's plant for materials or tools, traveling will then be done on Company's time and expense.

10.04 When traveling on a job which requires the employee to be away from home, traveling time on any day shall be paid at straight time rate for the hours lost traveling to a maximum of eight (8) hours in each twenty-four (24) hour period.

10.05 If required while traveling to and from and working on a job away from home, the Company shall provide first class room and board for each employee affected. In addition, a pre-job conference will be held with employees involved.

10.06 It shall not be compulsory, or a condition of employment for employees to use their personal vehicles on Company business. However, if an employee is required to use a personal vehicle, they shall be paid fifty-one cents (\$0.51) per kilometre) for the mileage traveled in such usage.

10.07 Time and one quarter will be allowed employees working in confined places when no adequate means of ventilation are provided, or for dirty work. The Foreman and Shop Steward to decide if work in question is to be so classed.

10.08 Time and one quarter will be allowed employees welding on galvanized pipe or other galvanized work when efficient ventilation is not provided. The Foreman and Shop Steward to decide if work in question is to be so classed.

10.09 Any welder welding over dry paint, or any person burning off dry paint, shall be paid time and one quarter if, in the opinion of the Foreman and Shop Steward the work in question justified such pay.

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

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

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

ARTICLE XI - SENIORITY

11.01 Seniority shall be attained after sixty (60) working days within a six (6) month period, and the seniority date shall be backdated to the date of employment. A seniority list shall be posted in the plant by Management not less often than every six (6) months).

11.02 When the Company increases or decreases the working force and when, in the opinion of the Company and the Union, the skill and ability of the employees concerned is equal, length of service with the Company in their classification, as defined in the following clauses, shall be the determining factor in deciding the order of re-hiring and lay-off as the case may be.

11.03 An employee shall not suffer loss of seniority because of absence due to sickness, accident or otherwise, if such absence is approved or authorized by the Company. If an employee finds that they are unable to report for work, they should notify the company as soon as possible, preferably before the end of their first missed shift.

11.04 During a prolonged absence from work due to an accident or injury covered by Workers Compensation, an employee will continue to accrue seniority for a period of time, provided that they will not continue to accrue seniority after the date at which they would normally have been laid off if they were at work.

11.05 An employee shall continue to accrue seniority if off on non-compensable sickness for a period of six (6) months unless they would have normally been laid off before the six (6) month period.

11.06 An employee who has seniority shall maintain their seniority on lay-off up to a period of one (1) year.

11.07 Leave of absence shall mean an absence from work requested by the employee and consented to by the Company in writing covering a specified period of time. Leave of absence shall not be granted to an employee seeking seasonal work. A copy of such written permission shall be sent to the Union at the time it is granted.

11.08 In order to lay-off or re-hire employees out of seniority, the difference in skill and ability must be distinct, or seniority applies.

11.09 In the event of a temporary lay-off, due to a breakdown of machinery or some similar situation, such as failure to receive an expected delivery of steel, which lay-off is not expected to last longer than twenty-four (24) hours, the employees immediately affected will be laid off temporarily.

11.10 The Shop Steward shall be given forty-eight (48) hours notice of lay-offs in advance of such lay-offs, if possible.

11.11 Any employee with seniority standing, when re-called for work, shall have the right to compare the length of work involved with their present employment to decide on a by-pass. After by-passing the work call once, the employee shall lose their seniority standing if they do not return to work on the next call. The second re-call notice to work, if used to terminate an employee's seniority on lay-off, may not be given until a full calendar month has passed subsequent to the date on which the first notice was given. Sickness confirmed by a doctor will not be counted as a by-pass. Loss of seniority in these cases will be subject to review of the circumstances by the parties to this Agreement, with power to re-establish the employee's seniority rights after this consideration.

When a laid-off employee on the seniority list is re-called for work, the Company will endeavour to provide at least three (3) days of employment. If less than three (3) days is offered and the employee declines, this will not be considered as a first or second by-pass for purposes of termination of seniority.

All call-backs for employees on lay-off will be done through the Union Dispatcher whenever possible.

ARTICLE XII - GENERAL PROVISIONS

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

(b) Any employee asked to do temporary work at a classification with a lower hourly rate of pay shall receive their usual rate of wages.

12.02 Any employee who is a member of a specific working crew is expected to

render whatever assistance may be necessary at any time while they are not engaged on their own operation.

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

12.04 Safety glasses and welders coloured glasses, if required by the Company, or by Workers Compensation regulations shall be supplied on loan by the Company.

12.05 There shall be two (2) ten (10) minute breaks, one in each half shift. The Company may regulate the starting and stopping times of such breaks by blowing of a whistle if it deems it necessary.

12.06 All time lost by an employee due to necessary attendance on jury duty or on call for jury duty shall be paid for at the difference between their regular hourly pay and the amount they receive for such jury duty, provided however, that any such employee shall make themselves available for work before or after being required for such jury duty, whenever practicable.

12.07 In the case of death in the immediate family of a non-probationary employee, such employee shall be granted one (1) day's leave of absence with full pay for the purpose of attending or arranging the funeral. Immediate family shall mean none other than husband, wife, mother, father, father-in-law, mother-in-law, grandparents, brother, sister, or children. In cases such as grandparents, brother, sister or children, such leave of absence may be granted up to a maximum of three (3) consecutive working days. The employee must notify the Personnel Department when such leave is being requested and/or taken. Abuse of this section will render the employee liable to non-payment of this allowance.

12.08 The Company will replace employee's tools, properly brought into the yard premises in cases where it can be verified that the tools were lost other than by negligence, such loss to be during the course of the employee's employment duties.

12.09 The Company will replace welders gloves where it can be verified that the gloves, being in good condition, were lost or rendered unusable by damage, other than by negligence or normal wear, such damage or loss to be during the course of the employee's employment duties. In addition, the Company will purchase welders gloves at wholesale and supply them at the Company's cost to the employees who want them.

12.10 The Company and the Union agree that the practice commonly known as "moonlighting" is wrong in principle. The term "moonlighting" for purposes of this clause shall refer to a full-time employee who regularly makes a practice of working for another employer for a substantial number of hours during the week.

- (a) When this practice affects or conflicts with the Company business, or the employee's ability to perform their normal

duties, it shall be cause for reprimand or dismissal.

- (b) When this practice affects or conflicts with the Union policy, the Company agrees to co-operate with the Union in reprimand or dismissal.

ARTICLE XIII - SEVERANCE PAY

13.01 All employees forced to retire because of ill health (subject to Canada Pension Plan acceptance), or qualifying for Union Pension, or because of plant closure, shall be entitled to severance pay as follows:

- (a) Employees with seven (7) to ten (10) years of service with the Company shall be entitled to two (2) weeks (ten (10) days) pay.
- (b) Employees with ten (10) years of service or more with the Company shall be entitled to two (2) weeks pay, plus one (1) day's pay for each year of service thereafter.

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

13.03 Severance pay under this Article can only be exercised once.

ARTICLE XIV - CLOTHING AND TOOL ALLOWANCE

14.01 Coveralls and welding gloves will be supplied to all employees after completion of their probationary period as follows:

- (a) Coveralls - as per coverall renting service conditions
- (b) Safety boots - one (1) pair per year - One Hundred (\$100.00) dollars maximum
- (c) Welding gloves - as per previous practice.

ARTICLE XV - DURATION OF AGREEMENT

15.01 This Agreement shall be in full force and effect from and including January 15th, 2013, up to and including January 14th, 2016, subject to the right of either party to this Collective Agreement, within four (4) months immediately preceding the date of January 14th, 2016, or immediately preceding the anniversary date in any year thereafter, by written notice to the Party, require the other Party to commence collective bargaining with a view to the conclusion or a renewal or revision of this Collective Agreement, or a new

Collective Agreement.

15.02 Should either Party give written notice to the other Party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike, or the Company shall give notice of lockout and such strike or lockout takes place, and/or either Party gives notice of termination, or the Parties shall conclude a renewal or revision of the Collective Agreement, or a new Collective Agreement.

15.03 The parties hereto agree to exclude the operation of Sub-sections 2 and 3, Section 50 of the Labour Relations Code of British Columbia.

IN WITNESS WHEREOF the Parties hereto have caused these presents to be signed by their respective officers thereunto lawfully authorized and have caused their common seal to be affixed in the presence of such officers, at the City of Vancouver, in the Province of British Columbia.

DATED at the City of Vancouver, in the Province of British Columbia,

this _____ day of _____ 2013.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING

BETWEEN:

MERIDIAN MARINE INC.

AND:

**MARINE WORKERS & BOILERMAKERS
INDUSTRIAL UNION, LOCAL NO. 1**

IT IS UNDERSTOOD AND AGREED BETWEEN THE PARTIES HERETO that given the size and nature of work undertaken, the principles of the company may work on the tools for the life of this agreement.

DATED at Vancouver, in the Province of British Columbia,

This day of 2013.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING

BETWEEN:

MERIDIAN MARINE INC.

AND:

**MARINE WORKERS & BOILERMAKERS
INDUSTRIAL UNION, LOCAL NO. 1**

wage rate for trade \$0.10

Foreman rate: Journeyman's rate plus 10%.

APPRENTICESHIP RATES shall be as follows:

First 6 months	17.10	17.44	17.79
Second 6 months	18.81	19.19	19.57
Third 6 months	20.51	20.92	21.34
Fourth 6 months	22.24	22.68	23.13
Fifth 6 months	23.94	24.42	24.91
Sixth 6 months	25.65	26.16	26.68
Seventh 6 months	29.07	29.65	30.24
Eighth 6 months	32.49	33.14	33.80
Journeyman Mechanic	34.20	34.88	35.58

If the Company apprentice is attending an approved course at school full time, which course has been agreed to by the Company, he shall be paid the difference between his Government allowance while at school and his apprenticeship rate.

NOTE:

A Charge Hand is an employee who is assigned to instruct others in the performance of their work, and who may be held responsible for the quantity and quality of the work.

No condition or wages shall be lessened by reason of this Agreement.

All employees will be invited to attend a Level 1 First-Aid Course at Company expense. Employees will donate their time for said course.