

**IAMAW Local Lodge 99 and Finning International Inc.,**  
**2013-2016 Letters of Understanding Outside the Collective agreement**

**Note:** These documents are for reference purposes and are only representations of the legal documents signed during 2013-2016 Collective Bargaining

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**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(90-02) RE: Finning Parts Express**

There are approximately 20 drivers in total operating trucks that pick up and deliver at Finning/Angus operations.

These drivers will perform work coincident with the loading and unloading of the vehicles. This does not include handling individual parts in and out of bins.

We agree to pay one (1) hours pay (\$12.15 per month) to each Union at the current B.C. labour rate for the twenty drivers per month commencing January 1, 1991.

They will also receive a letter if required confirming by the Machinists Union that they are recognized carriers of Finning material.

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BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(92-01) RE: Contractor Dues**

The Employer agrees to collect and pay to the Union any dues, equivalent from any contractors doing work on Finning Ltd. Premises.

This letter is outside of the Collective Agreement and does not form part of it.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(06-12) RE: Working Out of Canada**

In an effort to enhance customer service in the International Market place, the Parties agree without prejudice or precedent to other similar and/or identical matters to the following provisions for Journeyperson Heavy Duty Technicians who accept international assignments:

- 1) Journeyperson Heavy Equipment Technicians will be paid Heavy Equipment Technician field rate while on assignment.
- 2) The Working out of Country Allowance will be applied for any work outside of Canada. This allowance will be paid at \$120 /day for all days out of the country. This allowance will not attract any premiums.
- 3) Prior to any employee leaving on assignment the branch manager will make reasonable effort to determine the Working & Accommodation Conditions at the customer site. From the information provided by the customer a determination as to Normal and Extreme change-out will be applied. Employees will be made aware of expected Working & Accommodation Conditions for the assignment. Upon arrival at the assignment, if the Working or Accommodation Conditions are not as expected, the employee is required to contact their Branch Management and provide the details of the Conditions. Management will be responsible for initiating a discussion with the customer and determining if the Extreme Conditions Charge out Rate for the assignment is applicable.
- 4) The Extreme Conditions Allowance will be applied for any work outside of Canada where extreme conditions exist. Extreme Conditions may include: Political Unrest (as defined by the International SOS Benefit website, [www.internationalsos.com](http://www.internationalsos.com)), Travel with Military Guard, and Poor Accommodations and/or Poor mode of Transportation (as assessed by Finning (Canada) shown through the charge out rate of the Extreme Conditions Rate Sheet). The Extreme Conditions Allowance will be paid at **\$240/day** for all days where the extreme conditions exist. This allowance will not attract any premiums, and is not pensionable.

- 5) Employees will be on a 12 hour/day 7 days/week shift schedule for the length of the assignment. Monday to Friday will be paid as 8 hour regular time and 4 OT, Saturday will be paid as 12 hours OT and Sunday will be paid as 12 hours double time OT. All stats will be paid at triple time (as per article 7.02 of the C/A).
- 6) Employees on International Assignment will have access to the International SOS Benefits program. An International SOS access card will be supplied prior to travel. Contact HR Business partner for details.
- 7) All expenses incurred on assignment will be submitted to Finning (Canada) for repayment. Expenses should be submitted by email /fax every four weeks (technician's discretion) and paid upon submission. Expense reports will be audited against the employee's receipts upon return to Canada. Any adjustments to the expense reports will be made at that time. The employee will be reimbursed for certain gratuities without receipt, provided an explanation is made about where and to whom they were paid.
- 8) All assignments will be on a volunteer basis.
- 9) The employee will submit time cards on a weekly basis, by email or fax. In situations where it is not possible to submit timecards for the week, the employee will be required to submit two weeks time cards the following week.
- 10) Upon returning to Canada, all Employees will be required to take a recover/rest period prior to returning to work. The length of time off will be discussed between the employee and their supervisor and agreed to by Branch Management at their branch. This time will be unpaid; however banked time and/or vacation time may be used.
- 11) This LOU is effective as of the date signed.
- 12) The Parties will meet as required to discuss any issues that arise.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(08-04) RE: Employees Moving**

Nothing in this letter of understanding shall be construed as altering the existing terms and conditions of the collective agreement except as specified below.

This letter of understanding is specific to the transition of Edmonton Employees affected by Finning (Canada) moving the New Equipment Prep and Used Equipment Prep to Red Deer, and moving the Rental Division Shop to the old used Equipment Shop and any Employees affected by the Ag move or CCE move to Medicine Hat.

The parties hereby agree to the following:

1. Edmonton Employees, who are placed in a different classification with a lower rate of pay, will have their wage rate grandfathered until such time as they vacate that position. Edmonton Employees, who have been placed in a different classification due to this transition, will be placed back in their original position should the Employer determine that their original classification of work is required on a permanent basis.
2. Edmonton Employees, who post for and acquire a position of a higher rate of pay, will be placed in that position with that appropriate rate of pay and will move to that classification for the purposes of layoff.
3. All Edmonton Employees currently being accommodated will continue to be accommodated even if they have to be moved to other work. And they too will keep their grandfathered status as well
4. All Edmonton Employees, who received retention and relocation monies, will be subject to a two (2) year payback instead of the required three (3) year payback.
5. All ticketed Journeypersons who are transitioned to different branches, will be placed at the same pay rate and layoff classification that they are currently in.
6. All Edmonton Employees affected by this transition will continue to remain on the greater Edmonton Seniority list.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(08-10) RE: 10 Hour Shift (Afternoon) Shift Agreement for Red Deer Facilities D31, D39, D40, D41**

The parties agree that a 4 day 10 hour shift schedule may be worked in the Red Deer Branch as listed above on the following basis.

This agreement will commence on Monday June 23, 2008.

**1) Hours of Work and Shift Times**

This afternoon shift will consist of Monday to Thursday, 10 hour shift.

**2) Statutory Holidays**

- a) When a statutory holiday falls on an Employee's scheduled day off it shall be taken either the day before or the next scheduled work day. The day will be mutually agreed by the parties and communicated to the members sixty (60) days prior the stat day.
- b) When a statutory holiday falls on an Employee's scheduled workday and the Employee is not required to work the stat day, the Employee shall be paid ten (10) hours at his hourly base rate.
- c) When the Employee works a statutory holiday, he shall receive ten (10) hours pay at his regular rate, and in addition, shall be paid double time his hourly rate for all hours worked that day.
- d) For ten (10) hour shift workers, statutory holidays as listed in the Collective Agreement shall be observed.

**3) Rest Breaks**

The Employee shall be provided with three (3) paid fifteen (15) minutes rest periods and one (1) thirty (30) minutes unpaid lunch period.

**4) Overtime**

The normal workday consists of 10 hours straight time. Hours worked in excess of the 10 straight time hours per day will be paid at applicable overtime rate. The normal work week will be 4 consecutive 10 hour afternoon shifts.

**5) Vacation**

The Employee may choose to have vacation paid at straight time rates for 10 hours per vacation day for a total of 40 paid hours per week when on vacation or as per the Collective Agreement.

**6) Sick Time**

Sick time will be paid at 10 hours straight time per day of sick leave as per the Collective Agreement. STD will be paid as per the Collective Agreement and STD plan, based on 40 hours.

All other conditions of employment are as per the Collective Agreement

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BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(08-12) ThinkBIG and FINNTech Programs**

The Think BIG and FINNTech Programs are intended to supplement the traditional apprenticeship program. These programs may be expanded over time while still providing current employees opportunities to enroll.

Grande Prairie Regional College (GPRC) is responsible for and free to accept students into the ThinkBig program located at the Fairview Campus in Fairview, Alberta, and to monitor and determine the progress of the students through the Program, including expelling students from the Program. Likewise, Keyano College (Keyano) in Fort McMurray is responsible for and free to accept students into the FINNTech program located in Fort McMurray, Alberta.

Finning will have the discretion, according to its operational requirements to provide all students of these programs, work experience at any given time. Such assignments will not be subject to the posting requirements of the Collective Agreement. These work experience terms will not be longer than three (3) months each.

All openings for these programs will be posted on the Employers job posting board (online and in the branches).

- 1) The terms of the *ThinkBIG and FINNTech* programs for **current** Finning employees accepted into the program are as follows:
  - A. They will become indentured apprentices, enrolled in the ThinkBig or FINNTech programs.
  - B. They will be entitled to the provisions outlined in Article 10, and all other terms and conditions of the Collective Agreement, not including the living subsidy.
  - C. While engaged in their work experience terms will be paid first year apprentice rate in their respective locations, including any applicable regional wage allowance for the first four (4) work terms. Apprentices will be paid the second year apprentice rate for their final, fifth (5) work term. Should an Employee enter a program from an existing higher paid position Clause 10.05 of the collective agreement will apply.
  - D. Current employees (including those on layoff) who qualify based on program requirements will be accepted into the programs within twelve (12) months.
  - E. Should the Employee require any academic upgrading to enter the programs, the Employer will assist in getting whatever courses are necessary to facilitate entry to those programs.
- 2) The terms of the *Think BIG and FINNTech* programs for **external** applicants accepted into the program are as follows:
  - A. External Applicants will be hired on and indentured as Apprentices, if enrolled in the ThinkBIG or FINNTech Programs;
  - B. These Apprentices will not be paid wages or allowances while attending school; however they will have their tuition and books paid by the Employer;
  - C. While engaged in their work experience terms will be paid the same hourly rate as first year apprentices in their respective locations, including any applicable regional wage allowance for the first four (4) work terms. Apprentices will be paid the second year apprentice rate for their final, fifth (5) work term;
  - D. All other terms and conditions of the Collective Agreement will be applied based on whether the apprentice is in a work term or in a school term.

Employees who have successfully completed the requirements of the *Think Big* or FINNTech Program shall be confirmed as Apprentices beginning as Year 2 Apprentices (if not qualified for an even higher level.)

This Letter of Understanding, unless altered or amended by agreement, will continue unless and until the Finning involvement in the *ThinkBIG or FINNTech* Programs is ended and the enrolled students have completed the program.

Should either the ThinkBIG or the FINNTech program be expanded, modified, or any other similar program implemented, the Employer agrees to meet with the Union and discuss the terms and conditions affecting Employees one hundred twenty (120) days prior to implementation. Both parties agree to meet quarterly and discuss issues or concerns that are related to the implementation of this program.

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BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(08-20) RE: CNRL (Canadian Natural Resources Ltd. Horizon Site) in Fort McMurray**

The Parties agree:

- a) Employees can choose to live in town and use the CNRL bus, which will entitle them to all the allowances applicable to Employees living in Ft McMurray as per the collective agreement and the applicable letters of understanding. CNRL provides flights at no cost to the Employee. The marshalling points for these flights are Calgary and Edmonton.
- b) The Employees can choose to commute to Ft McMurray in which case Finning will allow for an expense to be claimed to a maximum amount of \$250 one way (\$500 return). Any expenses in addition to \$250 one way (\$500 return) or in addition to a flight concurrent with the start and end of a regular scheduled shift shall be the Employee's responsibility.
- c) This LOU is based upon the current commercial relationship with CNRL which includes Finning compensation for flight expenses. In the event that CNRL discontinues their compensation for flights the Employer shall provide immediate notice to the Union and Employees. The employer will allow for a flight expense to be claimed to a maximum amount of \$250 each way for a period not to exceed 90 days.

Nothing in this letter of understanding shall be construed as altering the existing terms and conditions of the Collective Agreement except as specified above.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(09-09) RE: Compressed work week, 10 hours a day 4 days a week for Customer Support Center Edmonton**

The Parties agree that a 4 day 10-hour compressed work week will be introduced to the current shift schedules in place at CSC. On average an Employee will work this rotation once every 15 weeks.

The terms and conditions for Employees scheduled for that week are as follows:

- 1) **Hours of work and shift times**  
The shift will consist of Monday to Thursday, 10 hour shift
- 2) **Statutory Holidays**
  - a) When a statutory holiday falls on an Employee's scheduled day off it shall be taken either the day before or the next scheduled work day. The day will be mutually agreed by the parties and communicated to the members sixty (60) days prior the stat day.
  - b) When a Statutory Holiday falls on an Employee's scheduled workday and the Employee is not required to work that stat day, the Employee shall be paid ten (10) hours at his hourly base rate.
  - c) When the Employee works a Statutory Holiday, he shall receive ten (10) hours pay at his regular rate, and in addition, shall be paid double time his hourly rate for all hours worked that day.
  - d) For ten (10) hour shift workers, Statutory Holidays as listed in the Collective Agreement shall be observed.
- 3) **Rest Breaks**  
The Employee shall be provided with three (3) paid fifteen (15) minute rest periods and one thirty (30) minute unpaid lunch period.

- 4) **Overtime**  
The normal workday consists of ten (10) hours straight time. Hours worked in excess of the ten (10) straight time hours will be paid at one and one half (1 ½) the straight time rate. The normal work week will be four (4) consecutive ten (10) hour shifts.
- 5) **Vacation**  
The Employee may choose to have vacation paid at straight time rates for ten (10) hours per vacation day for a total of forty (40) paid hours per week when on vacation or as per the collective agreement.
- 6) **Sick Time**  
Sick time will be paid at ten (10) hours straight time per day of sick leave as per the collective agreement. STD and LTD will be paid as per the Collective Agreement, and STD and LTD plan based on a forty hour work week.
- 7) All other conditions of employment are as per the Collective Agreement.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(10-01) RE: Collicutt Employees**

Nothing in this letter of understanding shall be construed as altering the existing terms and conditions of the Collective Agreement except as specified below. It is understood by both parties that for clarity this letter is a compilation of the three current letters of understanding marked as 08-03 / 09-01 / 09-05. These three letters will be held by both parties for reference. This letter is specific to the transition of Collicutt Energy Services Ltd employees to Finning (Canada).

The Company and the Union thereby agree to the attached pertaining to:

Article 4; Seniority

Article 9; Vacation

Article 13; Rates of pay

Article 15; Sick Benefits

**Article 4 -Seniority**

Provided they are transitioned to Finning (Canada) between March 1, 2008 and August 31, 2008, all Collicutt Energy Services Ltd. employees will have a standard seniority date of February 11, 2008. The employees will then be ranked based on their original hire date with Collicutt Energy Services Ltd.

Should Collicutt Energy Services Ltd. employees transition to Finning (Canada) on or after September 1, 2008 their seniority date will be the date they are transitioned to Finning (Canada) without ranking for their original date of hire with Collicutt Energy Services Ltd.

Any Collicutt Energy Services Ltd. employee who transitions to Finning (Canada) will not be required to serve a ninety (90) day probationary period. With no probationary period requirement, the probationary rate of pay will not be applicable.

**Article 9 -Vacation with pay**

For the purposes of calculating vacation entitlement, all Collicutt Energy Services Ltd. employees who transition to Finning (Canada) will utilize their original hire date with Collicutt Energy Services Ltd. for the purposes of vacation entitlement.

**Article 13 - Rates of pay**

In an attempt to recruit and retain Collicutt Energy Services Ltd. Employees already possessing Journey person certification, the parties agree that if their current rate of pay is higher than the Journey person 'B' rate of pay in the Collective Agreement they will be hired at the Journey person 'B' rate of pay until such time that they achieve the

required certification for Finning (Canada). Upon certification they will be placed at the appropriate Journey person pay rate.

In the event that a Collicutt Energy Services Ltd employee possesses Journey person certification and their current rate of pay is lower than a third (3<sup>rd</sup>) year Apprentice Mechanic, they will then be hired at the third (3<sup>rd</sup>) year Apprentice Mechanic rate and will move through the pay range upon achieving the required certification.

Should a Collicutt Energy Services Ltd. employee possess a Journey person certification and be earning a rate of pay which falls between that of a third (3<sup>rd</sup>) year Apprentice Mechanic and a Journey person rate of pay, they will be hired at the appropriate Probationary rate outlined in the Collective Agreement until such time as they achieve the required certification for Finning (Canada). Upon certification they will be placed at the appropriate Journey person pay rate.

#### **Article 15 – Sick Benefits**

For the purpose of calculating Sickness and Short Term Disability Benefits, all Collicutt Energy Services Ltd employees who transition to Finning (Canada) will utilize their original hire date with Collicutt Energy Services Ltd for the purpose of calculating Short Term Disability Benefits.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")**

**And**

**FINNING INTERNATIONAL INC. (Finning)**

**(10-05) RE: Letter of Understanding– Oilsands/ Wood Buffalo Operations– Shift Exceptions**

This Letter of Understanding is on a "without prejudice or precedent" basis.

The shifts are outlined in the Twelve-Hour Shift Agreement for the Municipality of Wood Buffalo, Oil Sands Operations. However, it is understood that the following Employees have alternate shift arrangements:

- 5 x 2 Monday to Friday shift due to former top 10% privileges
  - Feyyas Ginse
- 5 x 2 Monday to Friday shift previously agreed to between the parties
  - Fred Van De Reep
- 4 – 10 hour shifts, Monday to Thursday, previously agreed to between the parties
  - Wes Lastiwka
  - Wendy Lastiwka

No other exceptions will be made to the shifts as outlines in the Twelve-Hour Shift Agreement, without mutual agreement. The parties will meet to discuss any issues arising out of this Letter of Understanding.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")**

**And**

**FINNING INTERNATIONAL INC. (Finning)**

**(10-06) RE: Labourers – Suncor Site**

This Letter of Understanding is on a "without Prejudice or precedent" basis.

The conditions herein are agreed to on a one time basis at the Suncor Site only.

The Parties agree that Labourers may be assigned to the Suncor Site, through the posting process, and will be assigned only Labourer duties. They will not perform duties normally performed by Apprentices and mechanical trades.



Labourers at the Suncor Site will attract a field rate of pay 6% above the Oilsands shop labourer rate (see schedule A), plus the Regional Wage Adjustment and will attract all future general increases. They will also be eligible for the Field Premium.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")**

**And  
FINNING INTERNATIONAL INC. (Finning)**

**(10-07) RE: Twelve Hour Shift Agreement for Preventative Maintenance Groups**

This Agreement deals with the specific conditions and adds to and modifies the Collective Agreement for those Employees who are employed to work on this shift.

This Agreement will only apply to the Journeyman Field Mechanic and / or Field Lubrication Serviceperson – Non Ticketed that post into the Preventative Maintenance Group within either the Calgary Field Service Department or the Edmonton Field Service Department. It is agreed that this position will not be used within Power Systems.

The intent of this LOU is to schedule the Journeyman Field Mechanics and/or Field Lubrication Serviceperson – Non Ticketed on a four (4) days on and four (4) days off twelve (12) hour shift. It is agreed that these positions are not to replace or displace any mechanical position in the bargaining unit.

1. The Company has the option of scheduling work as per the Collective Agreement or on twelve (12) hour shifts. For full day shift coverage, this shift will consist of four (4) days on, followed by four (4) days off.

2. **Hours of Work:**

- (A) A day shall be the twenty-four (24) hour period commencing with the start of the Employee's regular scheduled shift. A week shall be the seven (7) day period between 6:00AM - 9:00AM Monday and 6:00AM -9:00AM on the succeeding Monday.
- (B) The twelve (12) hour shift schedule shall result in an average of forty-two (42) hours per week over an eight (8) week cycle. An Employee working on such a schedule shall be paid eleven and one-half (11.5) hours straight time, and one-half (0.5) hour at the rate of time and one half at the base rate for that shift worked.
- (C) A shift is defined as the hours of work within a twenty-four (24) hour period.
- (D) A schedule is defined as days of work and the associated days of rest. Days of rest follow the days of work.

3. **Shift Times:**

The shift times will begin between 6:00AM and 9:00AM.

4. **Statutory Holidays:**

- (A) When a Statutory Holiday falls on an Employee's scheduled day off, the Employee shall be paid twelve (12) hours at their hourly rate for the holiday and these hours will count as eight (8) hours worked towards the work week.
- (B) When a Statutory Holiday falls on an Employee's scheduled workday and the Employee does not work the statutory holiday, the Employee shall be paid twelve (12) hours at their hourly base rate.
- (C) When the Employee works a Statutory Holiday, they shall receive twelve (12) hours pay at their regular hourly base rate, and in addition, shall be paid double time their hourly base rate for all hours worked that day.
- (D) For twelve (12) hour shift workers, Statutory Holidays as listed in the current Collective Agreement shall be observed in conjunction with the customer schedule.

5. **Rest Breaks:**

The Employee shall be provided with three (3) paid lunch/rest periods that will be as follows:

- After the first 3 hours of work, a 15 minute break;
- After 6 hours of work, a 30 minute break;
- After 9 hours of work, a 15 minute break.

The total lunch/rest period shall not exceed 60 minutes.

6. **Travel Time:**

As per current Collective Agreement.

**7. Overtime:**

The normal workday consists of eleven and one-half (11.5) hours straight time and one-half (0.5) hour at the applicable Overtime rate, for a total of 12 hours.

Hours worked in excess of the eleven and one-half (11.5) hours per day will be paid at applicable Overtime rates. The normal workweek will be four (4) consecutive twelve (12) hour days followed by four (4) consecutive days off.

**8. Overtime Meal:**

When Employees are required to work extended hours in excess of thirteen (13) hours, The Company will pay the cost of a meal of \$20.00.

If an Employee chooses not to take a meal break, they will be paid \$20.00. The time required to consume the meal shall not be less than one-half (0.5) hour.

**9. Change of Shift:**

- (A) When it is necessary for the Company to change an Employee's shift, the Employee shall be provided seven (7) days notice, as per the current Collective Agreement. In the event that the seven (7) day notice is not given, the Employee shall be paid at applicable overtime rates for all hours worked for the days less the appropriate notice.
- (B) Twelve (12) hour Employees given seven (7) days notice of a change to their shift cycle shall have the appropriate time off (based on the 4X4 shift cycle) without any loss in wages.

**10. Change of Schedule:**

When a change to an Employee's work schedule takes place, after seven (7) days notification, the effective date of the new schedule will commence after the seven (7) days notification. Where the Employee works his scheduled days of rest, the applicable overtime rates will apply.

**11. Training:**

Training will be paid based on the twelve (12) hour work day. If any changes to the schedule are necessary to accommodate training, then any changes will be by mutual agreement between management and the Union.

**12. Vacation:**

The Employee may choose to have vacation paid at straight time rates for 12 hours per vacation day for a total of 48 paid hours per set when on vacation, or as per the Collective Agreement. A minimum of 32 hours of vacation must be taken if a full set of 4 days is taken off of work.

**13. Sick Time:**

Sick time will be paid at twelve (12) hours straight time per day off sick. The schedule of number of days covered and all other conditions will be followed as per the current Collective Agreement.

**14. Twelve (12) Hour Continuous Shift Premium:**

The continuous shift premium as outlined in Schedule "D" will be paid for all hours worked while on this shift. The premium will not attract overtime rates.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(10-10) RE: Twelve Hour Shift Agreement Specific to Grande Cache Coal Corporation**

This Agreement deals with the specific conditions and adds to and modifies the Collective Agreement for those Employees who are employed to work on this shift.

This agreement will be on a without prejudice or precedent basis.

The purpose of this agreement is to address the following issues:

- 1) The customer has requested 7 day per week support from Finning (Canada) in the area of Field service.

This agreement is strictly for Grande Prairie Employees on a voluntary basis. The branch will post for the requisite number of positions on this shift. The intent of this agreement is to schedule the mechanics on a 7 days on and 7 days off advancing shift. The option for overtime, if available, will be at the mechanic's discretion on days off.

**1) Hours of Work**

The Company has the option of scheduling work as per the Collective Agreement or on twelve (12) hour shifts. For full day shift coverage – 7 days on, followed by 7 days off. The Company will endeavor to maintain field personnel on a consistent schedule.

- A) A day shall be the twenty-four (24) hour period commencing with the start of the Employee's regular scheduled shift. A week shall be the seven (7) day period between 6:00a.m. – 9:00 a.m. Monday 6:00a.m. – 9:00 a.m. on the succeeding Monday.
- B) The twelve (12) hour shift schedule shall result in an average of forty-two (42) hours per week over a two (2) week cycle.
- C) An Employee working on such a schedule shall be paid eleven and one half (11.5) hours straight time and one half (0.5) hour will be paid at the applicable overtime rate each day.
- D) A schedule is defined as days of work and the associated days of rest. Days of rest follow the days of work.

**2) NSC Compliance**

National Safety Code (NSC) compliance is required only if field technicians operate their service truck off mine premises. The customer has agreed to permit service personnel to park their service vehicles at the mine site when off duty. The company will provide alternate transportation (pickup trucks) in order for the technicians to travel to and from their accommodations to the mine site.

In the event that an Employee is required to operate their service truck off mine premises, the NSC guidelines are in place and compliance is mandatory.

In the event that a service truck is operated off site, all hours worked, since the commencement of their current shift cycle are considered "on-duty time" and must be logged. The following restrictions will apply:

- A) No employee shall drive after accumulating thirteen (13) hours of driving time unless the driver takes eight (8) consecutive hours of off-duty time before driving again.
- B) No Employee shall drive after accumulating fourteen (14) hours of on-duty time in a day
- C) No Employee is permitted to drive or work after accumulating seventy (70) hours of on-duty time, unless they have accumulated a minimum of twenty-four (24) consecutive off-duty hours.

**3) Shift Times:**

The shift times will begin between 6:00 a.m. and 7:00 a.m.

**4) Statutory Holidays:**

- A) When a Statutory Holiday falls on an Employee's scheduled day off, the Employee shall be paid twelve (12) hours at their hourly rate for the holiday and these hours will count as eight (8) hours worked towards the work week.
- B) When a Statutory Holiday falls on an Employee's scheduled workday and the Employee does not work, the Employee shall be paid twelve (12) hours at his hourly base rate.
- C) When the Employee works a statutory holiday, they shall receive twelve (12) hours pay at his regular base rate, and in addition, shall be paid double time his hourly base rate for all hours worked that day.

**5) Rest Breaks:**

The Employee shall be provided with three (3) paid lunch/rest periods (2 x 15 minutes and 1 x 30 minutes) at the Employee's designated lunch place between the third (3<sup>rd</sup>) and fifth (5<sup>th</sup>), the fifth (5<sup>th</sup>) and seventh (7<sup>th</sup>), and the eighth (8<sup>th</sup>) and the tenth (10<sup>th</sup>) hours of the shift. The total lunch/rest period shall not exceed sixty (60) minutes.

**6) Travel Time:**

As per the current Collective Agreement.

**7) Overtime:**

The normal workday consists of eleven and one-half (11.5) hours straight time and one half (0.5) hour at time and one half the straight time rate for a total of twelve (12) hours. Hours worked in excess of the eleven and one-half (11.5) hours per day will be paid at applicable Overtime rates. The normal workweek will be seven (7) consecutive twelve (12) hour days followed by seven (7) consecutive days off.

**8) Overtime Meal:**

When Employees are required to work extended hours in excess of thirteen (13) hours, the Company will pay the cost of a meal, to a maximum of \$20.00. If an Employee chooses not to take a meal break, they will be paid \$20.00. The time required to consume the meal shall not be less than one-half (0.5) hour.

**9) Change of Shift:**

When it is necessary for the company to change an Employee's shift, the Employee shall be given seven (7) days notice prior to the commencement of the effective date of the change. If 7 days is not provided, overtime will be paid for the days less the appropriate notice.

**10) Change of Schedule:**

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 days of rest, the applicable overtime rates will apply.

**11) Bereavement Leave:**

If required, bereavement leave will be paid at twelve (12) hours per day to a maximum of five (5) days. Qualification remains as per the collective agreement.

**12)** All other conditions of employment are as per the current Collective Agreement.

**13) Training:**

It is agreed that when Employees are required to take training the Employee should not work for twelve (12) days straight without a day off. The schedule will be arranged with the Employee's direct supervisor to allow for some time off upon return from training so that the Employee does not work twelve (12) straight days without time off. The Employee will not lose time to accommodate this. (If they miss a day of work to accommodate a day off, they will be compensated at twelve (12) hours straight time). Overtime rates will apply for all training outside the normal hours of work shift schedule of the Employee.

**14) Vacation:**

The Employee may choose to have vacation paid at straight time rates for twelve (12) hours per vacation day for a total of forty-eight (48) paid hours per set when on vacation, or as per the Collective Agreement (meaning: the choice of taking eight (8) hours per day at straight time to enable more consecutive days off). A minimum of forty (40) hours of vacation must be taken if a full set of seven (7) days is taken off of work.

**15) Sick Time:**

If an Employee becomes sick or injured while on site, all hours will be paid at twelve (12) hours per day at straight time rates to Sickness and Short Term Disability maximum outlined in the current Collective Agreement.

- 16)**      **Shift Premiums:**  
The Continuous Shift Premium as outlined in Schedule "D" will be paid for all hours worked.
- A Nightshift Premium as outlined in Schedule "D" will be paid while working the hours recognized as the nightshift, depending on actual shift start/stop times.
- 17)**      **Meals:**  
Employees are eligible for a \$60.00 meal allowance per day, which will be paid by Grande Cache Coal Corporation. Employees will be paid this allowance by Finning (Canada), who will in turn recuperate the cost from Grande Cache Coal.
- 18)**      **Living Accommodations:**  
Each Employee will receive their own hotel/motel room for the time required to work in Grand Cache. The cost of the hotel/motel will be covered by a standing Purchase Order or pre billing account set up by Finning (Canada).
- 19)**      Either party may request a meeting to discuss and resolve any issues arising from this trial Letter of Understanding.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(11-02) RE: HVAC Certification Eligible for Dual Ticket Program**

The company has identified growth opportunities in the sale and rental of temperature control units within Power Systems. In order to provide a higher level of customer service, it is agreed that the parties will recognize the Refrigeration and Air Conditioning Mechanic (HVAC) certification as a qualified second trade for the dual ticket program.

This agreement will commence on the date which both parties agree to the terms and sign this Letter of Understanding (LOU).

- 1.** Opportunity to pursue an apprenticeship in the HVAC trade, for a Journeyperson in the Heavy Equipment Technician, Electrical or Welding trade, will be posted and awarded as per Article 5 of the Collective Agreement.
- 2.** The posting will clearly state that it is a dual ticket position, requiring that the successful candidate already possess one of the following tickets:
  - a. Journeyperson Heavy Equipment Technician (J/HET);
  - b. Journeyperson Electrician (J/Electrician); or
  - c. Journeyperson Welder (J/Welder)
- 3.** The successful candidate will receive the Dual Ticket Bonus, as listed in Schedule "D" of the current Collective Agreement only once they have completed all requirements of the HVAC certification.
- 4.** For the purposes of layoff, candidates who successfully post into a dual ticket HVAC apprenticeship will retain the layoff classification of their primary ticket. Their layoff classification will be as per Schedule B of the current Collective Agreement.
- 5.** The employee currently identified as a dual ticket technician, holding a ticket in the HVAC and Electrical trades, will fall under this agreement

This letter does not replace anything in the current Collective Agreement. It is an addition to the current Collective Agreement. All other conditions of employment are as per the Collective Agreement.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(11-04) RE: Spectra Energy Peace Arch Project**

This agreement will be on a *without prejudice or precedent basis*. Nothing in this letter of understanding shall be construed as altering the existing terms and conditions of the Collective Agreement except as specified below.

The purpose of this letter is to summarize the understanding reached between the Company and the Union regarding Spectra Energy gas compression sites in the area around Dawson Creek, BC. These customer application sites exist on both sides of the BC/AB provincial boundary.

The parties agree that the customer application sites will be serviced by a qualified Resident Field Mechanic located in Dawson Creek, BC.

The terms and conditions of this agreement are as follows:

1. Facility D52, Fort St. John, will hire a qualified mechanic for the Dawson Creek Resident position in order to support this contract and maintain the customer sites on both sides of the provincial boundary.
2. The customer has requested a lone, specialized technician dedicated to the preventive maintenance and service work at these sites. Dedicating the work to a single technician will ensure consistency, continuity, competency and responsiveness when servicing the customer application.
3. This employee will be a member of the IAM 692, and the term of their employment will be governed by the BC Collective Agreement.
4. This member will be working inside the Alberta boundary on a regular basis: therefore, Facility D52 will be responsible for remitting monthly union dues to IAM 99. The name of the employee will be disclosed to IAM 99 and union dues will be calculated as per the Alberta Collective Agreement.
5. While working on sites located in Alberta, this employee will be paid for all hours worked as per the Alberta Collective Agreement.
6. There is a considerable amount of training, experience, skill and competency required to support this customer application, and the employer concedes that no current member at the Grande Prairie Branch meet these qualifications. Facility D11 will continue to recruit for a Gas Compression Mechanic, and will ensure that the successful candidate meets the requisite qualifications, in order to support to the Dawson Creek Resident Mechanic, if/when required.
7. In the event of a work shortage impacting either the BC or the Alberta membership, the employer agrees to cooperate with the Union Locals to determine which members, qualified to perform the work, will be utilized for this customer application. This will be done in such a manner to mitigate any impact on the customer, the service contract and the membership.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")**

**And  
FINNING INTERNATIONAL INC. (Finning)**

**(11-05) RE: Inconvenience Pay for Finning KMC Group Working at both Syncrude and Suncor Site**

This Letter of Understanding is on a "Without Prejudice or Precedent" basis and is specific to Finning (Canada) employees who are currently working as part of the KMC work group and who are supplied a company vehicle.

Nothing in this Letter of Understanding shall be construed as altering the existing terms and conditions of the collective agreement. These conditions below are new additional conditions added further to the current collective agreement. This Letter forms part of the Collective Agreement between the parties.

The Employer and the Union agree to the following:

Below is a list of Finning employees working for KMC at Suncor and Syncrude (Base mine), should any Employees be added or removed from this LOU the Employer agrees to notify the Union in writing within two weeks of the change.

Liam Nolan
Wiley Purcha
Josh Bullock
Howard Batt
Randel Henkel

1. The above listed employees are currently supplied a shared Finning (Canada) marked vehicle to travel to and from both Syncrude and Suncor for the KMC work group. These individuals will now attract \$35 inconvenience pay. All other Branch 40 (D06) field employees will fall under the terms and conditions of the collective agreement.
2. Any future employees that are hired to work for the KMC work group at Suncor and Syncrude will receive the \$35 inconvenience pay.
3. The current commercial relationship with KMC includes paying the \$35 inconvenience pay for those Finning (Canada) employees working at Suncor and Syncrude sites. In the event that KMC discontinues this provision, Finning (Canada) shall provide 60 days' notice to the Union and employees that the inconvenience pay will terminate.

This agreement will come into effect upon the signing of this Letter of Understanding.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And**

**FINNING INTERNATIONAL INC. (Finning)  
(11-06) RE: Twelve Hour Shift Agreement for Calgary Field Services – Kidco Operations**

The parties agree that the terms of the original Letter of Understanding are no longer valid. However, prior to February 2014, the parties agree to meet and discuss the needs of the Kidco operations and/or any other Calgary based customers, and will endeavour to come to terms on a new letter of understanding to adequately meet the customer needs.

In addition, two (2) weeks following the signed memorandum of agreement, all twelve (12) hour shifts in the Calgary Field Services operations will cease and employees currently working this shift will be given adequate shift change notice.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And**

**FINNING INTERNATIONAL INC. (Finning)  
(11-07) RE: Midnight Shift for Calgary D34 Warehouse**

This agreement will be on a *without prejudice or precedent basis*.

The Parties agree to introduce a midnight shift for the Calgary D34/BB1 Warehouse to the current shift schedules in place.

This agreement will commence on the date in which both parties agree to the terms and sign this LOU and will be in place for the remainder of the Current Collective Agreement.

1. The Company has the option of scheduling work as per the Collective Agreement or on this *midnight shift*, Monday to Friday 23:30 to 08:00
2. Employees working this shift will attract the Midnight Shift Premium as per Schedule "D" for all hours worked. Premiums do not attract overtime.
3. Management has identified two (2) Employees who have volunteered to work on this shift, and these two Employees will be placed on straight midnight shift.
4. In the event that a vacancy occurs in on this shift, management agrees to seek volunteers from other Employees within the department at the facility. Only volunteers will be selected based on seniority.
5. Either party can cancel this agreement with thirty (30) days notice.

This letter does not replace anything in the current Collective Agreement. It is an addition to the current schedules in the Collective Agreement. All other conditions of employment are as per the Collective Agreement.



**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 ("Local 99")  
And  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 692 ("Local 692")  
And  
FINNING INTERNATIONAL INC (Finning)  
(11-08) Letter of Understanding Reciprocity Agreement**

This Letter of Understanding is between Local 692 and Local 99 of the International Association of Machinists and Aerospace Workers and Finning (Canada) a Division of Finning International Inc.

This Agreement concerns the movement of Machinists Union members who work for Finning (Canada) a Division of Finning International Inc. in the provinces of B.C./Yukon and Alberta/Northwest Territories.

**TEMPORARY TRANSFERS – for a maximum of 90 days**

1. Business agents of each Local will be notified before any transfer of employee is initiated.
2. There will be no temporary transfers to any branches/facilities where layoffs have occurred and employees still hold recall rights within the affected classification. Transfers will not cause the displacement of any bargaining unit employees in receiving branch/facility by classification. In the event that the temporary position becomes permanent, the position must be posted so all employees have equal opportunity to apply.
3. Wage rates will be as specified in the Collective Agreement of the receiving branch/facility. The ability to bank overtime will be as per the receiving branch/facility Collective Agreement. Benefits and Pension for transferring member will stay the same and be administered by the members home branch/facility. Regional Wage Allowance is not payable to temporary transfers, except for Ekati.
4. Travel time will be paid as per applicable rates in each Collective Agreement to the transferring member. The receiving branch/facility will pay for travel time, with the exception of Ekati.
5. Conditions and living expenses will be as per the receiving branch/facility and will be discussed and agreed upon between Finning and the transferring employee prior to the transfer occurring and details will be provided on the appropriate form. This information will also be included in the notification to the Union.
6. Seniority continues to accumulate and will be retained by the home branch/facility.
7. The Company will pay the dues for this employee to the Union of the receiving branch/facility. The employee will continue to pay their dues to the home branch/facility.
8. Any employee benefit coverage and pension plan membership will continue to be covered from the home branch during the temporary transfer.
9. In the event of layoffs at the receiving branch, all members on a temporary transfer will be sent back to their home branch in their order of seniority.
10. In the event of pending job action at their home branch all Temporary Transfers will return to their home branch within the 72 hour notice period.
11. Exceptions: The above temporary transfer process will not be required for Power System commissioning and testing of new equipment, including projects and packaging. The Union will be notified in advance of this work being done via email (To include employees name, location of work and duration of work). It is intended that where available the local branch will also supply a technician to accompany the commissioning technicians for training purposes.

**PERMANENT TRANSFERS**

1. In order to fill a permanent posted job that requires a permanent transfer between bargaining units (Locals 99 and 692), the following will apply:
2. Seniority of the transferring member will stay at the home branch/facility for a period of 90 days from date of transfer, after which their seniority will be dovetailed into the receiving branch's/facility's seniority list.
3. If during the 90 day period an employee is laid off from the receiving branch/facility, the employee will have an option to return to his original/home branch/facility. The Company will also pay the amount necessary to move the employee's family and household goods to return to the home location, if required. If more than one permanent transferred employee is affected by layoffs they will return (or have the option to return) in their order of seniority.

4. There will be no permanent transfers to any branches/facilities where layoffs have occurred and employees still hold recall rights within the affected classification. Transfers will not cause the displacement of any bargaining unit employees in receiving branch/facility by classification.
5. Reasonable living expenses will be provided to the transferring members as provided by company policy. Living expenses to be paid will be for an initial 15 days, up to a maximum of 30 days, and will be discussed with the transferring member prior to the transfer occurring.
6. All wages and benefits will be as per the Collective Agreement in the Province of the receiving branch/facility. Benefit coverage will be changed the first of the month following the transfer except medical which will be transferred based upon governmental requirements. At all times, an employee will be provided benefit coverage. Pension plan memberships will be maintained in the province in which the member is working.
7. For the 90 day period (as specified in No. 1 of Permanent Transfers) the transferring member will pay Union dues to the Union from the sending branch/facility and the Company will pay the Union dues to the receiving branch/facility.
8. This letter can be revoked with 30 days' notice in writing to either Union Local or to the Company. Whoever revokes this letter will send notice to the other two parties.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(12-01) RE: Sitech Employees**

Nothing in this letter of understanding shall be construed as altering the existing terms and conditions of the Collective Agreement except as specified below. This letter is specific to the integration of Sitech Western Canada Solutions Ltd. ("Sitech") into Finning (Canada), effective September 1, 2011.

Sitech will employ a J/Field Serviceperson- Sitech Commissioning and a J/A Countersalesperson #1, which will remain within the Edmonton Branch.

The parties agree to establish a position distinct from any within the current Collective Agreement, and the details are as follows:

**Sitech - Electronic Repair Technologist**

- a. Possessing a technical school diploma or post-secondary degree in electrical or electro-mechanical discipline, this position will be responsible for the repair, calibrating and testing of electronic components and equipment.
- b. This position will be identified in a unique classification for the purpose of layoff. The classification will be "R" in the Service Department.
- c. Rate of pay will be dependent on the qualifications held by the successful candidate.
  - i. **Electronics Repair Technician (SVR) - Class A-**
    1. Must possess required education, have completed all requisite Trimble product and repair training, and be in good standing.
  - ii. **Electronics Repair Technician (SVR) - Class B-**
    1. Employee not possessing the requisite education and/or requisite Trimble product and repair training will be provided two (2) years to achieve these qualifications.
    2. Employee will remain in this classification for maximum of two (2) years, at which time they will qualify for Class A.

All other terms will be as per the Collective Agreement.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)**

**(12-02) RE: Permitting of Second and Third Year HET Apprentices doing Preventative Maintenance in the Field**

This agreement will be on a without prejudice or precedent basis. This agreement will commence on the date which both parties agree to the terms and sign this Letter of Understanding (LOU). This agreement will expire on April 30, 2016.

The purpose of this agreement is to address the following issues:

- 1) The challenges currently faced by Preventative Maintenance (PM) in terms of meeting recruitment needs and requirements.
- 2) Provide a second and third year Heavy Equipment Technician (HET) apprentices with an opportunity of obtaining PM experience.

**Guidelines:**

- Second and Third Year apprentices will have the option of posting into PM positions for a minimum of 6 months and up to a maximum of ten (10) months. Details of the position including timelines and expectations will be discussed in the job interview.
- Second and Third Year apprentices can accrue time credit towards their apprenticeship in the PM role for up to a maximum of ten (10) months. Any additional time spent beyond ten (10) months will not count towards time credited in the apprenticeship.
- After completion of time in the PM role, the apprentice will be allowed to return to his/her home facility without having to post into their original position. For apprentices starting in a PM role, a position will be made available for them in the region they are currently working in.
- This letter does not replace anything in the current Collective Agreement. It is an addition to the current Collective Agreement. All other conditions of employment are as per the Collective Agreement

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(12-04) RE: Finning Shovels and Drills**

All terms and conditions of the current Collective Agreement between the parties, other than those expressly modified or identified below, will apply.

**ARTICLE 4- SENIORITY**

4.06a Seniority shall be considered as time worked in the bargaining unit. Cat Mining (Bucyrus) Employees seniority date will be the date they transitioned to Finning (Canada). These Employees will then be ranked based on their hire date with Cat Mining (Bucyrus).

**ARTICLE 5- VACANCIES, POSTINGS, PROMOTION AND LAY-OFF**

5.07(a) Employees in the Edmonton and Fort McMurray Shovels & Drills Divisions will be separated from the main shops for the purpose of lay-off.

**ARTICLE 9- VACATION WITH PAY**

For purposes of calculating vacation entitlement, all Cat Mining (Bucyrus) Employees who transitioned to Finning (Canada) will utilize their hire date with Cat Mining (Bucyrus) for the purposes of Vacation entitlement.

**ARTICLE 11- GENERAL PROVISIONS**

- 11.03 Foremen, Supervisors and other Employees outside the bargaining unit shall not perform bargaining unit work, except in the case of instruction or emergency.
- 11.03a For a period no greater than six (6) months following the ratification date, some roles will require further review and possible segregation of duties. Employees identified as performing bargaining unit work, will become members of the Union retroactive to the date of transition. Such an Employee may be subject to a dues assessment in accordance with the Union's bylaws.

**ARTICLE 13- RATES OF PAY**

In an attempt to retain Cat Mining (Bucyrus) Employees the parties agree that if the rate of pay at the time of transition was higher than those outlined in Schedule "A" of the Collective Agreement they will maintain their rate and will be red-circled until such time as the schedule rate catches up.

**ARTICLE 15- SICK BENEFITS**

For the purposes of calculating Sickness and Short Term Disability Benefits, all Cat Mining (Bucyrus) Employees who transitioned to Finning (Canada) will utilize their date of hire with Cat Mining (Bucyrus).

**SCHEDULE "B" LAYOFF AND TRANSFER CLASSIFICATIONS**

- Applies to Edmonton facility and Oilsands branch operations.

<b>CABLE SHOVELS &amp; DRILLS LAYOFF CLASSIFICATIONS</b>	
CSA	Heavy Equipment Technician Apprentice
CSB	Heavy Equipment Technician
CSC	Millwright and Apprentice Millwright
CSD	Welder and Apprentice
CSE	Electrical Apprentice
CSF	Electrician
CSG	Machinist and Apprentice
<b>CABLE SHOVELS &amp; DRILLS PARTS DEPARTMENT LAYOFF CLASSIFICATION</b>	
CPA	Parts Journeyman and Apprentice

All Cable Shovels and Drills Classifications will be filled by posting. These classifications will be reviewed and discussed by both parties within twelve (12) months following ratification.

**Latenight Temporary Coverage**

During machine down and outage situations, facility D14 shop and field can utilize latenight temporary coverage to provide 24-hour staffing coverage in emergent situations. In order to address these short-term demands, the parties agree that the company can implement latenight temporary coverage for this facility.

- 1) Latenight Temporary Coverage will commence between the hours of 5:01PM and 1:00AM.
- 2) The Employer agrees that thirty-six (36) hours of notice shall precede the effective date of coverage implementation under machine down or outage situations. Overtime at applicable rates will be paid for the period of time worked less the appropriate notice.
- 3) Employees performing latenight temporary coverage will attract the Midnight Shift Premium for all hours worked as per Schedule "D" of the Collective Agreement.
- 4) Staffing the coverage will be governed by the provisions in Schedule "B" of the Collective Agreement.
- 5) This is for machine down and outage situations only within the Shovels and Drills division of Finning (Canada) and is not considered an approved regular shift. It is to be used only in case of emergent situations as outlined above.
- 6) A maximum period of one (1) week will be allowed; if more time is needed the company will discuss with the Union any time needed beyond the one (1) week period.

The Employer will discuss with the Union any future Project and Assemblies requirements, and the parties will meet to determine the circumstances, terms, conditions, shifts and any other details at least seventy-five (75) days prior to commencement of the project.

The parties agree to meet every three (3) months to discuss any issues arising out of this Letter of Understanding.

**LETTERS OF UNDERSTANDING**

None of the current Letters of Understanding have applicability to the Bucyrus Employees; other than:

**General**

- Banked Overtime
- Tuesday to Saturday Shift
- Continuous Shift
- Regional Wage Adjustment
- Union Management Relationship

**Service Related**

- Customers Working in Employer Shops and Adjoining Yards
- Maintenance Personnel

**Parts Related**

- Material Supply Assistant

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(12-07) RE: Twelve Hour Shift Agreement Specific to Tech Coal & Coal Valley**

This Agreement deals with the specific conditions and adds to and modifies the Collective Agreement for those Employees who are employed to work on this shift.

This agreement will be on a without prejudice or precedent basis. The purpose of this agreement is to address the following issues:

- a) The customer has requested an increase in manpower to support 7 day per week continuous day shift coverage from Finning (Canada) in the area of Field service for Tech Coal & Coal Valley.

This agreement is strictly for Tech Coal & Coal Valley Employees on a voluntary basis. The branch will post for the requisite number of positions (4). The shifts will either be 6 days on and 6 days off or 12 days on and 12 days off. The option for overtime, if available and approved, will be at the mechanic's discretion on days off.

**1) Hours of Work:**

The Company has the option of scheduling work as per the Collective Agreement or on twelve (12) hour shifts. For full day shift coverage 6 days on, followed by 6 days off or 12 days on, followed by 12 days off.

- a) A day shall be the twenty-four (24) hour period commencing with the start of the Employee's regular scheduled shift. A week shall be the seven (7) day period.
- b) A schedule is defined as days of work and the associated days of rest. Days of rest follow the days of work.

**2) Current Employees:**

The four (4) current Employees (listed below) working the continuous day shift who are presently listed as resident mechanics, will remain in the Resident classification but paid Field Serviceperson rate of pay once the LOU is agreed upon. All new hires into these posted positions will remain in the field classification.

- » Eugene Laboucane
- » Dan Gottert
- » Rick Vigneron
- » Bryan Wright

**3) Shift Times:**

The shift start times will coincide with the customer's requirements. Any start time outside from the normal hours of the commencement of "dayshift" (6.00am- 9.00am) will be paid at the applicable rates in the Collective Agreement and agreed upon by the Union.

**4) Statutory Holidays:**

- a) When a Statutory Holiday falls on an Employee's scheduled day off, the Employee shall be paid twelve (12) hours at their hourly rate for the holiday and these hours will count as eight (8) hours worked towards the work week.
- b) When a Statutory Holiday falls on an Employee's scheduled workday and the Employee does not work, the Employee shall be paid twelve (12) hours at his hourly base rate.
- c) When the Employee works a Statutory Holiday, he shall receive twelve (12) hours pay at his regular base rate, and in addition, shall be paid double time his hourly base rate for all hours worked that day.

**5) Rest Breaks:**

The Employee shall be provided with three (3) paid lunch/rest periods (2 x 15 minutes and 1x30 minutes) at the Employee's designated lunch place.

**6) Travel Time:**

As per the current Collective Agreement.

**7) Overtime:**

The normal workday consists of eleven and one-half (11.5) hours straight time and one-half (0.5) hour at time and one half the straight time rate for a total of twelve (12) hours. Hours worked in excess of the eleven and one-half (11.5) hours per day will be paid at the applicable Overtime rate. All hours worked past the normal work day (12 hours) when working on a Sunday will be paid at double time rate.

**8) Overtime Meal:**

When Employees are required to work extended hours in excess of thirteen (13) hours, the Company will pay the cost of a meal, to a maximum of \$20.00. If an Employee chooses not to take a meal break, they will be paid \$20.00. The time required to consume the meal shall not be less than one-half (0.5) hour.

**9) Change of Shift:**

When it is necessary for the Company to change an Employee's shift, the Employee shall be given seven (7) days' notice (as per 6.02) prior to the commencement of the effective date of the change. If 7 days is not provided, overtime will be paid for the days less the appropriate notice.

**10) Change of Schedule:**

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 days of rest, the applicable overtime rates will apply.

**11) Bereavement Leave:**

Bereavement leave will be paid at twelve (12) hours per day to a maximum of five (5) days. Qualification remains as per the collective agreement.

**12) Training:**

It is agreed that when the Employees are required to take training, the Employee will be paid their regular rate of pay for their days in training if the days fall on a normal day of work. If the training days fall on a day off then overtime rates will apply for the full 12 hours with the exception of Sunday where double times rates apply. The schedule will be arranged with the Employee's direct supervisor to allow for some time off upon return from training so that the Employee has the appropriate time off in relation to his shift (6 x 6 or 12 x 12). If the Employee is required to return to work before the required rest break is completed then applicable overtime rates will apply until the commencement of his normal days of work.

**13) Vacation:**

The Employee may choose to have vacation paid at straight time rates for twelve (12) hours per vacation day for a total of forty-eight (48) paid hours per set when on vacation, or may choose to take the days in 8 hour blocks to enable more consecutive days off (with less pay) as per the Collective Agreement. A minimum of forty (40) hours of vacation must be taken if a full set of seven (7) days is taken off of work.

**14) Sick Time:**

If an Employee becomes sick or injured while on site, all hours will be paid at twelve (12) hours per day at straight time rates to Sickness and Short Term Disability maximum outlined in the current Collective Agreement.

**15) Shift Premiums:**

Continuous shift rate as per Schedule "D" will be paid for all hours worked along with field rate and field premium, plus applicable shift premiums as per Schedule "D" of the Collective Agreement

**16) Living Accommodations:**

For those not maintaining a residence in Hinton/Edson, the company or customer will provide and pay for accommodations

Either party may request a meeting to discuss and resolve any issues arising from this Letter of Understanding. This letter must be agree to be renewed by both parties at its' expiration at the end of this Collective Agreement.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(13-01) RE: Rotating Shift for D37 Calgary Power Systems**

This agreement will be on a without prejudice or precedent basis.

The parties agree that a four (4) day, ten (10) hour compressed work week will be introduced to the current shift schedules at D37. The employer has identified that the introduction of this shift will enhance customer service offered to our customers.

The intent of this LOU is to schedule the members of the Parts and Service Department at D37 Calgary Power Systems on the following rotating schedule:

- During a six (6) week rotation, the Parts Department will have a Monday to Friday, eight(8) hour shift schedule for five (5) weeks; followed by a Monday to Thursday, ten (10) hour shift schedule for a period of one (1) week.
- During a six (6) week rotation, the Service Department will have a Monday to Friday, eight (8) hour shift schedule for four (4) weeks; followed by a Monday to Thursday, ten (10) hour shift schedule for a period of two (2) weeks.

This agreement will commence on the date in which both parties agree to the terms and sign this LOU, and will be readdressed at the end of the current Collective Agreement and renewed with mutual consent by both parties.

1) **Hours of Work and Shift Times:**

- a) The Company has the option of scheduling work as per the Collective Agreement or on ten (10) hour shifts. This shift will consist of four (4) days on, followed by three (3) days off.
- b) The shift times will be as per the Collective Agreement.

2) **Statutory Holidays:**

All conditions of Statutory Holidays and pay entitlement will comply with the Collective Agreement, or as follows when the Statutory Holiday falls within the compressed ten (10) hour shift schedule:

- a) When a statutory holiday falls on an Employee's scheduled day off it shall be taken either the day before or the next scheduled work day. The day will be mutually agreed by the parties and communicated to the members sixty (60) days prior the stat day.
- b) When a Statutory Holiday falls on an Employee's scheduled workday and the Employee does not work, the Employee shall be paid ten (10) hours at his hourly base rate.
- c) When the Employee works a Statutory Holiday, he shall receive ten (10) hours pay at his regular base rate, and in addition, shall be paid double time his hourly base rate for all hours worked that day.
- d) Statutory Holidays as listed in the current Collective Agreement shall be observed in conjunction with the scheduled rotation. Statutory pay will reflect either ten (10) or eight (8) hours on the day that is taken off in lieu.

3) **Rest Breaks:**

The Employee shall be provided with three (3) paid fifteen (15) minute rest periods and one thirty (30) minute unpaid lunch period.

4) **Rate of Pay:**

Hourly rates of pay will be as per Schedule "A" of the Collective Agreement.  
Premium entitlement will be as per Schedule "D" of the Collective Agreement.

5) **Overtime:**

The normal workday consists of either eight (8) hours straight time or ten (10) hours straight time dependent on the rotation schedule in which the shift falls. Hours worked in excess of eight (8) hours; ten (10) hours per day will be paid at applicable overtime rates as per the Collective Agreement. The normal work week will consist of forty (40) hours.



- 6) **Change of Shift:**  
When it is necessary for the Company to change an Employee's shift, the Employee shall be provided seven (7) days notice (as per 6.02) prior to the commencement of the effective date of the change. If 7 days is not provided, overtime will be paid for the days less the appropriate notice.
- 7) **Change of Schedule:**  
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 days of rest, the applicable overtime rates will apply.
- 8) **Vacation:**  
The Employee will have vacation paid at straight time rates for eight (8) hours or ten (10) hours per vacation day, dependent on the rotation in which the shift falls, for a total of forty (40) paid hours per week when on vacation.
- 9) **Sick Time:**  
Sick time will be paid at either eight (8) hours or ten (10) hours, dependent on shift rotation, at straight time rates per day as per the Collective Agreement. Short Term and Long Term Disability will be paid as per the Collective Agreement and STD and LTD plans, based on a forty (40) hour work week.

Either party may request a meeting to discuss and resolve any issues arising from this Letter of Understanding. This letter does not replace anything in the current Collective Agreement. It is an addition to the current schedules in the Collective Agreement. All other conditions of employment are as per the Collective Agreement.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(13-02) RE: Kearl Site**

This Letter of Understanding is on a "Without Prejudice or Precedent" basis and is specific to Finning (Canada) operations at the **Kearl Project (Imperial Oil Resources or IOR)** in the Regional Municipality of Wood Buffalo, Fort McMurray, Alberta. Furthermore, Agreement on this letter of Understanding is specifically without prejudice to the Union's position on the interpretation of the Camp LOU and the "Travel Allowance" specified in the Twelve-Hour Shift Agreement for the Municipality of Wood Buffalo, Oil sands Operations LOU in the 2012-2013 Collective Agreement.

Nothing in this letter of understanding shall be construed as altering the existing terms and conditions of the Collective Agreement except as specified below. This Letter of Understanding deals with the specific conditions and modifies the Collective Agreement specifically, the Twelve Hour Shift Agreement for the Municipality of Wood Buffalo, Oil Sands Operations for those Employees who are employed to work on site at the **Kearl Project**.

The Company and the Union thereby agree to the following:

1. The shift schedule for the Kearl Project site will be 10 days on and 10 days off; however the day shift will operate on a split shift. This results in the shift starting midday, first day in, and finishing midday last day out. The company recognizes that this results in 11 starts instead of 10 while on day shift. Therefore, the company is prepared to compensate those Employees working the full scheduled split shift by paying eleven and one half hours (11.5) straight time and one half hour (0.5) at applicable Overtime rate on day 1, and overtime for all hours worked on day 11, at applicable rates.
2. Sick time is paid at straight time rates.
3. If a statutory holiday falls on day one (1) of the shift rotation, Employees will be paid for the statutory Holiday and applicable overtime rates for the day. When a Statutory Holiday falls on an Employee's scheduled day off, the Employee shall be paid twelve (12) hours at their hourly base rate for the holiday and these hours will count as eight (8) hours worked towards the work week.
4. All Leadhand/Journeypersons will be required to successfully complete the three (3) day mentoring workshop as part of their normal job duties.
5. Tool allowance will not be paid to Employees as of May 1, 2013 since it is expected that all tools will be supplied by either the Customer or Finning Canada. In the event that *this* provision is discontinued, Finning (Canada) shall provide notice to the union and Employees ASAP, that the tooling program will be reinstated as per the collective agreement.
6. All Employees working at the Kearl Project will be provided flights to and from site at no charge. In the event that the Customer terminates this program the Employer shall provide immediate notice to the Union and Employees. The Employer

will allow for a flight expense to be claimed to a maximum amount of \$250 each way for a period not to exceed 90 days. Should the Customer provided flights be terminated, the Kearl Allowance will require renegotiation between the Employer and the Union.

7. The current marshalling points will be Calgary, Edmonton, Fort McMurray, and Fort Chipewyan. Employees will report to the marshalling point at their own expense. Employees who are weathered in or experience aircraft mechanical delays at the site will be paid applicable rates for time worked as per the Collective Agreement to a maximum of twelve (12) hours per day. When weathered out at any of the marshalling points, meal and accommodation expenses, if needed, will be paid by the Employer. The Employee will be paid their straight time hourly rate for the normal shift schedule of that particular day based on the flight manifest, up to a maximum of twelve (12) hours per day. This time will be classified as time worked.
  8. Camp accommodations will be provided to all Employees at no charge. Should this practice ever cease, Finning (Canada) shall provide notice to the union ASAP and revert to the current collective agreement costing model.
  9. Finning (Canada) will pay housing allowance to all Employees working at the Kearl site who maintain a residence in Municipality of Wood Buffalo.
  10. As part of the access to Kearl site requirements (IOR) will require the following from all Employees:
    - Valid Operator's License
    - Drug and Alcohol Test (Pre-Site Access)
    - Confidentiality Agreement (IOR)
  11. In the event that the contractual agreement with IOR changes during the term of the contract, the Union will be advised immediately of any issues that will change the terms of this LOU.
  12. Kearl Allowance: Employees will be paid a Kearl allowance of \$300.00 per month that they are employed at the Kearl site.
- The parties agree to meet to discuss and resolve any issues that have not been anticipated herein.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(13-03) RE: Fort Hills Site**

This Letter of Understanding is on a "Without Prejudice or Precedent" basis and is specific to Finning (Canada) operations at Fort Hills (Suncor) in the Regional Municipality of Wood Buffalo, Fort McMurray, Alberta.

This Letter of Understanding is intended for the Fort Hills site construction Power Generation requirements. The project term is estimated at this time to be two (2) years, with a possibility of extension. The scheduled commencement date for the project is tentatively set for Mid-June 2013. Should a Mining mobile maintenance agreement be reached for this site, the parties will meet to discuss in advance a new Letter of Understanding.

- (A) This LOU will cover employees working at the Suncor Fort Hills Site. There will be a total of four (4) employees – two (2) Field Mechanics & two (2) Field Electricians required. One (1) per shift, day and night. Additional Employees may be required based on customer demand and will be posted in accordance with this Letter of Understanding.
- (B) The shift rotation at Suncor Field Operations Fort Hills, as requested by the Customer, will be a 14 days on and 14 days off rotation. Shift start times will be within the terms and conditions of the current collective agreement.
- (C) Employees will have the option to live in Fort McMurray, or stay in camp at no charge. Employees will be provided camp accommodations initially at Barge Landing and then will be transitioned to Fort Hills Site Camp once it becomes available.
- (D) Employees who travel from Fort McMurray to site daily will receive applicable Travel Allowance/Inconvenience Pay as per the Collective Agreement.
- (E) Employees who maintain a residence in Fort McMurray will attract the Location Allowance as per the Collective Agreement.
- (F) Fort Hills Allowance: Employees will be paid a Fort Hills allowance of \$75.00 per month that they are employed at the Fort Hills site and staying in Camp.
- (G) The Customer provides flights at no cost to the Employee. The marshalling points for these flights are Calgary and Edmonton. In the event that the Customer terminates this program, the Employer shall provide immediate notice to the

Union and Employees, the Employer will allow for a flight expense to be claimed to a maximum amount of \$250 each way for a period not to exceed 90 days.

Nothing in this letter of understanding shall be construed as altering the existing terms and conditions of the Collective Agreement except as specified above.

**LETTER OF UNDERSTANDING  
BETWEEN  
INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS  
LOCAL LODGE 99 (the "Union")  
And  
FINNING INTERNATIONAL INC. (Finning)  
(13-04) RE: Field Lubrication Serviceperson**

During the 2013 negotiations it was agreed to by the parties that the position of a "Field Lubrication Serviceperson – Non Ticketed" will be added to the current collective agreement.

The terms and conditions of the collective agreement will apply to this position.

It is agreed to that the duties of this position will be as follows:

- Perform scheduled oil sampling and change fluid filters as per contract agreement.
- Perform maintenance as per machine specific checklists, and conduct visual machine condition reports.
- Coordinate ordering parts, maintain, and stock service truck.
- Will be fluent in electronic communications and service reporting.
- Must be able to make first customer contact for PM scheduling.
- Environmentally responsible in sensitive work areas.

The parties agree to meet and discuss the terms, conditions, and duties contained within this letter as needed.