April 4, 2018

Mount Polley Mining Corporation

Comprehensive Proposal
For a Renewal Collective Agreement

These are the Company’s proposed terms and conditions for a renewal collective agreement between the Company and USW Local 1-2017.

- Where there is no reference below to a new or amended provision, the provisions of the 2013 - 2017 agreement are continued.

- Some, but not all agreed housekeeping changes [HK] are included in the text below. The other agreed changes and any additional agreed matters (with respect to numbering, organization, inclusion of an index etc.) will be included in the final text in the parties’ booklet version of the collective agreement.

- In many cases, where there is a change of a few words within a larger block of text, those changes have been underlined for convenience of identifying the change. Where there are larger changes, the entire text is not underlined. However, the text should always be carefully compared to the text of the 2013-2017 agreement.

The following is subject to corrections of errors and omissions.

1.05 [Agreed] New section (replacing LOU # 7):

UNION / MANAGEMENT COMMITTEE

Recognizing the need for good labour relations, the parties shall schedule Union-Management meetings once every three (3) months or more frequently as required.

The meetings shall serve as a forum for discussion and consultation about policies and practices not necessarily covered by the collective agreement. Areas for discussion shall include but not be limited to:

1. Training
2. Safety Measure
3. Contracting out issues
4. Matters that affect the employee’s employment conditions
5. Benefits

4.01 (a) [Agreed, HK] Amend to read:

a. Authorize the Company in writing to deduct Union dues from their pay. The Union will provide a Check-off Authorization to the Company for this purpose, the “copy” portion of which is to be mailed by the Company to the servicing staff office of the United Steelworkers at 1777 - 3rd Avenue, Prince George, B.C. V2L 3G7.

4.02 (e) [Agreed, HK] Amend to read:

e. A duplicate R115 Form and Employee Deduction Statement as in d. above shall be forwarded by facsimile to:
United Steelworkers, Local Union 1-2017
Attention: Financial Secretary at fax number 250-563-0274.

4.03 Amend to read:

It is the parties’ desire to establish and maintain excellent labour relations in the workplace. To this end, the Union and the Company shall jointly acquaint new employees with the collective agreement. The Company will enable an available shop steward to have a brief meeting with the new hire during or at the end of orientation. The Company supervisor shall introduce all new employees to the steward on the crew to which they are assigned within the first rotation.

4.06 [Agreed] Amend to read:

The Union shall promptly notify the Company, in writing, of the names of those who have been elected to the executive or other Union committees. The Company will recognize up to one steward from each shift (A, B, C and D) as well as from each crew from any of the following: Mine Operations, Mine Maintenance, Mill Operations and Mill Maintenance. The Union will designate and the Company will recognize the Plant Chairperson as the chair of the grievance committee. To be a steward, an employee must have completed his probationary period.

5.04 [Agreed, HK] Amend by deleting paragraph c.

5.12 [Agreed] Add new provision:
The Company will post a list of all hours worked on overtime within forty-eight (48) hours of the start of the shift. This list will include who worked and on which day they worked.

6.03 [Agreed] Amend to read:

To qualify for statutory holiday pay, an employee must work the employee’s last scheduled shift prior to the statutory holiday, the holiday itself (if the employee is scheduled to work it), and the next scheduled shift after the holiday. The exception to these requirements is where an employee has a reason acceptable to the Company, such as illness or injury. Proof will be required.

7.05 [Agreed, HK] Amend to read:

Employees who leave the service of the Company shall be paid vacation pay at the time of severance in accordance with the provisions of article 7.02.

7.06 [Agreed] Amend article 7.02 to read, in its entirety (Note the former paragraph a and the last sentence are deleted):

An employee may elect to be paid his /her vacation pay from one of the following two options:

a. Full vacation to be paid in the period which the employee notifies the Company when he/she wishes to receive the earned vacation pay.

b. Vacation pay to be paid as if the employee worked the day. Vacation will be reconciled at the end of each employee’s vacation year.

8.01 [Agreed, HK] Amend the second paragraph to read:

Subject to clause 8.02 hereof, the departments will be the Mine Operations, Mine Maintenance, Mill Operations, Electrical and Mill Maintenance.

8.03 Amend paragraphs (e) and (f) to read:

e. is laid off by the Company for a period of more than one (1) year;

f. fails to satisfy the recall provisions of article 9.02

8.04

Seniority shall be maintained and accumulated, subject to any legal duty to accommodate, during:
a. absence due to an occupational injury or illness, which occurs while the employee is performing work the Company, for up to three (3) years.

b. non-occupational injury or illness causing absence as per Article 8.03 (g) subject to a doctor’s report verifying the exact nature and extent of the injury or illness, the prescribed treatment and prognosis for recovery.

c. layoff.

8.05 [Agreed] Amend to read:

Seniority shall be maintained but not accumulated during authorized leave of absence exceeding thirty (30) calendar days.

8.12 Amend to read:

In cases where the transfer of an employee to another shift or rotation would promote the effectiveness of operations, employees with greater seniority must give due consideration to a proposed transfer. The junior appropriate employee must accept a proposed transfer.

8.13 Replace the current 8.13 with:

a. In the case of a lay-off resulting in termination of employment as defined in the Employment Standards Act (ESA), the Company must provide terminated employees with two weeks' notice of layoff for every year of completed service to a maximum of 12 weeks. If the Company fails to give the notice required by this provision to any employee, the Company must pay that employee an amount equal to the pay the employee was entitled to receive for the period of notice deficiency upon the expiration of the employee's seniority and recall rights.

b. Any exceptions set out in in Part 8 of the ESA apply to paragraph a.

9.02 Amend to read:

Laid-off employees will be notified of recall by telephone or email, which will be confirmed by registered mail. An employee being recalled must return to work no longer than fourteen (14) calendar days after mailing of the registered notice. A copy of the notice will be given to the Union. It is the responsibility of the laid-off employee to keep the Company informed of their current mailing address, email address and telephone number.
If an employee is recalled to a job other than the posted job held at the date of layoff, the employee will be entitled to return to that posted job if it becomes available within one (1) year following recall.

9.03 [Agreed] Amend to read:

The Company recognizes the seniority rights of its employees and shall furnish the Union with a seniority list based upon the last date of employment of all employees and department. This seniority list will be recognized as the official seniority list under the terms of this agreement.

9.05 [Agreed, HK] Amend to change 'working force' to 'workforce'.

9.06 [Agreed, HK] Move to article 8.

9.09 Replace the current 9.09 with the following:

If there are no qualified applicants within the department, the Company may fill the opening by:

1. Appointing a qualified applicant from outside the department or, if there is more than one qualified applicant, applying the criteria in section 9.08 except that the Company will consider the Company seniority (instead of the departmental seniority) of the applicants;

2. Training the senior applicant employee from within the department, provided that (a) the work of the posted position can be maintained at a satisfactory level during the period of training, and (b) the required training can be completed within sixty (60) calendar days;

3. Training the senior applicant employee from outside the department, provided that (a) the work of the posted position can be maintained at a satisfactory level during the period of training, and (b) the required training can be completed within sixty (60) calendar days; and

4. Hiring outside the bargaining unit.

If the vacancy is not filled within ninety (90) days, the vacancy will be reposted.

10.02 (a) [Agreed] Amend to read:

SAFETY COMMITTEE
a. A permanent Safety Committee of nine employees shall be appointed by the Union, three (3) of which shall meet with the Company during the first half of each month to conduct workplace inspections. The safety meetings with management shall be held later in the same month, allowing time for the inspection report to be prepared. Official minutes shall be kept and copies forwarded to the Safety Committee and local Union. A copy of their report shall be filed with the Inspector of Mines and posted on all bulletin boards.

10.02 (b)  [Agreed] Amend (per section 15 of the Mines Act) to read:

b. At the request of the Ministry of Mines Inspector, the Company will arrange for the worker co-chair or designate, and the management co-chair or designate, each to appoint a representative to accompany the Inspector on an inspection.

10.07 (11) [Agreed] Amend item 11 to read:

11. Respiratory protection that is individually fitted for all who require them.

11.02 (b)  [Agreed] Amend to read:

b. Except for reasons acceptable to the Company, the employees shall call-in to the designated number at least two (2) hours in advance of their shift with reasons for not reporting. The call-in number shall be posted on all department bulletin boards.

11.03  [Agreed] Amend to read:

A leave of absence may be extended at the discretion of the Company. The employee must request the extension, in writing, prior to the expiration of the leave.

13.01  Amend to read:

REPRESENTATIVES OF THE PARTIES

a. The Union will notify the Company of the names of stewards entitled to represent the Union at various stages of the grievance procedure and in other matters that the Union believes should be discussed with management.

b. Time spent by a shop steward for the purposes set out in paragraph (a) during regular working hours at the worksite is considered as time worked by the Company and is paid for at straight time rates. Time off is subject to agreement by the Company, but agreement won't be withheld unreasonably.
c. The Company will notify the Union of the names of Company representatives entitled to represent the Company at various stages of the grievance procedure and in other matters that the Company believes should be discussed with the Union.

d. The parties will appoint progressively more senior people to represent them at ascending stages of the grievance procedure. If an appointed person is unable to attend a meeting, that person’s designate may attend in place of the appointed person, provided that the other party is notified before the day of the meeting.

e. Equal numbers of people from each of the Union and the Company may attend any meeting during the grievance procedure. Unless there are important reasons related to potential resolution of the grievance, the number of people at any meeting from each party will be limited to four.

13.02 Amend to read:

STAGES OF THE GRIEVANCE PROCEDURE

Stage 1 The Union may commence stage 1 by presenting a written grievance to the Company within 14 calendar days of the occurrence of the matter that is the subject of the grievance. The Company has up to 14 calendar days from receipt of the grievance to reply to it in writing. If the grievance remains unresolved, the Union may advance it to stage 2 within 14 calendar days from receipt of the Company’s reply by a written request for a stage 2 meeting.

Stage 2 If the Union requests a stage 2 meeting, the parties must meet within 14 calendar days from the date of the request. Failing resolution at stage 2, the Union may advance the grievance to stage 3 by notifying the Company in writing within 14 calendar days from the date of the meeting.

Stage 3 If the Union advances the grievance to stage 3, the parties must meet within 21 calendar days from the date the grievance was advanced. Failing resolution at the stage 3 meeting, the Union may refer the grievance to arbitration within a further 30 calendar days.

13.03 [Agreed Except that the number of days for reference to arbitration is outstanding] New provision, to read:
EMPLOYER GRIEVANCES

The employer may present a written grievance to the Union within 14 days of the occurrence of the matter that is the subject of the grievance. The parties must meet within twenty-one (21) calendar days from the date the grievance was presented. Failing resolution, the employer may refer the grievance to arbitration within a further _____ calendar days.

13.04 Amend to read:

DISCIPLINE

a. Subject to article 8.07, employees may be disciplined only for just and reasonable cause. Suspension days will run as consecutive working days.

b. An employee being disciplined has the right to the presence of a union representative of the employee's choice, provided that the individual is readily available. If the union representative of the employee's choice is not readily available, the employee has the right to be accompanied by another union representative or other employee who is readily available. The union representative or other employee shall attend as a witness. In the event the employee declines a witness, the employee shall sign a statement to that effect and the Company will send a copy of the statement to the Union.

c. All warnings and suspensions will be deemed void after two years from the date of issue, providing the employee has received no further discipline.

13.05 Amend to read:

EFFECT OF TIME LIMITS

If either party fails to act within any of the time limits, or within an agreed upon written extension, it will be deemed that the party failing to meet the time limit has abandoned its position and the position of the other party has been established for that grievance. Neither the Union nor the Company will refuse to agree to a reasonable request for an extension.

14.01 [Agreed] Amend to read:

In the event that a grievance is referred to arbitration as per article 13.00, the following arbitrators will be chosen on a rotational basis:

Nicholas Glass, John Hall, Julie Nichols, Vince Ready, Glenn Sigurdson, and Christopher Sullivan
19.02  Amend to read:

The Company will provide a tool allowance for tradespeople as follows:

- Millwright: $0.30 per hour
- Heavy duty mechanic: $0.40 per hour
- Electrician: $0.30 per hour
- Welders: $0.25 per hour
- Lube service: $0.25 per hour

The Company will replace broken tools with tools of equal value to those broken.

19.12  [Agreed, HK] Amend to read

(i.e. delete 'and/or who are not using a Company vehicle' and delete the last paragraph):

Employees who are not on the prescribed bus route as determined by the Company will be compensated with a subsidy to offset the travel cost at the rate of twelve dollars ($12.00) per shift worked.

20.01 (3)  [Agreed] Insert a new paragraph 3 to read:

3. Before seeking or accepting an assignment to drive a vehicle for the Company, employee(s) must notify the Company if there is a change in their driver's license. This is only required on vehicles that are insured by ICBC.

22.01  Amend as follows:

Change the dates to provide a three year term, commencing on January 1, 2018 and expiring on December 31, 2020.

23.01  [Agreed] Amend to read:

All employees who have a valid Level III Industrial First Aid Ticket, and are designated by the Company to act as first aid attendants shall receive one dollar ($1.00) per hour.

23.04  [Agreed, HK] Amend to read:

SHIFT PREMIUM
Effective the date of ratification employees on a continuing cycle will be paid a premium for all hours worked on what is commonly referred to as the back shift.

The premium is as follows:
$0.75/hr through the term of the collective agreement.

23.05 [Agreed, HK] Amend to read:

WEEKEND PREMIUMS

Effective the date of ratification employees will be paid a premium for all hours worked between 6:30 PM Friday and 6:30 PM Sunday.

The premium is as follows:
$0.75/hr through the term of the collective agreement.

23.06 [Agreed, HK] Amend to read:

TRAINER PREMIUM

Qualified operators who are acting as trainers shall receive a premium of one dollar ($1.00) per hour for all hours training other-employees.

APPENDIX C

Mill Job Progression System

Add, after the first paragraph, the following paragraph:

It is recognized that not every employee has the ability to learn any job. If, in management’s opinion, a trainee would require and excessive amount of time to train, or owing to lack of skill or understanding impedes production or endangers equipment, he/she may be removed at any time during the competency assessment period. Postings will only be valid for thirty working days.

Mine Job Progression System

Amend as follows:

• [Agreed, HK] Change 'Training Foreman', wherever it occurs, to 'Senior Shift Supervisor or designate'.
• [Agreed, HK] Under Equipment Operator Job Class 4, change '168 hours on any one of' to '168 hours on each of'.

• Under Restrictions, amend item 4 from "at Mount Polley" to "outside Mount Polley".

LETTERS OF UNDERSTANDING

LOU 1  [Agreed, HK] Renew with changes to local Union references.

LOU 2  [Agreed, HK] Renew with changes to the local Union references.

LOU 3  Amend to add extended leave of absence (and make changes to local Union references).

LOU 4  [Agreed, HK] Amend delete #3 and renumber

LOU 5  [Agreed, HK] Renew with changes to local Union references.

LOU 6  [Agreed, HK] Renew with changes to local Union references.

LOU 7  [Agreed, HK] Delete and move to body of CBA.

LOU 8  [Agreed, HK] Delete.

LOU 9  [Agreed, HK] Delete and move agreed to issues to article 1.05.

LOU 10 [Agreed, HK] Delete [Also delete section 5.04 (C)].