

Memorandum of Settlement

BETWEEN:

TEAM INDUSTRIAL SERVICES

(hereinafter called the "Company")

-and-

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS LOCAL LODGE 2792**

(hereinafter called the "Union")

Whereas the Company and the Union are party to a collective agreement that expired on November 14, 2007,

And whereas the parties have negotiated this memorandum of settlement as a renewal of the said collective agreement,

The parties hereby agree as follows:

The renewal agreement will be for a three year term retroactive to November 15th 2007 and expiring on November 14th 2010, with the following amendments (identified in RED BOLD font) as ratified by the membership on December 5th 2007. All other articles and letters of intent in the current CBA will not change.

Dated this 19th day of December, 2007

FOR THE COMPANY

FOR THE UNION

Dave Lothian
General Manager, CDN Operations

Brad Brereton
Directing Business Representative

Cleta Louzado
Human Resources Manager

Kevin Davis
Local Lodge 2792 President

Dave Langohr
CIP Manager

Josh Graves
Shop Committee Chairperson

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This Agreement, made and entered into the **19th day of December, 2007**, by and between **TEAM INDUSTRIAL SERVICES**, hereinafter called the "Company" and the International Association of Machinists and Aerospace Workers, an association of employees representing the employees of **TEAM INDUSTRIAL SERVICES** employed at DDM Plastics Inc. through **its** Local Lodge, Number 2792 herein called the "Union".

PURPOSE

1. The general purpose of this Agreement is to establish and maintain formal relations between **TEAM INDUSTRIAL SERVICES** and its' employees. To provide machinery for the prompt and equitable disposition of grievances, and to establish and maintain mutually satisfactory working conditions, hours and wages for all employees in accordance with the provisions of this Agreement, who are subject to the provisions of this Agreement.

RECOGNITION

2. (a) **TEAM INDUSTRIAL SERVICES** hereinafter called the "Company" recognizes the Union as the sole and exclusive collective bargaining agent for all employees of **TEAM INDUSTRIAL SERVICES** at its' operations at 50 Clearview Drive in the town of Tillsonburg, save and except salaried positions such as supervisors, persons above the rank of supervisor, office and sales staff.
 - (b) Nothing in this Agreement shall be construed as constituting recognition of acknowledgment by the Company that any work is or may become the exclusive right of any employee or class of employees represented hereunder.

UNION DUES

3. (a) All employees of the Company covered by this Agreement who have successfully completed their probation shall be required to sign a deduction authorization form, provided in appendix "B", in an amount equivalent to the regular monthly Union dues.

In consideration of the deducting and forwarding of Union dues by the Company, the Union agrees to indemnify and save harmless the Company against any claims to liabilities ensuring for resulting from the operation of the check-off provision. The Company agrees to remit the collected union dues on or before the fifteenth (15th) of the following month.

DUES AUTHORIZATION

- (b) I hereby assign to Local Lodge No. 2792, The International Association of Machinists and Aerospace Workers, from any wages earned or to be earned by me as your employee, a fixed dollar and cents sum equal to that prescribed by the union's International Constitution and the Local Lodge Constitution, as my membership dues in said Union. I authorize and direct you to deduct such amounts from each of my weekly pays and to remit same to the Secretary Treasurer of the Union.

This assignment, authorization and directive shall be effective when delivered to the Head Office of the aforementioned employer.

Witness: _____ Signature: _____
Employee

RESERVATION OF MANAGEMENT RIGHTS

4. (a) Subject to the provisions of the Agreement, the Union recognizes the right of the Company to hire, promote demote, transfer, discipline, suspend or discharge for just cause any employee subject always to the right of the employee concerned to lodge a grievance in the manner, and to the extent, herein provided.
- (b) The Company has the right to make and alter from time to time, rules and regulations to be observed by the employees which shall not be inconsistent with the provisions of this Agreement.
- (c) Without restricting or limiting the generality of the foregoing, the Employer retains all rights and responsibilities of management, not specifically relinquished or modified by this Agreement.
- (d) The Company maintains the right to establish and maintain high quality work standards which will be designed to allow the work to be done safely and efficiently.
- (e) The Company maintains the right for pre-employment job testing for new hires that is not contrary to or in violation of the Human Rights Code or any other legislation.

EXPRESS WAIVER

5. The parties agree that this Agreement constitutes the entire contract between them governing rates of pay and working conditions of employees in the bargaining unit during the term hereof, and settles all demands by the parties during negotiations.

Accordingly, the parties each expressly waives the right during the term of this Agreement to demand, discuss or negotiate upon any subject without the consent of the other party.

This section shall not limit the use of the grievance and arbitration procedure of this Collective Agreement. Differences over rates for new jobs arising during the life of the contract may be processed through the grievance and arbitration procedure.

RELATIONSHIP

6. (a) The terms of this Agreement and its' conditions will apply equally to all employees who are subject to the provisions thereof.
- (b) The Company and the Union recognize their respective responsibilities relating to hiring, promoting, advancing, assignment to jobs, or with respect to any other term or condition of employment and will not discriminate against any employee because of membership or non-membership in the Union or for participating in legitimate recognized Union activity, age, sex, race, creed, colour, marital status, national origin, family status, handicap, ancestry, ethnic origin or citizenship.
- (c) The Union agree there will be no Union activity on Company time, and no meetings on the Company premises except with the permission of the Company.

NO STRIKES OR LOCKOUTS

7. The Union agrees that neither it nor any of the employees in the bargaining unit covered by this Agreement will collectively, concertedly or individually engage in or participate, directly or indirectly, in any strike, slow down, work stoppage, or any other unlawful acts that interfere with the Company's operations during the term of this Agreement, and the Company agrees that during the term of this Agreement it will not lock out any employees covered by this Agreement. The Company retains the right to discipline or discharge any employee who violates this provision.

PLANT COMMITTEE

8. (a) The Company acknowledges the right of the Union to appoint or otherwise select a Plant Committee to be composed of two people, one of whom shall be the Shop Committee Chairperson. The Union shall notify the Company in writing of all members of these committees. The Company shall not be required to recognize any committee member where the Union has failed to provide such notification.

- (b) The Union recognizes and agrees that Committee persons have regular duties to perform in connection with their employment, and only such time as is reasonably necessary will be consumed by such persons during working hours in order to attend to the business of administrating this Agreement. It is understood and agreed that Committeemen will be paid for time spent processing grievances provided:
 - (i) Such time relates to grievance meetings after completion of the grievance procedure (not including arbitration).
 - (ii) Such meetings are held between Union and Management.
 - (iii) The time so spent pertains to the normal hours of work of the Committee person's own shift.

- (c) Before leaving his/her regular Company duties, a Committee person must obtain permission from his/her Supervisor to do so. He/she shall also report to the Supervisor of any department he/she thinks it necessary to visit, stating his/her reasons for so doing, and securing permission before entering. Permission will not be unreasonably withheld in either instance. When resuming his/her regular duties, he/she shall report to his/her Supervisor.

GRIEVANCE PROCEDURE

9. (a) A grievance shall be defined where a difference arises between the parties pertaining to the interpretations, applications or administration of this Agreement, including any questions as to whether a matter is arbitrable.

STEP NUMBER 1

Before any matter can be considered a grievance in keeping with the provisions of the grievance procedure, the matter will firstly be discussed between the employee and his or her immediate supervisor, who was the grievor's immediate supervisor relative to the alleged incident in an attempt to resolve the concern. The employee shall receive a reply of the concern within two (2) working days from the discussion.

STEP NUMBER 2

Before any matter can be considered a grievance in keeping with the provisions of the grievance procedure, it shall be reduced to writing on a duplicate grievance form supplied by the Company citing the Article believed to be violated and the settlement requested, signed by the employee and the Committee person and submitted to the employee's said immediate supervisor within ten (10) working days of the occurrence of the event on which the grievance is based. The supervisor will, within five (5) working days, meet with the employee and his/her committee person. Following this the supervisor will give his/her answer, in writing to the employee, within three (3) working days.

STEP NUMBER 3

If the grievance is not settled as outlined above, within three (3) working days, it may be referred to the Manager, Human Resources. Within five (5) working days of the receipt of the grievance the supervisor and the Manager, Human Resources shall discuss the grievance with the Shop Committee person and the International Business Representative. Within a further period of three (3) working days after the close of the discussion, the Manager, Human Resources shall render a written disposition of the grievance.

- (b) Time limits mentioned in steps two (2) or three (3) may be extended by mutual consent in writing between the Company and the Union which consent shall not be unreasonably withheld.
- (c) No grievance will be considered if more than ten (10) working days (two (2) calendar weeks for part-time employees) have elapsed since the occurrence of the event on which the grievance is based, or should have become known to the aggrieved and/or Union with the exercise of reasonable attention.
- (d) Working days is defined as the regularly scheduled working days of the employee.

ARBITRATION

- 10. (a) Any grievance that has been properly processed through the grievance procedure and has not been resolved may be referred to a single arbitrator by notifying the other party in writing of its desire to submit the difference or allegation to arbitration. The International Business Representative and the Manager, Human Resources will attempt to agree upon a single arbitrator. If no agreement is reached within ten (10) calendar days the appointment shall be made by the Ministry of Labour Arbitration Services, upon the request of either party. The Arbitrator shall hear and determine the difference or allegation and shall issue a decision and the decision is final and binding upon the parties and upon any employee or employer affected by it.
- (b) The Arbitration Board shall not have jurisdiction to alter, modify, add to, delete from, or change any of the provisions of this Agreement, and shall make a decision within the terms of the submission to arbitration.
- (c) The parties will jointly bear the fees and expenses of the Arbitrator.
- (d) No grievance shall be considered by the Arbitrator unless it has been properly carried through all the previous steps of the Grievance Procedure.
- (e) No person shall be selected as an Arbitrator who has been directly involved in attempts to negotiate or settle the grievance.

DISCIPLINARY ACTION, SUSPENSION OR DISCHARGE CASES

11. (a) A copy of all disciplinary action which results in a written reprimand or loss of time will be given to the Union representative in attendance when the disciplinary action is given to the employee.
- (b) A claim by an employee who has completed his/her probationary period that he/she has been discharged or suspended without just cause may within three (3) working days after discharge or suspension file a grievance in writing at step three (3) of the grievance procedure.
- (c) In the employee's claim is found to be justified, then he/she shall be reinstated in his/her employment with such compensation for lost time at his/her regular rate of pay and benefits with no loss of seniority rights or any other agreement that is seen as just and equitable by the parties.
- (d) Where an employee is being formally disciplined he/she shall be accompanied by a Plant Committee person. The foregoing shall not apply to the investigation of a situation which may lead to discipline.
- (e) Where an employee is found engaged in smoking activities in the designated "RESTRICTED NO SMOKING" AREA the Union and the Company agree that the appropriate disciplinary penalty is dismissal and the said employee shall be forthwith dismissed.

It is understood and agreed that an employee may challenge by grievance and/or arbitration whether or not the alleged infraction took place. However, the employee shall not be entitled to challenge the dismissal where the alleged incident is not challenged and/or confirmed through the grievance or arbitration process.

Save and except for expressly designated smoking areas, the plant is deemed non-smoking.

- (f) In determining the penalty to be imposed, the Company will not be entitled to rely on any discipline that was issued or any disciplinary action that was taken more than one (1) years prior to the incident that is presently under consideration, provided that a period of one (1) years has elapsed from any previous disciplinary action during which time the employee has not been disciplined.

SENIORITY, LAYOFF AND RECALL

- 12. Each of the parties hereto recognizes the employees within the bargaining unit are entitled to an equitable measure of security based upon length of service with the Company.
 - (a) It is agreed that in the event of any increase or decrease in the number of Employees due to business conditions, employees with seniority shall be added to the payroll or laid off on the basis of seniority insofar as is consistent with the efficiency of operations and the employee's ability to perform the work.
 - (b) The Company agrees, whenever practical to inform the Union President in writing one (1) day in advance of all layoffs.
 - (c) Employees being recalled from layoff (i.e. unemployed by the Company) shall be recalled to the first available position in the reverse order of layoff provided the employees recalled has the present ability to perform the work to which he is being recalled.
 - (d) An employee who is transferred to a position not subject to the terms of this Agreement shall retain his/her seniority up to one hundred and twenty (120) calendar days after the date of transfer to the position outside this Agreement. If he is transferred back to the bargaining unit, seniority will continue from the date of transfer back to the bargaining unit.
 - (e) Seniority lists (full-time and part-time) will be revised and posted every three (3) months. Whenever two (2) or more employees begin to work on the same day, their placement on the seniority list will be determined according to a draw.
 - (f) The Company agrees for layoff purposes only, members of the Plant Committee shall be retained in the employ of the company during their respective terms of office, not withstanding their respective position on the seniority list, so long as the company has work available to which they are qualified.
 - (g) When full time openings become available, the part-time employee with the most seniority, who is capable of performing the work, will be offered the full time positions.

LOSS OF SENIORITY

13. An employee shall lose his/her seniority standing and shall be deemed no longer an employee of the Company, and his/her name shall be removed from all seniority lists for any of the following reasons:
- (a) If the employee voluntarily quits his/her employment with the Company.
 - (b) If the employee is discharged and is not reinstated by the grievance procedure.
 - (c) If a period of one (1) year has elapsed since the day of layoff.
 - (d) If the employee has been laid off and fails to return to work within three (3) working days after he/she has been notified to do so by the company, by way of Registered mail addressed to the last address on record with the Company. It is the employees responsibility at all times to keep the Company informed of his/her correct home address.
 - (e) If the employee overstays a leave of absence granted by the Company without securing an extension of such leave.
 - (f) If the employee is absent from work without notifying the Company for three (3) consecutive working days. Notification will be in accordance with the existing policy on such.

PROBATIONARY EMPLOYEES

14. (a) Part-time employees will be regarded as probationary employees for the first 60 days worked or 480 hours worked, whichever comes first, and shall have no seniority standing until the completion of the 60 days worked or 480 hours worked. Part-time employees that convert to full time status will not be required to serve an additional probation period. All new employees will start on a part-time basis. Part-time employees will only convert to full time status when there is a full time position available to be filled.

- (b) In recognition that the release or termination of a probationary employee is for just cause, the probationary employee so released or terminated shall not be permitted to claim violation of any specific or implied term of the Collective Agreement for the purpose of providing jurisdiction to an arbitration to review the merits of his/her termination.

LEAVE OF ABSENCE

15. (a) Any employee's request for leave of absence must be in writing, with one (1) month's notice, to the supervisor, where such application will be given full consideration. Leaves will not be unreasonably withheld and a copy of such notice will be given to the Shop Committee Chairperson.
- (b) All leaves of absence will be without pay unless otherwise specified. The employee may prepay benefit coverage for the duration of such leave if the coverage would normally cease during any leave period in excess of one (1) month's notice.
- (c) Any employee of the Company elected or appointed to a full-time position in the Local Union or International Union will be granted a leave of absence by the Company. Such leaves will remain in effect until notice to cancel such leave is given by the union.

Employees who are granted a leave under the above sentence shall have their seniority accrue while on such leave.

- (d) Union leaves of absence to attend to union business outside the plant will be granted, to a maximum of two (2) leaves at any one time.
- (e) Emergency leaves will not require the one month notice. However, in the event that the Company believes the leave is not of an emergency nature, discussions with the onsite union representative, the Supervisor and the employee will commence in order to determine the outcome of the requested leave.

JURY DUTY

16. Any employee who is working and who is on the seniority list and who is called for service on a court jury or subpoenaed to appear as a witness where the employee is not party to the action shall be entitled to receive from the Company, the difference between what he/she receives as pay for jury service or as a witness and what he/she would have received from the Company if he/she had not served on either of the above.

BEREAVEMENT

- 17(a) In the event of a death of a member of their immediate family, **fulltime employees will be allowed necessary time off, up to five (5) days, and part-time** employees will be allowed necessary time off, up to three (3) days, with pay at their regular straight time rate for the days they are forced to miss that fall within the period starting with and including the day of death and ending with and including the day of the funeral.
- (b) For the purpose of this clause, immediate family is one of the following: current spouse, children, father, mother, sister, brother, father-in-law, mother-in-law, grandparents or grandchildren.
- (c) Only employees who have passed their probationary period will qualify for bereavement pay.
- (d) Notwithstanding the above, where internment of a deceased member of an employee's immediate family is delayed, the employee may elect to defer up to two (2) of the three bereavement days, that the employee would otherwise be entitled to take off, in order to attend at the internment.

HOURS OF WORK

18. (a) Nothing herein shall constitute a guarantee of hours of work per day or hours of work per week or working schedules or a limitation upon the scheduling of employees for work.
- (b) It is understood and agreed that **TEAM INDUSTRIAL SERVICES** is a service company and the hours of work will vary dependent upon client requirements and production schedules.
- (c) For pay purposes, the work week will commence Monday at 12:00 midnight and will finish the following Sunday at midnight.
- (d) A thirty (30) minute unpaid lunch break will be provided at the time of the second break period. The time of such lunch period to be designated by the Company. In addition, there will be a thirty (30) minutes paid break in an eight (8) hour or in a ten (10) hour shift and an extra 15 minute break in a 10 hour shift. In a twelve (12) hour shift there will be one (1) unpaid thirty (30) minute break and two (2) 30 minute paid breaks. Management reserves the right to divide the last thirty (30) minute break into two (2) fifteen (15) minute break periods in a twelve (12) hour shift. The time of such break periods to be designated by the Company. This time allotment includes travel time to and from the break area. The employee shall be required to remain on site during their paid break periods.
- (e) Employees will have at least eleven (11) consecutive hours off work each day.

OVERTIME

19. (a) Time and one half shall be paid for all hours worked in excess of 40 hours per week or twelve (12) hours in one day.
- (b) Overtime will be evenly distributed among the employees capable of doing the work involved.

In order to ensure even distribution of overtime, the opportunity to work overtime will be offered on a rotational basis.

When an employee declines a request for overtime through the rotation, the amount of overtime declined shall be charged as opportunity hours against that employee.

Where the records show an imbalanced distribution of overtime, the imbalance will be adjusted by offering the next available overtime to the capable employee with the least amount.

Employees overtime hours will be adjusted on a weekly basis and posted for review by the employees on Monday each week in the trailer.

- (c) Employees away from work when overtime is being established and/or worked, will be charged with opportunity to work, equal to the employees who accumulated the highest number of overtime hours during the period of this absence provided he/she would have had the opportunity to work the overtime had he/she been at work.

SHIFT ALLOWANCE

- 20.(a) Where shift work is involved, the Company will pay an additional 50 cents per hour to those employees per hour worked on the following basis:

The shift premium shall be paid to the employee for any shift that starts between 3:00 p.m. and 5:00 a.m.

In Year 1 of this agreement the shift allowance will be 50 cents per hour, in Year 2 the shift allowance will be 55 cents per hour, and in Year 3 of this agreement the shift allowance will be 60 cents per hour.

HOLIDAY

21. (a) The following shall be paid holidays under this agreement:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Family Day	

- (b) The nature of the Company's business requires that work be performed on many of these days.
- (c) When the holiday listed above are not worked, the Company will pay to every full-time employee who has been on the payroll for more than three (3) months, the regularly scheduled hours at the straight time, hourly rate for that holiday, provided however:
- (i) That the employee shall have worked on the scheduled working day before such holiday and on the scheduled working day after such holiday, or be either on vacation, medical, Union, or personal leave, provided such leave commenced no longer than two (2) weeks prior to a paid holiday. Medical absences must be documented with a doctor's note stating employee disabled and under care, period of disability, date seen by doctor, and expected date of return to work.
 - (ii) Those employees who are scheduled to work on a holiday, but fails to complete such shift will receive no compensation for that holiday.
 - (iii) When statutory holiday occurs during an employee's annual vacation the employee shall be entitled to one (1) extra day as vacation with pay for each such holiday that may occur.
 - (iv) In the event an employee is required to work on said holiday, he/she will receive time and one-half plus the holiday pay with the exception of Christmas Day and New Years Day which will be paid at double time plus the holiday pay.

- (d) Part-time employees will be paid holidays based on the eligibility and requirements set out in the Employment Standards Act.
- (e) **One (1) paid personal day (up to 8 hours) for each full time employee per calendar year**

VACATIONS

22. The Company shall give to each employee vacation pay in an amount equal to the amount indicated in this Article. Your vacation is calculated on a yearly basis, from January 1st to December 31st, and the length of vacation as well as the vacation pay is based on your service as follows;

- (a) The Company will provide vacation pay of four percent (4%) of earnings to all employees with less than one (1) year of service with the Company as of December 31st of the vacation year.
- (b) The company will provide two (2) weeks of vacation with pay equal to four percent (4%) of the year's wages provided the employee has one (1) year of continuous service with the Company as of December 31st of the vacation year.
- (c) The Company will provide three (3) weeks of vacation with pay equal to six percent (6%) of the year's wages provided the employee has three (3) years of continuous service with the Company and less than seven (7) years as of December 31st of the vacation year.
- (d) The Company will provide four (4) weeks of vacation with pay equal to eight percent (8%) of the year's wages provided the employee has seven (7) years of continuous service with The Company as of December 31st of the vacation year.
- (e) All vacation pay computations will be based on gross earnings for hours worked exclusive of vacation pay previously paid. Vacation pay will be paid out at the time that the employee goes on vacation.
- (f) DDM's (Summer and Christmas) annual vacation shutdown periods are generally blacked out for vacation purposes.
- (g) Vacations with pay for part-time will be handled in accordance with the eligibility and standards as set out in the Employment Standards Act.
- (h) Vacation time must be requested, in writing (via Employee Information Change Form) at least 21 days prior to the requested date for vacation. **TEAM INDUSTRIAL SERVICES** has the right to determine when an employee may take a vacation. Vacation may be given in a two week period or two periods of one week. The employee will not take a vacation on his or her own initiative. Factors such as client shut down times and seniority will be considered when a vacation request is granted. Response to the employee will be given within seven (7) days.

The Employee Information Change Form must be signed by the employee and by the appropriate site supervisor of the company.

SUPERVISORS-BARGAINING UNIT WORK

23. It is recognized that, consistent with the team concept, supervisors and other excluded employees may assist by performing occasional work of represented employees. The intent of this section is that non-bargaining unit employees shall not perform bargaining unit work in any matter that displaces the service of a bargaining unit employee.

UNION NOTICE BOARD

24. The Company agrees to provide a notice board space for the exclusive use of the Union for the posting of Union notices. All such notices must be signed by the proper officer of the Local Union and be submitted to the site supervisor or his/her designated representative, for his/her concurrence.

DATA TO BE SUPPLIED TO THE UNION

25. The Company will supply the Union with the following information monthly:

- (a) Employees who acquire seniority.
- (b) Employees transferred in and out of the bargaining unit.
- (c) Employees on leave of absence for more than one month.
- (d) Employees on layoff for more than one week and employees recalled from layoff for more than one week.
- (e) Employees who have lost seniority, including those discharged.
- (f) The names and addresses, and the date of birth of all employees covered by the Collective Agreement.
- (g) A list of employees by classification.

GROUP INSURANCE PLAN

26. After completion of the probationary period, the Company will pay 85% of the cost of the Company monthly insurance premiums for full time employees for the term of the contract.

The Company agrees to the following changes to the Group Insurance Plan:

- i. No co-payment for dental and health**
- ii. \$150.00 every 36 months for vision care**
- iii. \$85.00 every 24 months for eye exams**

These changes will become effective January 1, 2008

TERMINATION OF AGREEMENT

27. Upon ratification, this Agreement shall be effective from November 15, **2007**, to November 14, **2010** and shall continue in full force and effect from year to year thereafter unless within ninety (90) days of the date of expiration either party notifies the other of its intention to amend the Collective Agreement.

Signed at _____, Ontario this ____ day of _____, 200_

For the Company

For the Union

LETTER OF UNDERSTANDING – WAGES

28. If a Class B Blaster is training for a Class A position and is doing the work of a Class A Blaster, the employee would be paid the Class B Blaster rate.

If a Class A Blaster is required to perform duties other than those of a Class A Blaster (ie., when filling in for another Team Member and is in a booth scraping), then the Class A Blaster would still get paid hours at the Class A Blaster premium rate.

If a part time employee performs the duties of a Class B Blaster but the employee is not a qualified Class B Blaster, the employee would earn the full time team member base rate.

Further training of Blasters will be by seniority.

LETTER OF UNDERSTANDING - WORKBOOTS

29. The Company will pay to full-time employees up to **\$130.00** per year towards the purchase of CSA approved safety footwear which must be worn as a condition of employment.

The Company will also pay to regular part-time employees who have completed one (1) calendar year's service up to **\$130.00** per year towards the purchase of C.S.A. approved safety footwear which must be worn as a condition of employment.

A ticket to purchase workboots from the boot truck will be given to the employee annually. Blasting boots will be replaced as required. Blue boots will be cleaned by the employee on the exterior and sanitized in the interior by the supervisor. Upon completion of probationary period, the employee will be issued blue boots.

LETTER OF UNDERSTANDING - COPY OF COLLECTIVE AGREEMENT

30. Within three (3) months of contract ratification each employee will be issued a soft covered, pocket size copy of the collective Agreement, the cost of which will be borne by the company. The company will also provide a benefit plan booklet.

LETTER OF UNDERSTANDING – HOURS OF WORK

31. This shall confirm the intention of the parties to schedule full-time employees for forty (40) hours per week, recognizing the practicalities of being a Service Company and the limited access to the paint shop and the window of opportunity to clean the paint shop i.e. Saturday and/or Sunday are normal work days.

This is not to be construed as a guarantee of hours or specific days of work each week.

For the Company

For the Union

HEALTH & SAFETY

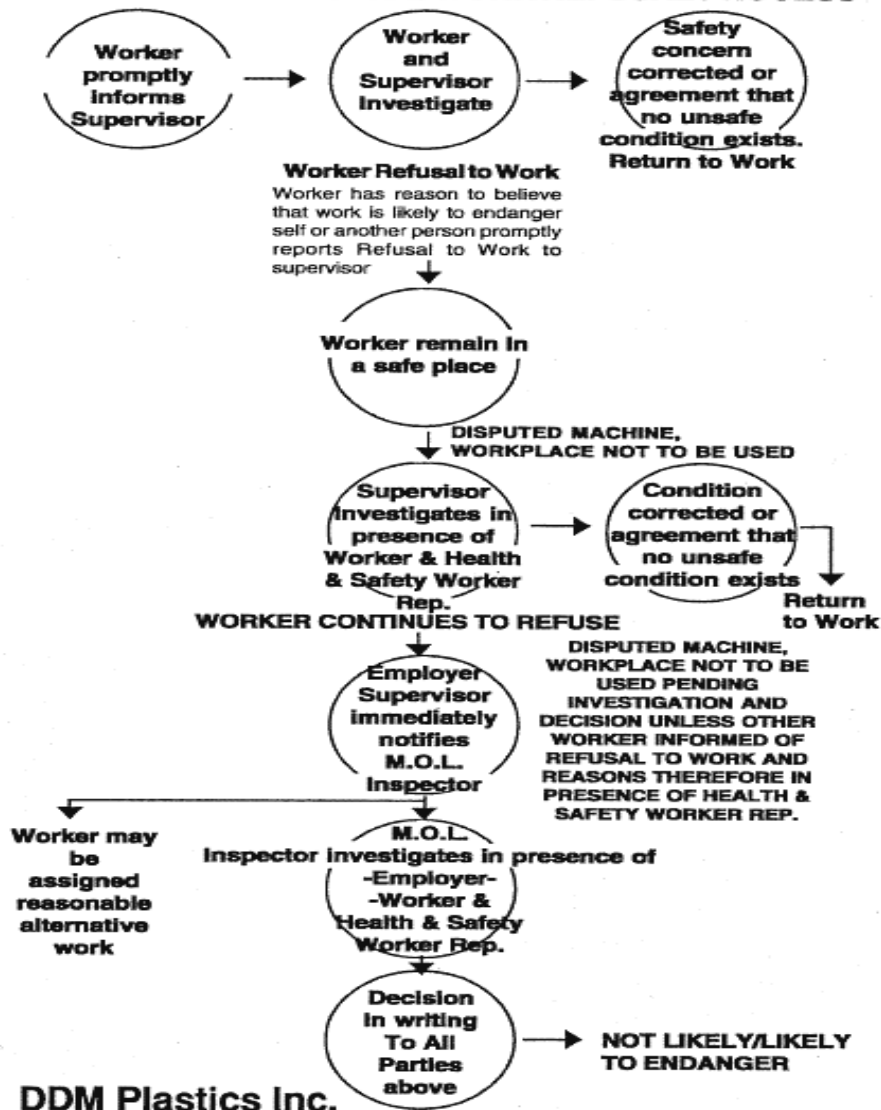
32. The Company shall make reasonable provision for the safety and health of employees during the hours of employment. Protective devices on equipment and other devices deemed necessary to properly protect employees from injury shall be provided by the Company.

A joint health and safety committee consisting of no less than two (2) worker representatives and two (2) alternates and one management representative, will be established at the plant in accordance with section 9 of the Occupational Health and Safety Act.

Every month, the company Health and Safety Co-chair and the hourly Health and Safety Co-chair will meet with the D.D.M. Plastics Health and Safety Committee to ensure that health and safety policies and procedures are adhered to.

A worker may refuse to work or do particular work where he or she has reason to believe that any equipment, machine, device or thing the worker is to use or operate is likely to endanger himself, herself or another worker.

PLANT SAFETY CONCERN / WORK REFUSAL PROCESS



LETTER OF UNDERSTANDING – LEGISLATION

33. The Company agrees to follow the governing legislation of the Federal and Provincial Governments concerning leaves of absence.

For the Company

For the Union

LETTER OF UNDERSTANDING – PAYROLL

34. Employees agree to utilize Kronos Workforce software to enable the company to manage and administer payroll and time off issues within the collective agreement more efficiently and the Company agrees that pay periods will change to weekly payroll deposits.

LETTER OF UNDERSTANDING – PENSION PLAN

35. At the beginning of the 3rd year the CBA will be reopened for “serious discussion” with the union in order that the company may implement the IAM pension plan or similar, based on the financial ability of the company to support this initiative.

LETTER OF UNDERSTANDING – MEETINGS

36. The Union President, Shop Steward, and TIS Site Supervisor will meet twice per month minimum. If any party cannot make the meeting, it will be rescheduled to a mutually beneficial time.

APPENDIX "A"

JOB CLASSIFICATIONS AND WAGE RATES

Attached hereto and forming a part of the Agreement is schedule "A" Job Classifications and Rate Ranges.

WAGES

The general wage structure attached hereto shall remain in effect for the duration of the contract.

TEAM INDUSTRIAL SERVICES		YEAR 1
FULL - TIME	PREMIUMS	
A BLASTER	\$1.41	\$18.86
B BLASTER	\$0.54	\$17.45
FT TEAM MEMBER	BASE RATE	\$16.91
PART - TIME	% OF BASE	
PT OVER 480 HRS or 60 days	92.5%	\$15.64
PT PROBATION	80.0%	\$13.53

Team Leader will be paid a premium of \$1.00 per hour in addition to rate of pay in each of the years

TEAM INDUSTRIAL SERVICES		YEAR 2
FULL - TIME	PREMIUMS	
A BLASTER	\$1.44	\$19.24
B BLASTER	\$0.55	\$17.80
FT TEAM MEMBER	BASE RATE	\$17.25
PART - TIME	% OF BASE	
PT OVER 480 HRS or 60 days	92.5%	\$15.95
PT PROBATION	80.0%	\$13.80

Team Leader will be paid a premium of \$1.00 per hour in addition to rate of pay in each of the years.

TEAM INDUSTRIAL SERVICES		YEAR 3
FULL - TIME	PREMIUMS	
A BLASTER	\$1.47	\$19.62
B BLASTER	\$0.56	\$18.15
FT TEAM MEMBER	BASE RATE	\$17.59
PART - TIME	% OF BASE	
PT OVER 480HRS OR 60 days	92.5%	\$16.27
PT PROBATION	80.0%	\$14.08

Team Leader will be paid a premium of \$1.00 per hour in addition to rate of pay in each of the years.

- a) All wage increases will become effective the beginning of the pay week closest to the respective effective date set out above.
- (b) New employees will be hired as part time employees. When a part time employee converts to full time status, they will convert to the full time team member rate. They will not be required to serve an additional probationary period as a full time employee.
- (c) The Company will train the eligible employees in the required “knowledge” to meet the criteria to hold the position of Class “A” Blaster. Refer to Appendix “C” titled “DDM Waterblasting Criteria”.
- (d) **The increases are at the rate of 1.5% for the first year, 2% for the second year, and 2% for the third year.** In addition to this, employees qualifying under the Attendance Incentive Program, will have the opportunity to be paid an additional 1%, which will be paid out on the first pay date following the end of each quarter, for the first, second and third years.

APPENDIX "C"

DDM Waterblasting Criteria

Position	Training requirements to hold Blasting classification	Completion Date	Sign off
WaterBlaster Trainee	DDM Trainee Waterblaster		
	Attend and pass training on basic knowledge of high pressure waterblasting.		
	Understand definition of terms and operating procedures for WaterBlasting		
	Understands work procedures and methods to hand lancing		
	Understands working relationship between water flow and tip size.		
	Understands work procedure to maintain booth and booth weir		
	Understands SWI for maintaining the 5S standard for waterblasting		
	Has over 80 manhours on a lance in a open area		
Class "B"	DDM Class "B" Waterblaster		
	Understands and able to perform procedures to repair a H.P. Lance		
	Understands work procedures and methods to start up a H.P. pump and set pressure		
	Understands work procedures to maintain a orbi-jet		
	Has over 120 manhours on a lance in an open area, and 30 hours in a confined space		
	including set up and tear down.		
	able to perform daily tracking of blasting tasks		
	Understands work procedures and methods to cleaning a exhaust fan		
Class "A"	DDM Class "A" Waterblasting		
	Understanding work procedures to change Packings & O-Rings on a 20K High pressure pump.		
	Understands work procedures and methods to clean an exhaust stack		
	Has over 80 Manhours on a lance in a confined space including set up and tear down.		
	Must effectively train another team member through all SWI's for waterblasting knowledge.		