CANEM SYSTEMS LTD. (Calgary, Red Deer, and Lethbridge) EMPLOYEE ASSOCIATION

Please feel free to contact anyone of the following Association Executives if you have any questions or concerns. Questions or concerns may also be e-mailed to the association a canemassociation@hotmail.ca

President	Don Reville	403-392-7013
Vice-President	Cory Balint	403-826-7759
Secretary Treasurer	Matt Petryna	403-461-8617
Past President	Peter Collins	403-472-1811
Red Deer Representative	Jarek Corosky	403-877-6232
Lethbridge Representative	Nathan Sharpe	403-634-6913

cc: All Job Sites for Posting

COLLECTIVE AGREEMENT

between

CANEM SYSTEMS LTD.

and

CANEM SYSTEMS LTD. (Calgary, Red Deer, and Lethbridge) EMPLOYEES ASSOCIATION

The Objectives of this Agreement are:

- To maintain harmonious and effective communications with all employees;
- To provide a competitive wage and benefit plan for employees;
- To ensure Canem maintains its competitive position in the

marketplace;

- To maintain a productive workforce;
- To provide a positive return on equity to the shareholders;
- Teamwork at all times;
- A "win/win" environment.

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THIS COLLECTIVE AGREEMENT entered into between: CANEM SYSTEMS LTD.

(herein after called "the Employer")

OF THE FIRST PART

-AND-

CANEM SYSTEMS LTD. (Calgary, Red Deer, and Lethbridge) EMPLOYEES ASSOCIATION

(herein after called "the Association")

OF THE SECOND PART

ARTICLE 1: RECOGNITION

101 The Employer recognizes the Association as the sole bargaining agent and representative for all hourly employees of Canem Systems Ltd. covered by the Association's certifications from the Alberta Labour Relations who are employed in or out of Calgary, Red Deer and Lethbridge Offices. For absolute certainty, the Association and the Employer specifically agree that all salaried office staff of the Employer are not included within this Agreement.

ARTICLE 2: AGREEMENT DURATION

201 This agreement shall be effective from the 1st day of May, 2022 and shall continue in full force and effect up to and including the 30th day of December, 2024 and shall be renegotiated at the end of the term. Either party may give notice in writing of its intention to terminate the Agreement or to enter into negotiation for the purposes of amending the Agreement, such notice to be given not less than sixty (60) days and not more than one year prior to the expiry date.

If a notice to enter into negotiations is given under this Article, then notwithstanding the expiry date of this Agreement, it shall continue pursuant to the provisions of section 130 of the Labour Relations Code.

ARTICLE 3: ASSOCIATION SECURITY

301 Every employee who is now or hereafter becomes a member of the Association shall maintain his membership in the Association as condition of continued employment. All new Employees whose employment commences hereafter shall within thirty (30) days after the commencement of employment apply for and maintain membership in the Association as a condition of employment. In accordance with Article 8, the Employer will deduct the Association dues and initiation fee for each employee covered by this Agreement.

ARTICLE 4: DEFINITION OF EMPLOYEE

401 "Employee" shall mean any person covered by the Associations' certifications.

ARTICLE 5: ASSOCIATION NOTICES

501 The employer shall provide a bulletin board for the purpose of posting notices of Association meetings. All other documents that the Association requires to post on the bulletin board shall first be submitted to the Employer for approval, such approval shall not be unreasonably withheld.

ARTICLE 6: GRIEVANCE PROCEDURE AND ARBITRATION

Subject to the terms herein, the Employer and the Association agree that the settlement of any dispute, arising out of the terms of this Agreement, shall be accomplished as described below in this Article.

601 Employee Grievances

In the event that a dispute occurs between the Employer and an employee, the following procedure of settlement shall be followed:

Stage 1 – The Employee concerned shall first seek to settle the dispute with the appointed Association representative.

Stage 2 – If the dispute remains unresolved, the Employee shall then seek resolution from an appropriate and authorized representative of the Employer; in the presence of an Employee Association member.

Stage 3 – If the dispute is not resolved satisfactorily in Step 1 or 2, then the dispute shall be deemed a formal Grievance.

Stage 4 – The Grievance shall be provided in writing and signed by the Employee, setting forth as far as may be applicable, the following:

- The nature of the Grievance, date of occurrence, and the circumstances out of which it arose;
- 2. The resolution or correction by the Employer being sought; and
- 3. The section or sections of the Agreement claimed to have been violated or infringed upon.

Stage 5 – It shall be submitted to an appropriate and authorized representative of the Employer with a copy to the Association within ten (10) working days of the circumstances causing the Grievance. The Employer shall arrange for a meeting with the Employee submitting the Grievance to discuss the Grievance. The Employer shall provide a decision, in writing, to the Employee, within ten (10) working days of receipt of the written Grievance.

Stage 6 –If the Employee submitting the Grievance remains unsatisfied with the Employer's decision, the Employee may direct the Association and the Association will, within fifteen (15) days, give the Employer notice of its intention to submit the dispute to a mutually acceptable arbitrator. The cost of the arbitrator shall be shared equally between the Employer and the Association.

602 Policy Grievances

Any difference arising between the Association and the Employer concerning the interpretation, application, administration or alleged violations of the provisions of this Agreement, (a "Policy Grievance") may be submitted in writing by either the Association or the Employer to the other, within fifteen (15) days of the matter arising or coming to the attention of the submitting party.

The Employer and the Association shall use good faith efforts to resolve the Policy Grievance. If the matter in dispute is settled, the Employer and the Association shall sign a memorandum of settlement. If the matter is not satisfactorily settled within a period of fifteen (15) days from the date of which the written submission was provided, either party may notify the other to have the matter heard by a mutually acceptable-arbitrator.

603 Arbitration

If a Grievance or Policy Grievance is submitted to arbitration, it shall be heard by a mutually agreed upon arbitrator. If the Association and the Employer cannot agree on an arbitrator, either party may request the Director of Mediation Services to appoint an arbitrator.

The Arbitrator shall convene a hearing as soon as possible to hear the Grievance and render a decision. The Arbitrator has all of the powers set out in the Labour Relations Code but does not have the power to alter the terms of this Agreement.

604 General

In the event that either party fails to process the Grievance within the time limits established in this Article, that party shall be deemed to have conceded the grievance in favour of the other party. The arbitrator has no jurisdiction to extend alter or waive these time limits.

Notwithstanding the foregoing, the parties may mutually agree to an extension of these time limits.

ARTICLE 7: EMPLOYER RIGHTS

701 The Association acknowledges that the Employer has exclusive function and rights, subject to any other terms of this Agreement, to:

- Operate and manage its business in all respects;
- Maintain order, discipline and efficiency;
- Make and alter from time to time the rules and regulations to be observed by Employees, providing such rules and regulations are uniformly and fairly applied to all Employees and are not in conflict with this Agreement;
- Direct the working force, including the hours of work;
- Determine job content, including methods, processes and means of production and handling;

- Select and hire;
- Promote, demote, transfer, lay-off within its company, or loan employees to other firms;
- Discipline, suspend and discharge any Employee, when the Employer provides the Employee with appropriate notice under the Employment Standards Code, which shall limit the Employee's entitlement to such notice.
- Actions under this Article shall not be subject to the Grievance and Arbitration processes herein.

It is agreed that the above is not exhaustive and shall not be deemed to exclude other management functions and right.

ARTICLE 8: ASSOCATION FEES AND DUES

801 The Employer will deduct initiation fees and dues from any Employee's wages when it has received properly signed authorization of an Employee to do so. By the fifteenth (15th) day of the month following the month in which deductions were made by the Employer, such monies shall be paid to this Association accompanied by a list of the Employees for and on behalf of whom such deductions have been made.

An Employee initiation fee shall be \$4.00 for inclusion into the Association.

An Employee Association due shall be bi-weekly \$5.00 bi-weekly.

An Employee that leaves the Employer for a period greater than six (6) months, and is subsequently rehired, will be considered a new employee and shall be required to pay the initiation fee.

ARTICLE 9: PAYMENT OF WAGES

901 The Employer shall pay Employees by direct bank deposit every second (2nd) Friday and shall provide each Employee an itemized statement of earning and deductions in the form of a pay slip.

ARTICLE 10: ANNUAL VACATION AND STATUTORY HOLIDAYS

1001 Annual Vacation

Employees shall be paid an additional six percent (6%) of gross earnings each pay period as vacation pay. This amount will increase to 8% after 10 years of service with the Employer, 9% after 15 years and 10% after 20 years as determined by the Employer's years of service formula. A copy of the policy that contains and determines this formula will be made available to any Employee upon request to the Employer's Human Resources department.

Employee vacations shall be taken at a time mutually agreed upon by the Employee and the Employer.

The Employer shall ensure that vacation pay amounts will be shown on Employee's pay slips, and subject to 1002, vacation pay will be paid out each pay period.

1002 Vacation Accrual or Pay Out

At the Employee's option during the "New Hire" process, Employees may choose to accrue and bank vacation pay or have vacation pay paid out each pay period. This decision must be made at an Employee's "New Hire" set up and will remain final with no ability to be adjusted at a later date. Employees who have directed the banking of vacation pay may bank up to a maximum of 4 weeks of vacation earnings from the current year and carry the same over into the following year. Balances that exceed this amount will be paid out on the last pay period of the year. Employees who have directed the banking of vacation pay and who leave the company for apprentice training must notify payroll in advance to leaving for apprentice training, so that vacation balances may be paid out on or prior to the last pay period before the Employee leaves for training. Employees recognize that the advanced notice is to assist with potential conflicts due to regulations surrounding waiting periods for Employment Insurance.

Vacation pay that is accrued, can be paid out once per quarter and at a maximum of four (4) times per year, upon request by the Employee.

1003 Statutory Holidays

All employees shall receive an additional four percent (4%) of the regular straight time rate as statutory holiday pay. The following are recognized as the named holidays for the purpose of this Agreement:

New Year's Day	Thanksgiving Day
Family Day	Labour Day
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day *
Civic Holiday *	

(*Non-statutory holidays)

If a holiday is proclaimed on any day other than its calendar date, the day so proclaimed shall be deemed to be the holiday for the purpose of interpreting this Article. In the event the named holiday falls on a Saturday or Sunday, the Monday following shall be taken as the day in lieu.

In the event the Employee is required to attend work on any of the named holidays, the Employee may elect to take a day off in lieu anytime in the calendar month within which the particular holiday falls. The Employee must, however, declare this election on the day or prior to the day observed as the holiday.

If any of the above holidays fall during the vacation period of an Employee, the Employee shall receive an additional day off in conjunction with his vacation.

ARTICLE 11: HOURS OF WORK

1101 Hours of Work

Eight (8) hours shall be a regular day's work Monday through Friday, on the basis of a forty (40) hour week. The regular day's work hours shall be from 8:00 a.m. to 12:00 noon and 12:30 p.m. to 4:30 p.m. Monday through Friday.

It is recognized that the starting time of regular hours of work and day of work may be adjusted, when required, to facilitate the work.

1102 Overtime

Subject to project schedule adjustments made in accordance with 1101, all hours worked over eight (8) in a day or forty (40) in a week shall be considered as overtime and shall be paid at one and one half (1-1/2) times the Employee's regular rate of pay. For clarity, an Employee must work greater than 40 hours in a week to be eligible for overtime rates.

1103 Statutory Holidays

Employees required to work on Statutory Holidays shall be paid two (2) times the regular rate of pay.

ARTICLE 12: GENERAL

1201 "The Employer agrees it will not cause or direct any lockouts of its employees during the life of this Agreement. In like manner, the Association agrees that no Employee shall cause or take part in any sit-down, slow-down, strike or stoppage of work during the life of this Agreement.

It is further agreed that the Employer may discharge on a "with cause" basis (without any Employee recourse under this Agreement's Grievance and Arbitration procedure) any Employee causing or taking part in, any sit down, slow-down, strike, stoppage of work, or actions not in the best interests of the Employer or the Association, during the life of this Agreement.

ARTICLE 13: TRAVEL ALLOWANCE

1301 Living Out Allowance

On out-of-town work, if board and lodging is not provided by the Employer or one of the Employer's customers, the Employer shall provide a mutually pre-agreed allowance. The allowance shall vary dependent on location of work and other relevant factors. The terms of the travel allowance agreement shall be put in writing, signed by both Employer and each Employee, with copies given to: Employer, Employee and the Association. A TD4 (98) form shall be filled out prior to commencing a travel allowance hereunder.

It shall be the Employer responsibility to draft all travel allowance agreements and provide applicable A TD4 (98) form.

1302 Travel Expense

Unless otherwise expressly agreed to in writing, reporting to jobsite at the commencement of the workday does not constitute "for the purposes of the employer". Travel time shall not be considered part of the regular working day. If required, rates and conditions will be negotiated on an individual project basis with a written agreement for each project.

When traveling outside of the free zone, Employees shall be reimbursed at the reasonable per kilometer allowance rate as indicated annually by the Canada Revenue Agency, when using their personal vehicle for the "purposes of the employer".

The rate will be determined by the distance between the closest city in the free zone to the job site and as confirmed by the project team. The free zone is as noted below:

Calgary West to Morley North to Crossfield South to High River East to Strathmore

For example in Calgary, if the project is in Banff which is 127km from Calgary. Calculations are as follows: Calgary to Morley is 62km. 127km-62km=65km which is the amount of kilometers that is eligible for reimbursement at the current reasonable rate as indicated by the Canada Revenue Agency.

Red Deer West to Benalto North to Ponoka South to Olds East to Joffre

For example in Red Deer, if the project is in Carstairs which is 89km from Red Deer. Calculations are as follows: Red Deer to Olds is 59km. 89km-59km=30km which is the amount of kilometers that is eligible for reimbursement at the current reasonable rate as indicated by the Canada Revenue Agency.

Lethbridge West to Fort Macleod North to Barons South to Warner East to Taber

For example in Lethbridge, if the project is in Pincher Creek which is 100 km from Lethbridge. Calculations are as follows: Lethbridge to Fort Macleod is 49 km. 100km-49km=51km which is the amount of kilometers that is eligible for reimbursement at the current reasonable rate as indicated by the Canada Revenue Agency.

ARTICLE 14: WAGE SCHEDULE

1401 Rates

The prevailing rates will be reviewed by both parties annually on, or about, the anniversary date of this Agreement. Rates will be adjusted in keeping with the cooperative spirit of this Agreement addressing market conditions and the objective of a "win/win" environment.

The Minimum Wage Schedule shall apply effective 1st May, 2022 to 30th December, 2024. (See Appendix I for Calgary employees, Appendix II for Red Deer employees, Appendix III for Lethbridge employees). All other positions will be compensated on a merit assessment basis.

1402 Apprentice Rate

The leveled apprentice rates shall respectively be 50, 60, 70 and 80% of the applicable Minimum Wage Schedule Journeyman rate.

The Pre-Apprentice rate shall be 40% of Journeyman rate in the Pre-Fabrication shop.

1403 Shift Differential

Shift differential will be a minimum of 10% of the applicable wage schedule (Appendix I, II or III base rates). Where a project's anticipated scheduled work has a majority of a working hours outside the normal workday, this project's work shall be deemed as shift work. This is to be determined on a project by project basis via negotiation between the Employer and the Association Executive prior to job closing.

ARTICLE 15: HEALTH AND WELFARE

1501 Health and Wellness Plan

Employees are entitled to participate in the benefit plans that may be offered by the Employer. All benefits, and the applicable terms and conditions of the plan may be changed from time to time. It is acknowledged that any changes to these benefits will not constitute a constructive dismissal. Individual disputes concerning the benefit plans and claims made thereunder must be addressed directly with the benefit provider and will not be the subject of a Grievance.

The Group Insurance Plan is underwritten by the Merit Contractors Association. See the Merit Benefit Book for details.

1502 RRSP Plan:

The Employer shall match up to \$1.50/hour contributions made by the Employee (i.e., \$1.50/hour by Employee and \$1.50/hour by Employer). Additional Employee contributions beyond the \$1.50/hour are permitted, but will not be matched by Employer. The minimum contribution by Employee which shall be matched by the employer is \$.50. All employees are eligible for the plan after:

three (3) months of full-time employment ; or

three (3) months employment within the previous eighteen (18) month period.

RRSP contributions by the Employer and on behalf of the Employee shall be made monthly to Great West Life.

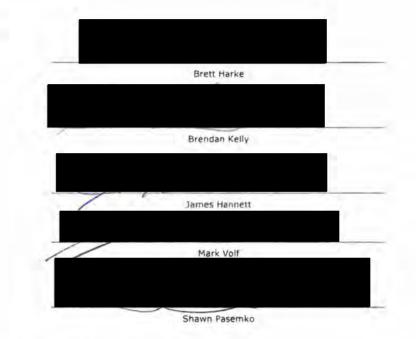
Dated: Ath day of MARCH 2022

IN WITNESS WHEREOF the parties hereto have executed this Agreement at the City of Calgary, in the Province of Alberta on the day and year first above written.

CANEM SYSTEMS LTD.

Per:

Per:



CANEM SYSTEMS EMPLOYEES ASSOCIATION

Don Reville Cory Balint Matt Petryna Jarek Corosky

Appendix I

Minimum Wage Schedule for Calgary

Base rate effective 1st May, 2022

\$15.00/hr.
\$18.25/hr.
\$21.90/hr.
\$25.55/hr.
\$29.20/hr.
\$36.50/hr.

Appendix II

Minimum Wage Schedule for Red Deer

Base rate effective 1st May, 2022

1 st Year Apprentice	\$16.50/hr.
2 nd Year Apprentice	\$19.80/hr.
3rd Year Apprentice	\$23.10/hr.
4 th Year Apprentice	\$26.40/hr.
Journeyman Class	\$33.00/hr.

Appendix III

Minimum Wage Schedule for Lethbridge

Base rate effective 1st May, 2022

1 st Year Apprentice	\$15.00/hr.
2 nd Year Apprentice	\$17.40/hr.
3rd Year Apprentice	\$20.30/hr.
4 th Year Apprentice	\$23.20/hr.
Journeyman Class	\$29.00/hr.