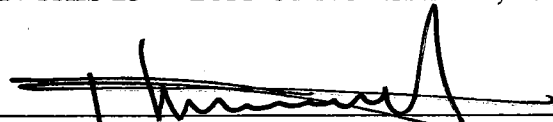


THIS IS EXHIBIT "H" TO THE
AFFIDAVIT OF GARY IVANY
SWORN THIS 23RD DAY OF NOVEMBER, 2018.

A handwritten signature in black ink, appearing to be "T. H. ...", written over a horizontal line.

A Commissioner for taking affidavits

A COLLECTIVE AGREEMENT AND STATEMENT OF EXPECTATIONS

BETWEEN

DIVERSIFIED METAL ENGINEERING

Prince Edward Island, of the first part,
hereinafter referred to as the "Company"

AND

THE ASSOCIATION OF DME TRADESMEN EMPLOYEES

of the second part, hereinafter
referred to as the "Association"

FOR

Jan. 1, 2017 - Dec. 31, 2019

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1.0 PURPOSE

The purpose of this Employee Handbook is to define the working relationship between Diversified Metal Engineering (DME), hereinafter call the "Company", and the Association of DME Tradesmen Employees, hereinafter called the "Association".

1.1 Recognition

DME hereby recognizes the Association as the sole and exclusive bargaining agent for all Employees of DME at its Charlottetown manufacturing facility.

2.0 DEFINITIONS

Employee - The term "employee" shall mean all employees remunerated on an hourly wage basis employed in the manufacturing process in the Charlottetown facility. The term includes tradespeople and labourers but excludes all administrative or office staff, foremen, and other salaried employees.

Benefits - for the purpose of this agreement benefits are defined as Flex Time, Vacation Pay, Vacation Time, RRSP's, Banked Time, Overtime, Tool Allowances, Clothing Allowances, Travel per diems. A benefit, as described, cannot be used towards the accumulation of a 40-hour work week.

3.0 POLICIES AND PROCEDURES

3.1 Mission Statement

Following is DME's Mission Statement:

"To be an innovative manufacturer of world class products that creates value for our customers while providing a rewarding environment for our employees to drive corporate growth."

3.2 Hiring and Employment Policy

Applicants will be hired based on experience, training, personal background, and the potential for growth to accomplish the best possible staff for the continued success of the company.

It is DME's policy that equal employment opportunities be available to all without regard to race, religion, age, sex, marital status, physical handicaps, veteran status, national origin, or disability.

This policy applies to all employees and applicants for employment and in all phases of employment including hiring, placement, promotion, demotion, layoff, transfer, recruiting, advertising, treatment during employment, rates of pay or other forms of compensation, selection for training, termination, and other privileges, terms, and conditions of employment.

3.3 Seniority

All references to Seniority in this Agreement refer to the starting date of an employee in which they are hired full time and work approximately 40 hours per week. Employees who are part time, seasonal relief, or apprentice trainees will be considered exempt from this list. The employer shall maintain an employee seniority list in descending order of starting date and this list will be given to the Association in January of each year. An employee's seniority will be nullified in each of the following circumstances:

- 1) the employee leaves the employ of DME for any reason other than an authorized Leave of Absence (as per Article 3.6)
- 2) the employee has less than 5 years experience and has been laid off for more than 6 months
- 3) the employee has 5 or more years experience and has been laid off for more than one year
- 4) the employee has been discharged

3.4 Work Experience

All references to Work Experience in this Agreement refer to the total number of equivalent weeks which an employee has worked at DME. A week is considered to have been worked if the employee has been paid.

3.5 Probationary Period

All new employees will participate in a Probationary Period for their first 600 hours of work experience. During the Probationary Period an employee can be discharged from DME as per Article 3.9 with no recourse from the employee against DME. This is not considered a disciplinary procedure as per Article

3.6 Shortage of Work

3.6.1 Layoff Policy

DME operates in competitive markets and therefore cannot guarantee continuous employment for any of its employees. In the event there is a shortage of work, the following procedure will be used to identify and notify employees of layoffs:

- 1) A layoff notice will be posted by 4:45 pm on Thursday. The employees identified on the list will be laid off as of the second Thursday after the list has been posted.
- 2) All Probationary Employees will be laid off first.
- 3) Employees with less than two years seniority will be laid off by considering a combination of work experience, skill, and ability. The company reserves the right to keep any employee, regardless of seniority, who it deems necessary to successfully complete current work.
- 4) If layoff requirements are not achieved via 3.6.1.3, Employees with two or more years of seniority will be laid off in order of ascending seniority.
- 5) Any employee not listed for layoff can volunteer to take the place of the last person identified for layoff without giving up any seniority. The following procedure will be used to make the exchange of employees:
 - a) the volunteer must notify his supervisor of his intentions a minimum of one week before the layoff is scheduled to begin
 - b) after "a", the volunteer must give the company a minimum of two weeks notice of the date in which he wants to return to work. This date will be a Monday or his first scheduled shift of the week after the Monday

3.6.2 Call back Policy

- 1) All employees with one or more years seniority will be called back in the reverse order in which they were laid off. i.e. the last person to be laid off will be the first person to be called back.
- 2) All employees with less than two years experience will be called back considering a combination of work experience, skill, and ability. The company reserves the right to call back any employee who it deems necessary to successfully complete current work.
- 3) No new employees will be hired until all non-probationary employees have been given the opportunity for recall.

3.7 Payroll

3.7.1 General

As a rule, there is a 1 week hold-back on pay. Pay is issued every Thursday for the preceding week's work. The company is required by law to deduct taxes and court-ordered payments from your paycheck. If you have an issue with your paycheck you should advise your supervisor and then report it immediately to the Payroll and Benefits Department.

Any requested changes to an employee's pay for the current pay period (use of flex time, bank time, vacation pay) must be submitted to the Payroll and Benefits Department by Friday at end of shift. All requests made after this time will be processed on the pay *after* the current weeks' pay.

3.7.2 Association Membership Fee

The company will deduct from each employee, on behalf of the Association, a weekly membership fee of \$3.00.

3.8 Disciplinary Procedures

The most common examples of conduct requiring discipline are poor performance, excessive tardiness and absenteeism, indifference, misconduct, disrespectful workplace behaviour or violation of safety, security, or other rules.

If discipline becomes necessary, the following sequence of progressive discipline will be applied.

- (1) Verbal Warning
- (2) Written Warning
- (3) Suspension of 1 to 3 shifts
- (4) Discharge

Notwithstanding the progressive discipline approach adopted, serious violations may warrant deviating from the above sequence and imposing severe discipline.

When disciplinary action is required the following people will be present: the employee, a designated Employee Association representative, and the employee's supervisor. For sequences 1 to 4 the Production Manager will also be present and for sequences 3 and 4 an HR representative will be present.

3.9 Termination of Employment

It is important that proper procedures are followed in terminating employment to maintain a good employment record. There are several types of termination:

- (1) Resignation - Employees who find it necessary to resign from DME should give at least two weeks' written notice to the Department Manager. This will give the Company an opportunity to arrange for a replacement. You should also notify the Administrative Department so that your business with us may be closed in an orderly manner. Employees who resign may be considered for reemployment at a later date.
- (2) Quitting - Employees who leave the Company without notice, fail to work after vacation, holiday, or leave of absence shall be considered to have quit. Employees who quit are not eligible for rehire.
- (3) Discharge - An involuntary termination initiated by DME. Employees who are discharged are not eligible for rehire. To clarify the termination provisions of Article 3.9 of the Collective Agreement, the Employment relationship may be

terminated in the following situations:

- (a) *For breach or cause:* The Employee is not entitled to any notice of termination of employment or pay in lieu of notice where the Employee's employment is terminated for any breach of this Contract of Employment or any other cause.
- (b) *Without cause:* The Company reserves the right to terminate employment at any time during the period of this Contract of Employment without cause upon provision of notice or pay in lieu in accordance with the following:
 - (i) 2 weeks' notice or pay in lieu if terminated after completing the probation period but prior to completing 12 months of employment; and,
 - (ii) one additional week's notice or pay in lieu for each additional year of completed service with the Company, to a maximum of 12 weeks.

The calculation of pay for notice will be based solely on the value of the base salary and group health benefits, exclusive of performance bonus calculations, for the position the employee occupied at the time the notice of termination is issued.

3.10 Dress Code Policy

All employees who have successfully completed their probationary period must wear a DME uniform during work hours.

The uniforms will be supplied to the employees once a year by a designated DME supplier. They can be made up of any of the following: short or long sleeve navy snap shirts (to be worn at all times, either with pants or under overalls), navy pants, navy coveralls, black overalls, sweaters, hats, outerwear and safety boots. The uniform must have the DME crest (left side) and your name embroidered (right side) in red and positioned above the pockets

Employees are responsible to maintain the appropriate condition of their uniforms. Inappropriate conditions include holes, loose threads, and fading. This will be monitored by management. This is critical for both safety and appearance reasons.

3.11 Smoking Policy

In support of the smoke free work place act, as of October 23rd, 2013 we are now designating a new smoking location. This is identified by the west end corner of the "Pen Area". There will be a "0" tolerance policy for anyone smoking anywhere else besides this designated area. This will include all company property, vehicles, mobile equipment, and personal vehicles while on DME property

3.12 Alcohol or Illegal Drugs Policy

Possession or being under the influence of alcohol or illegal drugs, (other than those prescribed by a medical physician) during working hours is not tolerable. You will not be allowed to work under these circumstances. If this is an ongoing problem with the employee, the employee will first be offered a rehabilitation program and if the employee refuses help, it will be considered grounds for dismissal.

DME reserves the right to require that individual employees undergo alcohol or drug testing where the following conditions apply:

- 1) the work environment of a particular employee is deemed to be dangerous, and
- 2) there are reasonable grounds to believe that the concerned employee is or has been impaired while on duty, the employee was directly involved in a workplace accident or significant incident, or where the employee has returned to work after treatment for substance abuse.

Where applicable, the terms of the alcohol or drug testing shall be established by DME.

- Refer to Appendix 1 for complete DME Workplace Drug and Alcohol Policy (To be added upon completion of Policy)

3.13 Confidential Information

All employees of DME are required to sign an Oath of Confidentiality on an annual basis (a copy of which is attached in Schedule B). This document is to be used to protect the Intellectual Property of DME and prevent employees from selling or distributing valuable information, trade secrets, Business opportunities, customers lists, etc.

3.14 Company Property

Every employee will be working with company equipment, using supplies, and handling company property. The best rule to follow is to use care for company property with the same respect you would want shown for your personal property.

3.14.1 Company Vehicles

All DME Employees must provide proof of valid driver's license, a copy of which will be kept on file. An employee who may be assigned a company vehicle must always drive with care and obey the law. All vehicles are considered non-smoking and Seat belts must be worn at all times. Any employee who improperly operates, damages, or otherwise misuses any company vehicle will be subject to disciplinary action or possible discharge. In case of an accident, the driver must remain at the scene until cleared up by the appropriate police personnel. Accidents must be reported immediately by telephone to the Production Manager.

3.14.2 Keys & Security Codes

Employees having possession of company keys and/or security codes of any type are responsible for their safe keeping. Lost, theft or misuse of any of these must be reported immediately. No duplication is allowed for any reason. Office and work security must be maintained by all employees with access to these areas.

3.14.3 House Keeping & Clean Up

House Keeping is everyone's responsibility. Clean Up Your Own Mess! You are expected to keep your work area clean and free of obstructions. Clean your work area immediately after completing a job. Everyone is expected to leave his/her work area clean at the end of each shift. This practice will contribute to safer working conditions and greater productivity.

3.14.4 Lunch Room

Employees are provided with a facility for breaks and eating lunch and/or snacks. The area contains microwave, coffee/tea brewing equipment, sink, and storage/cupboard facilities. This area is for employee use during designated break periods during the work day.

Employees are expected to respect the company-owned property and to keep the area clean and tidy.

3.15 Company Bulletin Board

DME keeps its employees informed as to Local Labor Regulations, Company policies, procedures, and other pertinent information by posting notices on the company bulletin board.

The bulletin board is for official Company notices only; the notices are not to be removed. Non-business notices may be posted or distributed only with prior approval of the Management.

Employees are required to read all items posted on the bulletin board.

3.16 Sexual Harassment Policy Statement

1. "Sexual Harassment" means any conduct, comment, gesture or contact of a sexual nature.
 - a) that is likely to cause offense or humiliation to any employee; or
 - b) that might, on reasonable grounds, be perceived by that employee as placing a condition of a sexual nature on employment or on any opportunity for training or promotion.
2. Every employee is entitled to employment free of sexual harassment.
3. This employer will make every reasonable effort to ensure that no employee is subjected to sexual harassment.
4. This employer will take appropriate disciplinary measures against any person under its direction who subjects an

employee to sexual harassment.

5. Complaints of sexual harassment may be made to this employer or your supervisor. The supervisor to whom a complaint is made will ensure that it is brought to the attention of this employer.
 6. This employer will not disclose the identity of a complainant except where disclosure is necessary for the purposes of investigating a complaint or taking disciplinary measures in relation to a complaint.
 7. Employees are advised that the *Human Rights Act* (RSPEI 1988, Cap. H-12) prohibits discrimination on the basis of sex which has been interpreted as including sexual harassment. Any person alleging discrimination has a right to file a complaint Human Rights with the P.E.I. Human Rights Commission under that Act.
- Refer to Appendix 2 for complete DME Respectful Workplace Policy (To be added upon completion of Policy)

3.17 Grievance Procedure

Any and all disputes arising out of the administration, interpretation or application of this agreement shall first be discussed between the concerned employee, his or her supervisor or the Association and DME. In the event that the parties are unable to resolve the issue, the Association or DME may refer the matter to arbitration pursuant to the *Labour Act*, RSPEI 1988, c L-1.

4.0 HOURS OF WORK, ATTENDANCE AND PUNCTUALITY

4.1 Regular Hours of Work

4.1.1 Day Shift

For the purpose of determining pay and applicable benefits, the DME work week is defined as Monday to Sunday.

The Day Shift work schedule for hourly employees is:

10 Hour Shift Employees:

Monday - Thursday 6:30 A.M. - 4:45 P.M.

Lunch break is from 12:00 pm to 12:30 pm

Breaks are from 9:30 am to 9:40 am and 2:30 pm to 2:40 pm

8 Hour Shift Employees:

Monday - Friday, hours will be worked approximately between an 8:00 A.M - 4:15 P.M (schedule to be determined by Production Manager)

Lunch break is from 12:00 pm to 12:30 pm

Breaks are from 9:30 am to 9:40 am and 2:30 pm to 2:40 pm

Employees working a 14-hour shift in any one day will be entitled to a 15-minute break in addition to the regular break schedule.

4.1.2 Night Shift

The Night Shift work schedule for all hourly employees is:

Monday - Thursday 4:30 P.M. - 2:45 A.M.

Lunch break is from 10 pm to 10:30 pm

Breaks are from 7:30 pm to 7:40 pm and 12:30 am to 12:40
Employees working a 14-hour shift in any one day will be entitled to a 15-minute break in addition to the regular break schedule.

The Night Shift will be staffed using the following procedure:

- a) For a specific project, employees already working on the project will be given priority to work nights.
- b) If not enough employees from "a" are available, then all employees with more than two years seniority will be asked, starting with the most senior employee and concluding when enough employees are available.
- c) If not enough employees from "a" and "b" are available, then in reverse seniority all employees will be asked

considering a combination of work experience, skill and ability until enough employees are made available.

4.2 Overtime Hours of Work

4.2.1 Overtime Rates

All overtime must be approved by the Department Manager. Overtime rates will be paid for any approved hours worked above regular shift hours in any one day as well as for any approved hours worked above 40 hours in any one week. To be eligible for overtime rates, an employee must have worked 40 regular time hours in the same work week, or over regular shift hours in any one work day.

Where either of these conditions are applicable, the following rates will be paid:

- 10 Hour Shift Employee: Hours worked above 10 hours in any one day: 1.5 times the employee's regular hourly wage
- 8 Hour Shift Employee: Hours worked above 8 hours in any one day: 1.5 times the employee's regular hourly wage
- Hours worked above 40 regular time hours in any one week
 - Where the additional hours worked were on a Friday or Saturday: 1.5 times the employee's regular hourly wage
 - Where the additional hours were worked on a Sunday: 2 times the employee's regular hourly wage

Overtime is a benefit and hours earned cannot be used towards the accumulation of another 40-hour work week or to receive another benefit.

4.2.2 Notice of Overtime Work

While management cannot always anticipate the need for overtime work they will try to give employees a days' advance notice when possible.

Employees can be requested to work overtime by a supervisor, the

General Manager, or President.

4.2.3 Banked Time - Overtime

Banked time is paid time off in lieu of receiving overtime pay. Overtime hours worked can be converted to Banked Time using the overtime rates listed in 4.2.1.

Requests for using banked time must be submitted on a time card to the Payroll and Benefits Department by Friday at end of shift.

Banked time is a benefit and cannot be used towards the accumulation of a 40-hour work week.

An employee can accumulate a maximum of 160 hours of Banked Time per calendar year. Minimum payout will be 5 hours and all banked time will have to be paid out before December 31 of the year the time is accumulated.

4.2.4 Travel Time

All travel time to and from a job site will be paid at regular time, regardless of the day of the week in which the travel time occurs. Travel time will be counted towards the accumulation of a 40-hour work week.

4.3 Plant Closure

4.3.1 Shift Not Started

If management chooses to keep the plant closed for reasons beyond their control then the closing will be announced by 6:00 a.m. on the CBC Storm Centre or 96.1 radio station. In this instance, the shift is deemed to have not started and no hourly employees will be paid.

* In the case of a winter storm, employees are encouraged to listen to the RCMP travel safety advisories and to use their own discretion to determine their ability to safely travel to work

4.3.2 Shift Started

If management chooses to close the plant for reasons beyond their control within five hours from the start of a shift then all employees present will be paid for five hours.

If management chooses to close the plant for reasons beyond their control after five hours from the start of a shift then all employees present will be paid for actual hours worked.

If the plant is not closed an employee may leave the shop due to inclement weather at any time without penalty and will be paid for actual hours worked.

In cases where a plant closing has occurred, management and the individual employees, by mutual consent, may agree to a revised work schedule to allow employees to make up lost wages at regular hourly pay rates.

4.4 Time Recording

The time card and the Shop Clock are legal records of time that an employee has worked and is the basis of payment. Each employee is responsible for the accuracy of reporting hours worked on their time card and/or Shop Clock.

All hourly employees are required to record their time at the beginning and end of every work day. The Payroll Department will not pay hours to an employee that have not been recorded and submitted by the employee on either a time card or via the Shop Clock.

4.5 Reporting Absences

If an employee is unable to report to work at their regularly scheduled starting time they must notify the Production Manager by telephone no later than one half hour after the start of the shift. The telephone number is 628-6900 ext. 108. Or ext. 239

Full time employees are expected to work a 40-hour work week on regular basis, unless otherwise approved by management.

If an employee is absent for a period of more than one and one half shifts without calling his supervisor it will be assumed that he has quit

4.6 Leave of Absence

A leave of absence (LOA) is defined as a leave from your job without pay for special circumstances. Requests for a LOA should be submitted in writing and approved by the Production Manager in advance of the commencement of the leave. Work experience does not accumulate during an employee's LOA.

4.7 Maternity/Paternity Leave

An employee may take maternity/paternity leave as defined by government laws. Work experience does not accumulate during this leave.

4.8 Leave for Loss of Family

4.8.1 Bereavement Leave

In the event of a death occurring in the immediate family of any non-probationary employee, a paid bereavement leave shall be granted for up to three (3) scheduled work days.

For the purpose of this leave "immediate family" is defined as spouse, child, father, mother, sister, or brother of either the employee or employee's spouse.

4.8.2 Funeral Leave

In the event of a death occurring in the extended family of any non-probationary employee, a paid leave to attend the funeral shall be granted up to 1 full day of a scheduled work day.

For the purpose of this leave "extended family" is defined as a grandmother, grandfather, aunt or uncle of the employee.

4.9 Scheduled Company Shutdown

The company has the option each calendar year of having a two-week scheduled shut down of operations during the last week of July and the first week of August. If the company chooses to

have a scheduled shutdown it must notify all employees by May 1 of its intention along with the dates the plant will be closed. During this time period employees are expected to use two weeks of their vacation time.

If the company announces a scheduled shutdown by May 1 and subsequently requires employees to work during this time period then individual employees will only be required to work with mutual consent between them and the company.

4.10 Evaluations

All new employees will be evaluated by their supervisor(s) at least once a year. Employees are encouraged to take a copy of their evaluation and a copy will be put in the employees file. all employees are encouraged to sit down with their supervisor at least once a year.

5.0 WAGES AND BENEFITS

5.1 Wages

5.1.1 Wage Rate Categories

Employee hourly wage rates are categorized as follows:

- a) Regular hourly wage rate
 - b) Night shift hourly wage premium
 - c) Key role position hourly wage premium
 - d) Lead Hand position hourly wage premium
-
- a) The regular hourly wage rate is the hourly wage paid to each employee based on his skills achieved on the skill certification chart.
 - b) The night Shift hourly wage premium paid to an employee who works a night shift. A regular night shift employee can be eligible for night shift premium during day shift hours if:
 - 1) The early start time is approved by management
 - 2) At least 51% of the hours worked on that shift are during the night shift schedule (between 4:30pm - 2:45am)

- c) Key role - is the hourly wage premium paid to employees who take on extra responsibilities in the shop. The positions included are Quality Control inspection, Electrical/Automation, Pre-Fabrication operators, and Material Planning.
- d) Lead Hand - is the hourly premium paid to an employee who accepts the Supervisory responsibilities of managing either a day or night shift, Projects at a customer's location outside of DME, or designated short term projects in house at DME. Selection of employees for these positions will be at the discretion of DME

5.1.2 Wage rates

a) Regular hourly wage rate

The base hourly wage rates will be increased as per the following schedule:

Jan. 1, 2017	2.66%
Jan. 1, 2018	2.67%
Jan. 1, 2019	2.67%

Refer to Appendix 3 for Job Class Rates 2017-2019

b) Night shift hourly wage premium

The Night Shift hourly wage premium will be \$3.00 per hour.

c) Key role position hourly wage premium

The key role position hourly wage premium will be \$0.75 per hour.

d) Lead Hand position hourly wage premium

The Lead Hand position hourly wage premium will be \$2.00 per hour.

DME retains the right to increase these rates to correspond with changes in business growth, workload, market conditions, etc.

5.1.3 Job Classification Program

1. Fabricators & Welders (Class 1-6)
2. Electrical Assembly (Class 1-6)
3. Warehousing & Logistics (Class 1-4)

Refer to Appendix 4, 5 and 6 for program details

5.1.4 RRSP Matching Program

DME is committed to assisting employees in preparing for their retirement and will therefore institute an RRSP matching program for employees, enabling them to contribute pre-tax earnings to a group RRSP plan to be administered by a third-party (to be agreed upon by DME and employees).

The program will recognize the existing years of service of current employees. An employee who has completed at least 6 months of full time employment with DME will be eligible. While employees will be allowed to contribute as much of their earnings as they want, DME will match these contributions based on the following:

For employees who have begun their 7th month of employment with DME through to the completion of their 4th year of employment - 50% matching up to 2% (i.e., DME contributes 2% if employee contributes 4%)

For employees who have begun their 5th year of employment with DME through to the completion of their 9th year of employment - 100% matching up to 3% (i.e., DME contributes 3% if employee contributes 3%)

For employees who have begun their 10th year of employment with DME through to the completion of their 19th year of employment - 100% matching up to 4% (i.e., DME contributes 4% if employee contributes 4%)

For employees who have begun their 20th year of employment and beyond with DME - 100% matching up to 6% (i.e., DME contributes 6% if employee contributes 6%)

5.2 Project Bonus System

As of Feb. 1, 2006, there is a Project Bonus System (PBS) in

place for all employees. This PBS will remain in effect and will be managed by a PBS Committee which includes no fewer than two Tradesmen representatives.

5.2.1 Non-PBS Related Jobs

A premium of \$.75 will be paid to all employees for the hours worked on work orders that are not PBS related. This bonus will be paid out quarterly.

5.3 Holidays

5.3.1 Recognized Holidays

The following days will be recognized as holidays as per this Agreement:

- New Year's Day*
- Family Day*
- Good Friday*
- Victoria Day
- Natal Day
- Canada Day*
- Gold Cup Day
- Labor Day*
- Thanksgiving Day
- Remembrance Day*
- Christmas Day*
- Boxing Day

* Statutory Holidays

Holiday Pay is a benefit and cannot be used towards the accumulation of a 40-hour work week. *Exception: When a Statutory holiday falls on a Monday, and the employee works full-shifts (10 hours) on Tuesday, Wednesday and Thursday of that same week, and if that employee is asked to work on Friday, over-time rates will apply to those hours worked.

5.3.2 Eligibility for Holiday Pay

1. Probationary employees will not receive any holiday pay during their first 30 calendar days of employment.
2. Probationary employees will receive statutory holiday pay but not non-statutory holiday pay after 30 calendar days of employment.
3. To be eligible for holiday pay an employee must work their last scheduled shift before and their first scheduled shift following the holiday. The preceding does not apply if the employer has directed or permitted the employee not to work one or both of the scheduled shifts or if the employee otherwise has just cause for missing one or both of the scheduled shifts.

5.4 Flex Days

Three (3) flex days available (10 hours per day for **10 Hour Shift Employees** and 8 hours per day for **8 Hour Shift Employees**). An additional flex day (1) will be available provided a Doctor's certificate is presented to HR department. This certificate will allow the additional sick day to be paid out in any sequence.

Flex Days are a benefit and cannot be used towards the accumulation of a 40-hour work week.

5.5 Tool and Clothing Allowance

5.5.1 Clothing Allowance

Fulltime DME hourly employees will be issued uniforms once per calendar year as per 3.10 Dress Code Policy. It will consist of the short and long sleeve shirts, pants, Bib overalls, DME crested hats, and safety footwear. The budgetary target for the entire purchase will be \$550. DME will work with the employees to ensure that a mutually agreed selection list will be generated with the suppliers before proceeding.

Ownership will retain the right to approve all items being considered. It will not cover welding jackets or chaps.

Probationary employees (new) with DME are not eligible for the Clothing Allowance and will be issued four DME T-Shirts that are to be worn as their uniforms during the probation period.

Employees will be provided an unlimited supply of gloves provided the used pair is returned when a new pair is requested.

Employees are responsible to maintain the appropriate condition of their uniforms. Inappropriate conditions include holes, loose threads, and fading. This will be monitored by management. This is critical for both safety and appearance reasons.

If an employee requires replacement of any provided uniform during the year the employee will be responsible for the cost unless there is a reasonable reason for the requested replacement

5.5.2 Tool Allowance

Fulltime DME hourly employees will be issued a \$250 allowance per calendar year for the purchase of tools. The allowance will be issued at the beginning of April on your paycheck and is taxable. It will be reported as a separate line on your T4 and you will be responsible for reporting the allowance and keeping your receipts.

Part-time staff must work a minimum of 20 hours per week to become eligible for the Tool allowance.

Tool Allowance is a benefit and cannot be used towards the accumulation of a 40- hour work week or to receive another benefit.

DME also offers full-time employees who have completed their probationary period, a Tool Purchasing Program. New Employees will be required to participate in the Basic Tool Kit Purchasing Program, if they do not have the necessary tools to perform their duties at the commencement of their employment. The Tool Purchasing Program and the Basic Tool Kit Purchasing Program are separate programs from the Tool Allowance.

Management reserves the right to modify these program as required.

5.6 Health Benefits

Employees become eligible for employee health benefits 4 months

after their full-time start date.

. Medical Plan (50% cost-shared). If an employee is injured during non-working hours, the employee will be responsible for 100% of coverage after 1 month grace period. Payments are to be arranged with the HR Department.

. Long-Term Disability Plan (100% employee paid) and participation is mandatory.

In time of layoff, consideration will be made for years served before losing benefits (Dental, Health, and Life). Employees with 1-3 years of service will be kept on the plan for an additional 3 months, employees with more than 3 years of service will be kept on the plan for up to 1 year provided the employee remains unemployed. There will be a 1 month grace period where the cost will be shared between the employee and the employer. Upon completion of the grace period, the employee will be responsible for paying all the required cost. If the employee fails to pay before the 15th day of the following month, management will automatically cancel the benefit.

5.7 Vacation

5.7.1 Vacation Pay

Vacation pay up to 8% is paid out weekly to each employee.

Vacation Pay is a benefit and cannot be used towards the accumulation of a 40-hour work week.

The following is the weekly pay received by each employee:

. 4% for employees with less than 1 year of employment to the completion of their 4th year

. 6% for employees who have begun their 5th year of employment through to the completion of their 9th year of employment

. 8% for employees who have begun their 10th year of employment, and beyond.

5.7.2 Vacation Time

Employees who have begun their 10th year of employment through to the completion of their 14th year, will receive a one-time additional 2-weeks paid vacation.

Employees who have begun their 15th year through to the completion of their 19th year, will receive a one-time additional 2-weeks paid vacation.

Employees who have begun their 20th year through to the completion of their 24th year, will receive a one-time additional 2-weeks paid vacation.

Employees who have begun their 25th year through to the completion of their 29th year, will receive a one-time additional 2-weeks paid vacation.

Employees requesting any of the "one-time" vacation opportunities must place the request in writing during the eligible period and the approved copy of the request will be placed in the employees file.

Vacation time must be taken in the calendar year in which it is earned. There is no banking of vacation time from year to year.

Requests for taking vacation time must be submitted a minimum of 3 days prior to requested vacation dates.

Vacation time is a benefit and cannot be used towards the accumulation of a 40-hour work week.

5.8 Reimbursement of Expenses

5.8.1 Off-Site Work

Employees performing off-site work in excess of 10 hours/day but not requiring an overnight stay will receive \$15/day for expenses.

Employees who are required by DME to spend one to three

consecutive nights on the road will receive a per diem of \$55 per day. This per diem will be paid in the currency of the country being traveled.

Employees who are required by DME to spend one or more consecutive nights on the road will receive the per diem as above plus a 10% premium to their regular earnings while working off site.

5.8.2 Use of Personal Vehicle

An employee may be asked to perform company related work with his personal vehicle. If the employee agrees to do so, he will be reimbursed as follows:

- 1) To pick-up shop supplies or travel to a job site within greater Charlottetown area employees will be compensated a minimum of 20 km. They must submit their request for reimbursement on their timecard each day.
- 2) \$0.50/km for all travel in excess of his normal daily travel for work outside of greater Charlottetown and \$0.55 for all travel in excess of his normal daily travel for work outside of greater Charlottetown if carrying a load of equipment in his vehicle.

In addition to the above, any parking fees, tolls, etc., will be paid for by the DME with the submission of receipts. Should you have to spend any of your own money for any authorized expenditure, you will be reimbursed with the authorization of your supervisor and the submission of receipts.

5.9 Fitness Centre

DME will make a 50% contribution of a membership (single or family) at a local fitness centre, with a maximum annual contribution of \$300.

Example: Family Fitness Membership for 1 year = \$600

DME's contribution = \$300


These rates are based on a yearly contract and cannot be reimbursed or cancelled.

6.0 HEALTH & SAFETY


DME has a Health & Safety Program. It is the responsibility of each employee to familiarize himself with the Program.

7.0 MANAGEMENT AND ASSOCIATION ACKNOWLEDGMENT

The Management of DME and the members of the DME Tradesman Association acknowledge that this Employee Agreement defines their working relationship and will remain in effect from January 1, 2017 to December 31, 2019

DME

Peter Toombs, CEO

Date: March 30/17


Robert Bruce, COO

Date: March 30/17

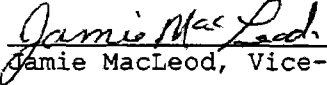

Blair MacKinnon, Director of Manufacturing

Date: March 30/17

Tradesman Association


Ian Chiasson, President

Date: March 30/17


Jamie MacLeod, Vice-President

Date: March 30, 17

Appendix 1: DME Respectful Workplace Policy
**To be added upon completion of Policy*

Appendix 2: DME Workplace Drug and Alcohol Policy
**To be added upon completion of Policy*

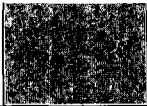
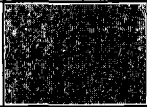



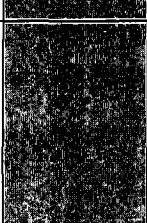











Appendix 3: Job Class Rates 2017-2019

		Wage Rates							
Role	Operation	Year	Class 1 (Low/High)		Class 2	Class 3	Class 4	Class 5	Class 6
Fabrication / Welders	"F"	2017	\$12.32	\$14.37	\$16.71	\$20.05	\$22.67	\$24.76	\$27.31
		2018	\$12.65	\$14.76	\$17.16	\$20.58	\$23.27	\$25.42	\$28.04
		2019	\$12.99	\$15.15	\$17.62	\$21.13	\$23.89	\$26.10	\$28.79
Electrical / Automation	"E"	2017	\$12.32	\$14.37	\$16.71	\$20.05	\$22.67	\$24.76	\$27.31
		2018	\$12.65	\$14.76	\$17.16	\$20.58	\$23.27	\$25.42	\$28.04
		2019	\$12.99	\$15.15	\$17.62	\$21.13	\$23.89	\$26.10	\$28.79
Warehouse / Logistics	"W"	2017	\$12.32	\$14.37	\$16.71	\$20.05	\$22.67	N/A	N/A
		2018	\$12.65	\$14.76	\$17.16	\$20.58	\$23.27	N/A	N/A
		2019	\$12.99	\$15.15	\$17.62	\$21.13	\$23.89	N/A	N/A

Appendix 4: Fabricators & Welders

Page # 1

		Class					
		# 1	# 2	# 3	# 4	# 5	# 6
Warehousing / Operations	Takes Direction / Follows Procedures						
	Use PPE (Safety glasses, hearing protection, proper clothing)						
	Complies with Safety Protocols						
	Follows Janitorial schedules						
	Operate Forklift with license						
	Support warehouse receiving & loading of shipments						
	Wears uniforms						
Shop Practices	Takes Direction / Follows Procedures						
	Maintain a Clean & Safe Work Area						
	Owns Basic Personal Tools & Equipment						
	Owns Basic layout and finishing tools						
	Performs Proper Rigging Techniques						
	Follows SOP for Vessel Fabrication						
Weld Finishing	Interprets Finish Symbols						
	Identify and select finishing consumables						
	Understands Quality Control Requirements						
	Perform Mechanical Heat Stain Removal						
	Perform Mechanical Weld Removal (60 grit)						

Perform Mechanical Weld Removal (120 grit)							
Perform Mechanical Weld Removal (Red Hairy)							
Stain Removal Chemical							
Flat, horizontal, & vertical butt # 3							
Flat, horizontal, & vertical butt # 4							
Exterior Corners # 3	(manways, ferrules, vapor stack, motor mounts, lugs)						
Exterior Corners # 4	(head to body, cladding to top ring, side manway)						
Interior Corners # 4							
Interior Pressure Jacket Seams							
Interior Pressure Jacket Dimples							
Interior Margins - layout to specifications							
Exterior Margins - layout to specifications							
Cladding Overlap # 3							
Cladding	nozzles						
	Body to cone						
	side manway						
	cone seams						

Welding	Butt Weld Testing meet bend tests						
	Prepare Joints						
	Performs Tack Welds						

Identify Welding Consumables (Filler rod, mig wire, etc.)								
Pressure Jacket Seams								
Pressure Jacket Dimples								
Cladding Overlap								
Horizontal Butt								
Vertical Butt								
Flat Butt								
Install hangers and support brackets								
Interior Corners								
Exterior Corners								
Pressure Jacket Fittings								
Install fittings & nozzles								
Purge Weld Stainless Tube and Fittings								
Purge Weld Stainless Pipe and Fittings								
Manways	Head or Shell (single wall)							
	Cladding on side manway							

Page # 2

		Class					
Area	Skill	# 1	# 2	# 3	# 4	# 5	# 6
Layout & Assembly	Identifies Materials						
	Recognizes Components						
	Understand & Complies to Test Procedures						
	Accurate Calculations/Layout from Drawings						
	Interprets Welding Symbols						
	Interprets Drawings						
	Interprets Engineering Specs						

Perform Physical Measurements & Layout									
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Performs Assembly and Fit-up (Head)	Ferrules								
	Lugs								
	Manways								
	Vapor Stacks								
	Motor / Drive Mounts								
	Sparge Assembly								

Performs Assembly and Fit-up (Body)	Assemble body sections								
	Install Heads and bottoms cones or heads								
	Ferrules								
	Jackets & couplings								
	Rings								
	Tabs & Bands								
	Side manway (shell)								
	Side manway (cladding)								
	Whirlpool								
	Cladding								

Performs Assembly and Fit-up (Bottoms)	Legs								
	Drains								
	Jackets								
	Tabs and Bands								

	Internals (shaft support, trub dams, stand pipes)							
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Performs Assembly and Fit-up (Flat / Slope bottoms)	Plate, angle & legs							
	Wort collection assembly							
	Under flush nozzles							
	Motor / Drive Mounts							
	False Bottoms							
	Rakes / Mixers							

Vessel Completions	Platform				2			
	Hop Back					2		
	Liquor Tank (or equivalent)					4		
	Steam Kettle							
	Whirlpool							
	Mash Mixer							
	Mash Tun							
	Lauter Tun							

Operate Tools & Equipment	Interpret Measuring Devices (measuring tape)							
	Operate Drill Press							
	Operate Band Saw							
	Operate Cut-off Saw							
	Operate Air Powered Hand Tools							
	Operate Shear							

	Operate & Setup Welding Machines (standard)							
	Operate Pipe Saw							
	Operate Overhead Hoists							
	Operate Iron Worker							
	Operate Plate Rolls (small)							
	Operate Head Pulling Machine							
	Operate Head Forming Machine							
	Operate Plate Rolls (large)							
	Operate Angle Rolls							
	Operate Welding Machines (Automated, Orbital)							

Leadership	Meet Quality expectations							
	Enforce Safety Protocols							
	Ability to Perform QC testing and reporting functions							
	Drive the business							
	Recognize errors / issues							
	Manage Job Completion Within Estimated Hours							
	Train & Develop Apprentice							
	Estimate Time and Material for Jobs							

Employee:

Appendix 5: Electrical Assembly (Class 1-6)

Electrical Assembly Matrix					
<u>Class 1</u>	<u>Class 2</u>	<u>Class 3</u>	<u>Class 4</u>	<u>Class 5</u>	<u>Class 6</u>
BASIC ELECTRICAL, ELECTRONICS, OR ELECTROMECHANICAL	ACCESS DRAWINGS COMPUTER SYSTEM	2 YEARS EXPERIENCE BUILDING CONTROL PANELS	4 YEARS EXPERIENCE BUILDING CONTROL PANELS	5-10 YEARS EXPERIENCE BUILDING CONTROL PANELS	SUPERVISORY
DEMONSTRATE SAFE WORK PRACTICES	INTERPRET SCHEMATICS, DRAWINGS, &	BUILD PANELS IN REQUIRED HRS	INSPECT PANELS FOR QUALITY ASSURANCE	COMPLETE CHECKLIST FOR CSA INSPECTIONS	PERFORM ON-SITE COMMISSIONING
MAINTAIN A CLEAN & ORGANIZED WORK ENVIROMENT	PERFORM BASIC LAYOUT OF PANEL BACKPLATE	MAINTAIN SCHEMATICS FOR AS-BUILTS	PERFORM DIELECTRIC TESTING	BUILD CUSTOM PANELS FOR FAB SHOP	RED SEAL (or Equivalent)
MOUNT COMPONENTS USING BASIC HAND-TOOLS	IDENTIFY & LABEL TERMINATIONS PER SCHEMATICS	PROGRAM VFDs, TEMP CONTROLLER, FLOW METERS	ASSIST IN ON-SITE COMMISSIONINGS	WORKING KNOWLEDGE OF AUTOCAD (ELECTRICAL)	
OPERATE MULTIMETERS	ISSUE COMPONENTS TO PROJECTS IN COMPUTER SYSTEM	DETERMINE & SELECT CORRECT POWER SUPPLIES, FUSES, &	TROUBLESHOOT ELECTRICAL SYSTEMS	WORKING KNOWLEDGE OF PLC PROGRAMMING SOFTWARE	
OPERATE LABELLER PRINTER	ASSEMBLE SKID ASSEMBLIES (KEG WASHERS, PROCESS, &	MAINTAIN INVENTORY WITH PURCHASING	SETUP BENCHTEST FOR NEW EQUIPMENT TESTING	BENCHTEST PLC SYSTEMS	
ASSEMBLE PUMPS AND PUMP CARTS		REPAIR SHOP TOOLS, HOIST, MOTORS	WIRE PANELS AND SENSORS TO MEET FAT STANDARDS	PERFORM FACTORY ACCEPTANCE TESTING	
PERFORM BASIC RIGGING PRACTICES					

Appendix 6: Warehousing and Logistics (Class 1-4)

Class # 1 - General cleanup & warehouse support

1. Maintain a clean and safe work environment.
2. Operate a forklift.
3. Perform general warehousing duties - i.e. cleanup, keep shipping area tidy.
4. Prepare and pack goods for shipment (complete documents, weigh & seal pkgs).
5. Receive goods from couriers/transport into inventory.
6. Process associated documentation as directed by Supervisor.
7. Prepare tanks from fabrication for transport.
8. Supply fabrication workstations with components required in fabrication.
9. Perform physical inventory counts when requested.

Class # 2

1. Maintain safe and clean working area.
2. Operate a forklift.
3. Replenish stock and inventory sku's as required.
4. Unload transports, verify counts on packing lists, inspect for quality, report discrepancies, and identify (tag) for projects or inventory.
5. Place tanks in shipping cradles for shipment.
6. Assemble crates/pallets for shipments as required.
7. Identify and select inventory items for shipment.
8. Prepare/ package customer orders and manufactured items per schedule. Complete all associated documents and verify products used to fill those orders.
9. Transport inventory items/materials between various warehouses as required.
10. Perform physical inventory counts and reconcile any discrepancies.
11. Communicate with floor managers of discrepancies or changes to schedule.

Class # 3

1. Functional within the ERP System (Syspro) - receive materials into system, issue materials to projects daily, validate GRN's, etc.

2. Pro-active identifying problems, recommending solutions, and implementing corrective actions for Manufacturing and Shipping.
3. Monitor inventory usage/quantities and notify purchasing of discrepancies.
4. Maintain inventory levels at work stations daily and replenish as required (Kanban).
5. Ability to interpret project information (Sales orders, BOM's, Drawings, change orders) and prepare components as per manufacturing schedule.
6. Communicate with floor managers of material discrepancies or changes to schedule.
7. Complete job travellers as required.
8. Follow quality service standards (ISO) and comply with procedures, rules and regulations.
9. Ensure material receipts meet ISO handling and storage requirements.

Class # 4

1. Proactive in ensuring project information (Sales orders, BOM's, Drawings, change orders) satisfies manufacturing and shipping requirements.
2. Communicate effectively with Project Managers, Production Leads, Process Planning, and Logistic Managers to overcome discrepancies in materials and adjustments to schedules.
3. Ensure orders are processed efficiently and on a timely basis.
4. Monitor Work in Progress (WIP) to ensure accuracy and perform adjustments as required.
5. Ensure Jobs, Work Orders and J-Jobs are created /closed in a timely manner. (materials issued, track manufacturing progress, determine correct costing, and receive into ERP).
6. Monitor parts issued to Manufacturing & Shipping projects, verify accuracy within ERP (Syspro), determine discrepancies and ensure steps taken to prevent future reoccurrences.
7. Conduct cycle counts to verify accuracy of physical count with ERP.
8. Conduct Job Audits to determine material accuracy.
9. Ensure processes meet ISO instructions for material receipts and handling.
10. Perform routine maintenance within the system - (GRN's, negative stock corrections).

General Traits

- Proactive
- Good communication skills
- Team player
- Excellent documentation skills
- Organized
- Strong planning skills
- Dependable
- Self-starter
- Computer skills
- Valid driver's license
- Operate a forklift
- Work performed in accordance with DME Safety policies and procedures