

AGREEMENT

Between

**SHELL CANADA LIMITED
(Sarnia Refinery and Chemical Plant)**

And

**Unifor
LOCAL 848**

**Effective
February 1, 2016 - March 31, 2019**

IMPORTANT NUMBERS

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and Chemical Plant
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Guard - Shell Refinery Main Gate
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AGREEMENT

MEMORANDUM OF AGREEMENT entered into
on the First Day of February 2016

BETWEEN:

SHELL CANADA LIMITED (Sarnia Refinery and
Chemical Plant) operating an oil refinery at Corunna
(Sarnia), Ontario, hereinafter referred to as the
Company

Of the First Part

And

LOCAL 848, Unifor

Hereinafter referred to as the Union

Of the Second Part

WHEREAS THE UNION has been certified by the
Labour Relations Board of the Province of Ontario
as bargaining agent for certain employees of the
above-named company as hereinafter set forth:

NOW THIS AGREEMENT WITNESSETH
as follows:

ARTICLE I

PURPOSE

- 1.01 The general purpose of this Agreement is to establish mutually satisfactory relations between the Company and its employees and to provide machinery for the prompt and equitable disposition of grievances, and to establish and maintain satisfactory working conditions, hours of work and wages for all employees who are subject to the provisions of this Agreement.

ARTICLE II

RECOGNITION

- 2.01 The Company recognizes the Union as the sole collective bargaining agency for all employees of the Company at its Sarnia Refinery and Chemical Plant, in Corunna, Ontario, save and except foremen, persons above the rank of foreman, office staff, Plant Protection Department employees, and laboratory employees (other than laboratory analysts).

ARTICLE III

RELATIONSHIP

- 3.01 The parties hereto mutually agree that any employee of the Company covered by this Agreement may become a member of the Union if the employee wishes to do so, and may refrain from becoming a member of the Union if the employee so desires.
- 3.02 The Company agrees that no employee shall in manner be discriminated against or coerced, restrained or influenced on account of membership or non-membership in any labour organization or by reason of any activity or lack of activity in any labour organization.
- 3.03 The Union agrees it will not discriminate against, coerce, restrain, or influence any employee because of their membership or non-membership, their activity or their lack of activity in any labour organization.
- 3.04 The Union will not engage in Union activities during working hours or hold meetings at any time on the premises of the Company without the permission of Management.

3.05 The Union recognizes the responsibilities imposed upon it as the exclusive bargaining agent of the unit, and realizes that, in order to provide maximum opportunities for continuing employment, good working conditions, and better than average wages, the Company must be in a strong market position, which means it must produce at the lowest possible costs consistent with fair labour standards. The Union, through its bargaining position, assumes a joint responsibility in the attainment of these goals. The Union therefore agrees that it will co-operate with the Company and support its efforts to assure a full day's work on the part of its members; and it will actively combat absenteeism and any other practices which restrict production. It further agrees that it will support the Company in its efforts to eliminate waste in production; conserve materials and supplies; improve the quality of workmanship; prevent accidents and strengthen good will between the employer, the employee and the public.

ARTICLE IV

DEDUCTION OF UNION DUES

4.01 The parties to this Agreement agree that any employee of the Company covered by this Agreement may choose to, or refrain from, becoming a member of the Union. Notwithstanding the foregoing, the Company will deduct from the wages of all employees covered by this Agreement, the uniformly established monthly dues as provided to the Company by the local Union Treasurer.

ARTICLE V

MANAGEMENT RIGHTS

5.01 The Union acknowledges that it is the exclusive function of the Company to hire, promote, demote, transfer, layoff and suspend employees and also the right of the Company to discipline or discharge any employee for just cause, provided that a claim by an employee, who has acquired seniority, that the employee has been discharged or disciplined without just cause may be the subject of a grievance and dealt with as hereinafter provided. The Company agrees that it will not exercise these functions in a manner inconsistent with the express provisions in the Agreement.

5.02 The Union further recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. The location of the plants, the direction of the working forces, the products to be produced, the schedules of operations, the right to decide on the number of employees needed by the Company at any time, the right to use improved methods, machinery and equipment and jurisdiction over all operations, building, machinery, tools and employees at the plant aforesaid are solely and exclusively the responsibility of the Company. The Company also has the right to make and alter from time to time and to enforce rules and regulations to be observed by the employees, but before altering any such rules, the Company will discuss same with the Union Executive and give them an opportunity to make representations regarding such proposed alterations. Such rules and regulations shall not be inconsistent with the terms of this Agreement.

5.03 Without limiting the generality of the foregoing provisions, it is expressly understood and agreed that breach of any of the plant rules, or of any of the provisions of this Agreement, shall be conclusively deemed to be sufficient cause for the dismissal of an employee.

ARTICLE VI

PLANT COMMITTEE

6.01 (a) The Company acknowledges the right of the Union to appoint or otherwise select a plant committee, otherwise known as the Local Union Executive, which shall be composed of not more than six employees. Each member of this committee, and all stewards, shall have reached the age of majority, shall have at least three months' seniority with the Company, and shall be regular employees of the Company during their time of office.

(b) Upon notification by the Union, the Company agrees to recognize 11 stewards, the number and jurisdictional areas to be as follows:

Steam Plant and C.O. Boiler.....	1
Laboratory.....	1
Dispatching	2
Maintenance	2
Process.....	4
Chemical Plant and FPH	1

- 6.02 The jurisdiction of each of the stewards and the name of each steward, and the chairperson of the plant committee from time to time selected, shall be given to the Company in writing and the Company shall not be required to recognize any such steward until it has been notified in writing by the Union of the name and jurisdiction of same.
- 6.03 The Company undertakes to instruct all members of its supervisory staff to co-operate with the stewards in carrying out of the terms and requirements of this Agreement.
- 6.04 The Union undertakes to secure from its officers, stewards and members, their co-operation with the Company and with all persons representing the Company in any supervisory capacity.
- 6.05 If a meeting is called by mutual agreement between the Company and any recognized committee of the Union, the members of the committee attending the meeting will be paid at their regular hourly rates for the duration of the meeting if the meeting is held during their regular working hours. It is understood that members of such committee will only be paid for such hours that they would have normally worked if the meeting had not been held. Employees called in or held over to replace Union members attending a meeting will be paid at prevailing overtime rates.

ARTICLE VII

GRIEVANCE PROCEDURE

7.01 The parties to this Agreement are agreed that it is of the utmost importance to adjust complaints and grievances as quickly as possible.

7.02 No grievance shall be considered

(a) Which usurps the function of the management, or

(b) Where the circumstances giving rise to it occurred or originated more than two full working days before the filing of the grievance.

7.03 Grievances properly arising under this Agreement shall be adjusted and settled as follows:

Step No. 1

The aggrieved employee shall present the grievance orally or in writing to supervision as designated by the Company. The employee shall have the assistance of their steward if they so desire. If a settlement satisfactory to the employee is not reached within 72 hours (or any longer period which is mutually agreed upon), the grievance may be presented as follows at any time within 72 hours thereafter.

Step No. 2

The aggrieved employee may with their steward present their grievance (which shall be reduced to writing on a form supplied by the Union and approved by the Company) to the Department Head or, in their absence, the Assistant or Acting Department Head, who shall consider it in the presence of the person or persons presenting same, and the foreman or supervisor, and render their decision in writing.

Should no settlement satisfactory to the employee be reached within 72 hours, the next step in the grievance procedure may be taken at any time within 72 hours thereafter.

Step No. 3 (a)

The aggrieved employee may submit their grievance in writing to the Local Union Executive. The Local Union Executive and the employee (if the employee so desires) shall meet as promptly as possible with Management to consider the grievance.

Step No. 3 (b)

The Company agrees that the Union may substitute an elected steward for a member of the Union Executive when the department from which the grievance originated is not represented on the Union Executive. In such cases, Management must be given ample notice of the substitution.

Step No. 3 (c)

It is further understood and agreed between the parties that, providing 24 hours advance notice has been given to the Company, a representative of the Union may attend third step grievance hearing meetings if the Union Executive desires the presence of such a representative.

- 7.04 If final settlement of the grievance is not completed within seven working days after deliberations have commenced and if the grievance is one which concerns the interpretation or alleged violation of the Agreement, the grievance may be referred by either party to a Board of Arbitration as provided in **Article VIII** below at any time within 21 days thereafter, but not later.

ARTICLE VIII

ARBITRATION

- 8.01 Both parties to this Agreement agree that any dispute or grievance concerning the interpretation or alleged violation of this Agreement, which has been properly carried through all the steps of the grievance procedure outline in **Article VII** above, and which has not been settled, will be referred to a Board of Arbitration at the request of either of the parties hereto.
- 8.02 The Board of Arbitration will be composed of one person appointed by the Company, one person appointed by the Union and a third person to act as chairperson chosen by the other two members of the Board.
- 8.03 Within 48 hours of the request by either party for a Board, each party shall notify the other of the name of its appointee.
- 8.04 Should the person chosen by the Company to act on the Board, and the person chosen by the Union, fail to agree on a third person within seven days of the notification mentioned in 8.03 above, the Minister of Labour for the province of Ontario will be asked to nominate a member of the judiciary of the Province of Ontario to act as chairperson.

- 8.05 The decisions of a Board of Arbitration constituted in the above manner shall be binding on both parties.
- 8.06 The Board of Arbitration shall not have any power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement.
- 8.07 Each of the parties to this Agreement will bear the expenses of the arbitrator appointed by it; and the parties will jointly bear the expenses, if any, of the chairperson.
- 8.08 No person shall be selected as arbitrator who has been directly involved in attempts to negotiate or settle the grievance.

ARTICLE IX

DISCHARGE CASES

- 9.01 In the event of any employee who has attained seniority being discharged from employment, and the employee feeling that an injustice has been done, the case may be taken up as a grievance.
- 9.02 All such cases shall be taken up within three working days and disposed of within seven days of the date the employee is notified of their discharge, except where a case is taken to arbitration. A claim by an employee who has attained seniority that they have been unjustly discharged from their employment shall be treated as a grievance if a written statement of such grievance is lodged with the General Manager of Refinery, or in their absence, the Operations Manager, within three working days after the employee ceases to work for the Company. All preliminary steps of the grievance procedure prior to Step Number 3 will be omitted in such case.
- 9.03 Such special grievance may be settled by confirming the Management's action in dismissing the employee, or by reinstating the employee with full compensation for time lost, or by any other arrangement, which is just and equitable in the opinion of the conferring parties.

ARTICLE X

NO STRIKES - NO LOCK OUTS

- 10.01 In view of the orderly procedures established by this Agreement for the settling of disputes and the handling of grievances, the Union agrees that, during the life of this Agreement, there will be no strike, picketing, slowdown or stoppage of work, either complete or partial, and the Company agrees that there will be no lockout.
- 10.02 The Company shall have the right to discharge or otherwise discipline employees who take part in or instigate any strike, picketing, stoppage or slowdown, but a claim of unjust discharge or treatment may be the subject of a grievance and dealt with as provided in **Article VII** above.
- 10.03 Should the Union claim that a cessation of work constitutes a lockout, it may take the matter up with the Company as provided in subsection **7.04 of Article VII**.

ARTICLE XI

HOURS OF WORK WAGES AND OVERTIME

11.01 General

(a) The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week.

(b) The hours of work shall be assigned by the Company and reasonable notice of change of hours of work shall be given to the Union Executive except in case or cases of emergency, such as illness or equipment breakdown.

(c) Employees working Night shift will normally not be required to continue work into Day shift, but if, due to emergency, it is necessary to continue working such employees into Day shift, every effort will be made to limit the extra work to four (4) hours.

11.02 **Definitions**

For the purpose of this Agreement:

Shift Workers - shall be construed as meaning those employees who work three 8-hour or two 12-hour rotating shifts and who are paid for the lunch period, or employees working a scheduled shift between the hours of 3:30 p.m. and 7:30 a.m., or working two rotating shifts.

Day Workers - shall be construed as meaning all those employees who are not shift workers as defined above.

11.03 **Hours of Work - Regular Hours**

(a) (i) Day Workers who are on an AWS (Alternate Work Schedule) work 8.25 regular work hours per day and bank 0.25 hours each day worked, in order to take a minimum of 24 Fridays off per year, depending on the AWS calendar developed for each year. Lunch breaks are unpaid and the hours of work are 7:30 a.m. until 4:15 p.m. Overtime policy applies to hours worked in excess of their regular work hours. Prior Management approval is required to switch between schedule A & B and no shift change will be paid when an employee requests the shift

change. Management reserves the right to discontinue the AWS or change the schedule including any associated conditions of this work schedule at any time in the future with 6 months advance notice to the Union. In the event AWS is discontinued, the Day Worker schedule will revert to 11.03 (a) i. For Lab Workers, there is a slight variation to the AWS schedule. There is a weekly rotational schedule and 1 person will be on the afternoon schedule and 1 person will work a weekend schedule. Employees are scheduled 2 weekends in a row followed by a week of afternoons.

When working the weekend rotation, employees will take their day off on Wednesday rather than on the alternate Friday.

If a Day Worker is requested by the Company to work during a regularly scheduled lunch period, the employee will be paid straight time for the time worked in the lunch period and will be permitted to take a 30 minute paid break for lunch when operations permit. If the employee decides to work over their regular 8.25 hours, prevailing overtime rates will apply.

11.03 (a) (ii) **Finished Products Handling Department Team Members** will normally work rotating shifts, Monday to Friday, from 7:30 a.m. to 3:30 p.m. (with a paid one-half hour lunch break) and 3:00 p.m. to 11:00 p.m. (with a paid one-half hour lunch break).

(b) **Shift Workers on 8-Hour Rotating Shifts** will work a normal shift of eight (8) consecutive hours per day and an average of thirty-eight point seven (38.7) hours per week in conformity with the following shift schedules established by the Company. The usual shifts are:

7:30 a.m. to 3:30 p.m. - "A" shift

3:30 p.m. to 11:30 p.m. - "B" shift or 2nd shift

11:30 p.m. to 7:30 a.m. - "C" shift or 3rd shift

(c) **For Shift Workers working the continuous, rotating 12-Hours schedule,** the following provisions will apply:

(i) In Process, Dispatching, Utilities and the Chemical Plant, the 4-team schedule which embodies shift integrity and averages 38.7 hours per week, shall apply to those employees on continuous rotating shifts.

(ii) Shift hours will be:

Day Shift: 7:00 a.m. - 7:00 p.m.

Night Shift: 7:00 p.m. - 7:00 a.m.

Circumstances may require shifts other than those noted above, in which case the hours shall be discussed with the Union Executive.

11.04 Hours of Work – Overtime

(a) Overtime work shall be distributed as fairly and impartially as possible among qualified employees in the department in which overtime work becomes necessary. No employee shall be required to work more than sixteen continuous hours except in case of extreme emergency.

(b) Both parties to this Agreement acknowledge the critical need with 12-hour shifts, to ensure that “back up” manpower is available to secure the ongoing, safe and efficient operation of the plant. Accordingly, a call-out board in Utilities and Dispatching will provide one person qualified to operate and one qualified assistant operator and in Process a minimum 33-1/3% coverage for the Operating team. Individual on the board will be required to be available:

(i) Before Start of Day Shift (7:00 a.m. - 7:00 p.m.) - from 1 1/2 hours prior to starting time, until 1/hour after the start of the shift.

(ii) Before Start of Night Shift (7:00 p.m. - 7:00 a.m.) - from 2 hours before the start of the shift.

(c) Employees in the Operations Department who are either scheduled to work overtime or on an overtime call out list as stated in 11.04 (b) who either decline to work the overtime or who do not make themselves available when called in or for overtime hours scheduled, shall be treated as a refusal of overtime. A refusal will result in the actual overtime hours worked by another employee to be charged on the overtime list of the employee who refused the overtime hours. A refusal will be charged to the overtime list equal to the hours worked, if the individuals identified on the list do not make themselves available during the hours listed or refuse to work as stated in 11.04 b) i) & ii).

(d) Where an employee is required to work more than two hours overtime, the Company shall provide the employee with a suitable box lunch.

(e) Employees going on vacation will be eligible for overtime work until the commencement of their paid vacation. They will be eligible for overtime immediately following the period of paid vacation if they advise their coordinator in writing.

(f) As soon as possible after each pay period, the Company agrees to post a list of names of employees by departments who have worked overtime during the previous pay period showing the cumulative amount of overtime worked by each employee to date for the calendar year.

11.05 **Regular Wages**

(a) Regular Rates of Pay - During the lifetime of this Agreement the Company agrees to pay and the Union agrees to accept the scale of wages as set out in Schedule "A" hereto which is hereby made a part of this Agreement. Amendments to this clause or modifications thereto may be proposed by either party hereto between the 10th and 20th days of the months of March and September, and if acceptable to both parties shall be written and when executed by both parties shall be valid and binding effective as of the date specified therein and shall constitute a part of this Agreement to the same extent as if incorporated herein.

(b) Shift Differential

(i) Eligibility for Day Shift Differential - Shift workers who are assigned to schedules that support continuous operations or 24 hour coverage. This covers Process Operators, Dispatching, Chemical Plant Operators, as well as Utility Plant Operations. These groups shall be called Operations. Operations Employees assigned to a 7-day continuous operation and rotating on a two 12-hour shift basis shall receive a shift differential payment of 5.0% of their straight time hourly rate

rounded off to the nearest cent for all of their regularly scheduled hours of work.

(ii) Shift Workers on 12-hour rotating schedules who are assigned to a regular or temporary day schedule or day assignment and who are required to work past their normal day shift hours will receive a shift differential of 5% of their straight time hourly rate for any hours worked.

(iii) When Day Workers are placed on a schedule other than 7:30 a.m. to 4:15 p.m., they will be paid 5% rounded off to the nearest cent, of their straight time rate for all scheduled hours worked.

(iv) Lab Workers shall receive shift differential of 5% of their straight time rate, rounded off to the nearest cent for any overtime time hours outside their regularly scheduled day shift hours or when working a 12:00 p.m. – 8:00 p.m. shift and for any hours worked after 8:00 p.m.

(v) Finished Product Handling Workers shall receive shift differential of 5% of their straight time rate, rounded off to the nearest cent for all hours worked between 3:00 p.m. and 11:00 p.m. and for any hours worked after 11:00 p

(vi) When working overtime, only hours worked, not hours paid will be eligible for shift differential.

(vii) Shift differential will not be included in computing overtime.

(c) Dirty Work Pay - Employees normally employed in regular process and dispatching operations shall be required to do only maintenance work of a minor preventive nature except during a shutdown period. When an employee is required to enter the primary, atmospheric, vacuum or visbreaker towers or storage tanks and tank cars used for crude oil or bunker fuel for the purpose of cleaning or making repairs, provided that the interior of the equipment is in an oily or greasy condition, a premium of 60 cents in the case of those on the regular labour rate and 40 cents in the case of those on any other rate will be paid for such work. Where an employee works more than 4 hours in any day at such dirty work, the employee shall receive a premium of 15 cents or 10 cents respectively, for each hour in excess of 4. This bonus shall not be included in computing overtime.

(d) The Company shall provide protective rubber clothing and equipment for employees who are required to enter and clean refinery oil and chemical tanks, railway tank cars, catalyst cars, refinery oil sumps, closed vessels of process plants, all steam boilers and process plant furnaces.

(e) The Company shall have the right from time to time to establish new job classifications and to fix the rates of pay for such classifications, subject to the right of the employee covered by such new classification to file a grievance if the employee alleges that the rate of pay established for such new job classification is out of line with the rates established for the job classifications set forth in Schedule "A" hereto. However, the Company agrees to consult with the Local Union Executive before instituting any such changes.

11.06 **Overtime Wages - Day Workers**

Subject to the provisions of section **11.08** and **13.02**, double time will be paid for all overtime work performed.

11.07 **Overtime Wages - Shift Workers**

Subject to the provisions of section **11.08** and **13.02**, double time will be paid for all overtime work performed.

11.08 **Overtime Wages –General**

(a) Non-Application - Overtime wages will not be paid:

(i) for work performed during regular scheduled hours

(ii) for work performed on an employee's day of rest when employees trade days off by a friendly agreement approved by supervision.

(iii) for work performed to make up for time lost within a pay period due to a transfer or change of schedule as provided in subsection **11.09 (b)**.

(b) (i) Call-Out - The minimum payment for call-out work will be equivalent to four hours' pay at the employee's regular hourly rate, except where on previous notice an employee starts to work two hours or less before such employee's regular working day, in which case payment will be based on the hours actually worked. A minimum of four hours at employee's regular hourly rate will also be paid to employees notified in advance to return to the plant for overtime work. In the event that an employee is called out or notified in advance to return to the plant for overtime work, but the call-out or notification is cancelled before the employee reports to work, the employee shall have the option of:

(a) reporting to work and having sufficient work assigned to them to enable them to earn the minimum pay provided in this section, or

(b) rejecting option (a) above in which case the employee shall not be eligible for call-out pay.

(c) Where an employee, scheduled to work days, performs work between the hours of 11:30 p.m. and 4:30 a.m. as the result of a "call-out", the employee shall be entitled to up to 8 consecutive hours off the job before reporting to work again, without loss of pay.

(ii) if an employee is called in for a return to work and works 2 hours or less, they will receive a payment of \$20. If the call out duration exceeds 2 hours, this payment will not be made. Call Out is a call to return to work to perform work for a period of 2 hours or less (excluding training).

(iii) **Holdover** - Employees required to remain in the plant after the completion of their regular scheduled hours to do emergency work and who have not been notified of this work five minutes prior to quitting time will be paid a minimum of one hour's pay at the employee's regular hourly rate. Where such employees have been notified five minutes prior to quitting time, they will be paid for the time worked at prevailing overtime rates, calculated to the end of the last 15-minute period in which work was performed.

(c) In no case shall an employee be paid twice for the same overtime.

(d) It is understood and agreed that under no circumstances will more than double time be paid to an employee except as provided in **Article XIII**.

11.09 **Bonus Wages and Special Rates**

(a) Change of Schedule - A change of schedule for the purpose of this Agreement shall be interpreted as a change whereby the starting or stopping time is altered by four hours or more, or days off are changed but shall not include the regular rotation from one shift to another or overtime worked as covered in sections **11.06, 11.07** and **11.08**.

(i) Shift Workers - In the case of shift workers as defined in subsection **11.02**, when an employee's schedule is changed by the Company, within the definition in subsection **11.09 (a)**, the employee will be paid for the first regular shift on the employee's new schedule at twice the employee's basic rate for the job, and the employee's regular days off will then become those shown on the new schedule. If an employee has a change of schedule on a recognized statutory holiday as set out in **Article XIII**, statutory holiday pay will be paid for that day and the premium rates for the change of schedule shall be paid to such employees for the second day worked on the schedule.

(ii) Day Workers - In the case of day workers, when an employee's schedule is changed by the Company within the definition in

subsection **11.09 (a)**, the employee will be paid for the first day of shift on the employee's new schedule at twice the employee's basic rate for the job, and the employee's regular days off will then become those shown on the new schedule. If an employee has a change of schedule on a recognized statutory holiday as set out in **Article XIII**, statutory holiday pay will be paid for the day and premium rates for the change of schedule shall be paid to such employee for the second day worked on the new schedule.

(b) An employee who loses time due to a transfer or change in schedule will be granted the right to work at available work on such employee's day off for straight time payment to make up for lost time.

(c) If a change of schedule is for three days or less the premium pay will be paid only at the start of the new schedule and will not be paid when the employee reverts to their original schedule.

(d) Premium pay will not be paid when an employee changes shift due to:

(i) Transfer from one department to another at own request.

(ii) A new employee going on shift for the first time.

(iii) An employee returning from leave of absence (sick or other approved leave excluding vacation) in excess of 30 days.

(iv) Transfer from one crew to another by mutual consent between employees.

(v) When an employee's schedule is changed as a result of disciplinary action, no premium pay will be paid either at the start or end of such change of schedule.

(vi) When an employee's schedule is changed as a result of a medical accommodation, no premium will be paid either at the start or end of such change of schedule.

(e) For employees other than those working the continuous rotating 12 hour schedule who are required to work more than five (5) successive days without a day off directly after the schedule is put into operation, such employees will not be paid premium rates for the days worked in excess of five (5). If, however, during the pay period such employees are required to work in excess of the number of days they were scheduled to work in that pay period, the extra days

worked will be considered as days off for the purpose of payment.

(f) Employees working the continuous rotating 12-hour schedule:

(i) If, as a result of change of schedule, an employee works more than 324 hours within the 54-day shift cycle, exclusive of any hours of overtime, the employee will receive the overtime rate for those hours in excess of 324.

(ii) If, as a result of change of schedule, a Chemical Plant Operations employee works more than 512 hours within the 96 day shift cycle, exclusive of any hours of overtime, the employee will receive the overtime rate for those hours in excess of 512.

(iii) Employees specifically required by the Company to undertake classroom and/or on-the-job training, and whose schedule is changed to an eight-hour day schedule to efficiently undertake such training, shall receive a change of schedule premium only upon returning to their normal 12-hour shift schedule.

(iv) Either party may at any time elect to revert to the former 8-hour shift schedule by giving

the other party 60 days' notice in writing.

On changing over to the new schedule, no premiums will be paid to any employee for the reason of changing from the present schedule – nor shall there be any premiums paid to any employee upon reversion to the 8-hour shift schedule should the 12-hour schedule be terminated.

ARTICLE XII

VACATION WITH PAY

- 12.01 Every employee covered by this Agreement who has completed one full year's service with the Company shall be entitled to 120 hours (3 weeks) vacation with pay at a time to be arranged by the Company subject to the conditions hereinafter set forth.

- 12.02 Every employee covered by this Agreement who has completed ten full year's service with the Company shall be entitled to 160 hours (4 weeks) vacation with pay at a time or times to be arranged by the Company subject to the conditions hereinafter set forth. Where, in the sole judgment of the Company, an employee has relevant previous experience, such experience may be recognized for paid

vacation entitlement purposes. In such cases, the maximum combination of Shell and relevant, recognized previous experience will be 10 years.

- 12.03 Effective January 1, 1998, every employee who has completed 18 full consecutive years of service with the Company shall be entitled to 200 hours (5 weeks) vacation with pay at a time or times to be arranged by the Company subject to the conditions hereinafter set forth.
- 12.04 Every employee who has completed twenty-five full consecutive years' service with the Company shall be entitled to 240 hours (6 weeks) vacation with pay at a time or times to be arranged by the Company, subject to the conditions hereinafter set forth.

Note:

(a) A vacation week shall be considered as 7 consecutive calendar days, except that employees working the continuous rotating 12-hour schedule, will take vacation weeks in shift "block" with one vacation week defined as a shift block of three (3) consecutive twelve (12)-hour working days. Employees can take no less than 2 hours of vacation at a time.

(b) Payment for vacations will be based on

the regular straight time hours the employee was scheduled to work during the period of vacation. Employees working the continuous rotating 12-hour schedule will be paid on the basis of 40 hours per "block" of vacation commencing on January 1, 2014.

(c) If specifically requested by an employee, vacation pay may be computed on the average rate of pay exclusive of premiums for the two or six pay periods immediately preceding vacation.

(d) Where an employee's third Friday off falls within his/her vacation period, an additional day of vacation will be granted.

(e) Employees hired on or after January 1, 2001 will earn their annual paid vacation entitlement on the following basis:

(i) Employees entitled to 3 weeks' annually will earn paid vacation at the rate of 1.25 days per month. Those employees working the continuous rotating 12-hour schedule will earn paid vacation at an equivalent rate of 10 hours per month.

(ii) Employees entitled to 4 weeks' annually will earn paid vacation at the rate of 1.66 days per month. Those employees working

the continuous rotating 12-hour schedule will earn paid vacation at an equivalent rate of 13.33 hours per month.

Employees in this category whose first day of employment falls on or before the 15th of the month will earn the full month's entitlement for their first month of service and employees in this category whose first day of employment falls after the 15th of the month will earn half of the full month's entitlement for their first month of service.

- 12.05 When practical, shift workers' vacations will be arranged to begin immediately after their regular time off.
- 12.06 Vacation schedules will be posted thirty days in advance of the first scheduled vacation period. In each calendar year, vacation schedules for the previous calendar year will be posted alongside the current vacation schedule. Vacation schedules shall be rotated yearly.
- 12.07 Vacations are not cumulative. Failure to use an allowed vacation in one year does not constitute a claim for additional vacation in any other year. Vacations cannot be substituted or exchanged without permission of the Company once the vacation schedule

has been determined.

- 12.08 Employees who resign, or are discharged for cause, before becoming eligible for their vacation will be paid in accordance with the laws of the Province of Ontario.
- 12.09 Where, not owing to illness or authorized absence, an employee has been absent from their employment in excess of one working day in each month of the working year, such excess will be deducted from the vacation to which the employee would otherwise be entitled.
- 12.10 Where an employee becomes disabled as a result of sickness or accident, and the disability extends into their scheduled vacation period, a new vacation period may be assigned.
- 12.11 Where an employee becomes disabled after their vacation has commenced and the period of disability qualifies under the Company's sickness plan, an employee will be granted an equal number of calendar days as an extension on their vacation period or at a later date without additional vacation pay.

ARTICLE XIII

STATUTORY HOLIDAYS

13.01 Designated holidays are as follows: New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving, Remembrance Day, Christmas Day, Boxing Day, plus two additional Holiday days within each calendar year. Administration of these 11th and 12th Holiday days will be as follows:

(a) Day workers and Laboratory employees will observe the 11th and 12th Holidays as personal floaters.

(b) Shift workers will observe the 11th Holiday as a personal floater. The 12th Holiday will be treated as a Designated Holiday and will be observed on February 14th. The date upon which the 12th Designated Holiday is to be observed may be changed from time to time with the agreement of Management and the Union. With the advance agreement of a shift worker's supervisor, the employee may elect to observe the 12th Designated Holiday as a personal floater. In such cases, the date upon which the employee may observe the 12th Holiday will be determined in accordance with established vacation scheduling practices.

(c) Wherever the 11th or 12th Holidays are observed in the form of personal floaters, the following provisions will apply. Regular employees who have completed 30 days' service will be eligible to take these floating holidays. Temporary employees will not qualify until they have completed 6 month's service. The days must be selected in advance and taken on dates which are mutually convenient to the employee and his or her supervisor. The days must be taken within a calendar year and cannot be deferred from one calendar year to another.

13.02 All employees shall be paid holiday pay which is distinct and separate from work performed on a Designated Holiday, at their regular rates for the above holidays, subject to the following regulations:

(a) To be eligible for holiday pay, an employee must work the full work day immediately preceding the holiday and the full work day immediately following such holiday, both in accordance with the employee's normal schedule of work, and must work the holiday where scheduled to do so. An employee absent on any of these qualifying days will not receive holiday pay unless he or she is in receipt of disability benefits, on approved vacation leave, on jury duty, or approved

leave of absence under Article XVII of the Collective Agreement.

(b) (i) Day Employees:

If a holiday falls in a vacation period, no vacation pay will be allowed; but an additional day of vacation with pay shall be allowed at a time suitable to the Company or straight pay in lieu thereof.

(ii) Shift Employees:

If a designated holiday falls in a vacation period, in lieu of an extra day added to their vacation entitlement, the employee will be paid their holiday pay in addition to their vacation pay.

The Company agrees to provide in the rules for vacation allocation, an opportunity for shift workers to use a designated holiday in lieu of a vacation day when a designated holiday falls within the employee's scheduled vacation period, recognizing the following principles:

- no additional cost to the Company
- any such arrangement can only be made if there is vacation time and vacation relief available.
- such arrangements will be scheduled immediately following the finalization of

vacation and floater holiday schedules for the following year.

(c) An employee who works on one of the above-named paid holidays or portion of same, will be paid double-time the regular rate in addition to their holiday pay for the hours so worked, with a minimum of four hours' pay at their regular rate. If any such employee works in excess of their regular scheduled hours on any of the said holidays, the employee shall receive triple time for the hours actually worked in excess of such regular scheduled hours. All employees shall be paid eight (8) hours Holiday Pay at their regular rates for the twelve (12) observed holidays.

(d) Twelve-hour shift employees who are scheduled to work one of the ten (10) named Designated Holidays, the eleventh (11th) Holiday (personal floater) or the twelfth (12th) Designated Holiday, as referenced in Article 13.01, and receive approval to take the day off, will receive twelve (12) hours pay for this day in lieu of eight (8) hours holiday pay.

13.03 No compensation will be paid to shift workers who do not report for work on recognized holidays on which they are scheduled to work.

ARTICLE XIV

SENIORITY

GENERAL

- 14.01 For the purpose of establishing seniority for the employees of Shell Canada Products Limited (Sarnia Refinery and Chemical Plant) the first day of operation shall be deemed to have been March 17, 1952.
- 14.02 Seniority as referred to in this Agreement shall mean length of continuous service in the employ of the Company and shall be on a plant-wide basis.
- 14.03 Seniority lists will be revised each six months.
- 14.04 An employee will be considered probationary for the first seven months and will have no seniority rights during that period; after seven months' service, their seniority shall date back to the day on which their employment began, and they shall automatically become a permanent employee. If during the probationary period the employee is absent for any reason the probationary period will be extended by a like number of days.

- 14.05 An employee shall lose their seniority standing if the employee voluntarily quits their employment with the Company; if the employee is discharged for cause and is not reinstated pursuant to the provisions of Article IX; or if the employee is absent from work without leave more than two consecutive days, unless, in the opinion of the Company, there was reasonable justification for such absence.
- 14.06 It is understood and agreed that the Company shall have the right to hire temporary or seasonal employees for periods of six months or less and such employees shall not acquire any seniority rights providing the employees concerned and the Union are notified in writing by the Company at the time of hiring that the employee is only temporary or seasonal.
- 14.07 An employee away from work because of sickness who has properly reported such sickness will not have their service record disturbed. Any employee's return to work after sick leave will be conditional on supplying, when requested, a certificate from a physician that the employee is fully recovered from the sickness which caused the absence.

PROMOTIONS

14.08 **(a)** Subject to the provisions of this Article, preference in promotions other than appointments to supervisory positions shall be given to those employees in the department having the longest plant seniority, provided always that the employees in question are in the opinion of the Company of equal skill, competence and efficiency.

(b) For the purposes of this Article, the departments are as follows:

- (i) Production Units
- (ii) Dispatching
- (iii) Utilities
- (iv) Maintenance
- (v) Laboratory
- (vi) Chemical Plant Operations
- (vii) Finished Product Handling

14.09 **(a)** In the event that an employee covered by this Agreement should be temporarily promoted to a position beyond the scope of this Agreement, the employee shall retain for a probationary period of three months, the seniority previously acquired and shall have added thereto the seniority accumulated while serving in such position.

(b) In the event than an employee covered by this Agreement should be promoted to a position beyond the scope of this Agreement, the employee shall retain for a probationary period of six months, the seniority previously acquired and shall have added thereto the seniority accumulated while serving in such position, provided the Union is reimbursed by the employee the dues that would have been paid had the employee not been promoted.

14.10 **(a)** In the event of a job vacancy, promotions shall be made on a vertical basis within the department where the vacancy exists, as provided in subsection 14.08 hereof except as provided in Progression as covered in section 14.11 subject to the following condition:

(i) "Except for the Steam Plant (Utilities)". Only the bottom job in the department will be posted.

An employee may follow the grievance procedure if the employee feels there has been a violation of this Agreement in making a promotion hereunder.

(ii) In the spirit of understanding that the Maintenance Department needs to fill the vacancies with qualified people and that there

could be a time when someone in Operations would like to transfer into the Maintenance Department, the company and the union agree to use the ratio of journeypersons to apprentice as outlined in LOU#1.

(b) The Company hereby undertakes to post on bulletin boards such notices of job vacancies as referred to in paragraph (a) (i) above at least fifteen (15) calendar days before selection is made stating the nature of the vacancies and the qualifications required. The successful applicant shall receive the rate of the new job from the date that the employee takes over the new position. The employee shall have one month's trial at their new job (provided the Company may at its discretion extend the trial period up to six months), and if not satisfactory, the employee shall revert to their former classification, provided that, in the judgment of the Company, the employee is still qualified for that classification. However the employee may follow the grievance procedure, if the employee feels that there has been discrimination in making the judgment.

- 14.11 Recognizing the need to ensure there are a sufficient number of qualified Operators to operate and maintain Shell Refinery and Chemical Plant in the future, the Company and the Union have agreed that all Operators are expected to progress to Senior Operator within 40 months.

Each crew will implement a rotation schedule to ensure operators remain competent in their qualified areas. Any deviations from the phase progression timeline, as outlined in the Individual Training Plan, require Production Unit Manager approval in writing.

For specific unit progression for each employee, refer to the individual training plan for each operator.

Minor Maintenance by Operators fully utilized by the end of this Collective Agreement. Each Senior Operator delivering a minimum of 1 Enhanced Skill by the end of this Collective Agreement.

“Qualifying area” is defined by unit training modules.

PROCESS

Phase Progression	Required Qualifications to Achieve Phase Promotion	Timeline to Achieve Progression
1	<ul style="list-style-type: none"> • Entry Level • 4th Class Engineer's Certificate 	
2	<ul style="list-style-type: none"> • Maximum 3 months of continuous service in 1st qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	3 months
3	<ul style="list-style-type: none"> • Maximum 7 months of continuous service in 1st qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	4 months
4	<ul style="list-style-type: none"> • Maximum 8 months of continuous service in 2nd qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
5	<ul style="list-style-type: none"> • Maximum 8 months of continuous service in 3rd qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
6	<ul style="list-style-type: none"> • Maximum 8 months of continuous service in 4th qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
Sr. Operator	<ul style="list-style-type: none"> • Maximum 9 months of continuous service in qualifying console area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities • Deliver a minimum of 1 Enhanced Skill 	9 months

DISPATCHING

Phase Progression	Required Qualifications to Achieve Phase Promotion	Timeline to Achieve Progression
1	<ul style="list-style-type: none"> • Entry Level • 4th Class Engineer's Certificate 	
2	<ul style="list-style-type: none"> • Maximum 3 months of continuous service in 1st qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	3 months
3	<ul style="list-style-type: none"> • Maximum 7 months of continuous service in 1st qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	4 months
4	<ul style="list-style-type: none"> • Maximum 8 months of continuous service in 2nd qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
5	<ul style="list-style-type: none"> • Maximum 8 months of continuous service in 3rd qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
6	<ul style="list-style-type: none"> • Maximum 8 months of continuous service in 4th qualifying area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
Sr. Operator	<ul style="list-style-type: none"> • Maximum 9 months of continuous service in qualifying console area • pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities • Deliver a minimum of 1 Enhanced Skill 	9 months

UTILITIES

Phase Progression	Required Qualifications to Achieve Phase Promotion	Timeline to Achieve Progression
1	<ul style="list-style-type: none"> Entry Level 4th Class Engineer's Certificate 	
2	<ul style="list-style-type: none"> Maximum 3 months of continuous service in 1st qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	3 months
3	<ul style="list-style-type: none"> Maximum 7 months of continuous service in 1st qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	4 months
4	<ul style="list-style-type: none"> Maximum 8 months of continuous service in 2nd qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
5	<ul style="list-style-type: none"> Maximum 8 months of continuous service in 3rd qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 3rd Class Engineer's Certificate 	8 months
6	<ul style="list-style-type: none"> Maximum 8 months of continuous service in 4th qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
7	<p>Entry Level pay for 2nd Class external hires.</p> <ul style="list-style-type: none"> Regardless of pay, all external hires will be required to follow the progression timelines as outlined in the utilities progression chart 	N/A
Sr. Operator	<ul style="list-style-type: none"> Maximum 9 months of continuous service in qualifying console area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities Deliver a minimum of 1 Enhanced Skill 	9 months

**OPERATING ENGINEERING CERTIFICATE
REQUIREMENTS FOR UTILITIES**

Certification Level	Timeline to Achieve Certification
4 Class	0 Months (at time of hire)
3 rd Class	23 Months
2 nd Class	60 Months

****Adjustments will be made to the certification timeline for internal transferees who possess a stop ticket**

CHEMICAL PLANT

Phase Progression	Required Qualifications to Achieve Phase Promotion	Timeline to Achieve Progression
1	<ul style="list-style-type: none"> Entry Level 4th Class Engineer's Certificate 	
2	<ul style="list-style-type: none"> Maximum 3 months of continuous service in 1st qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	3 months
3	<ul style="list-style-type: none"> Maximum 7 months of continuous service in 1st qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	4 months
4	<ul style="list-style-type: none"> Maximum 8 months of continuous service in 2nd qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
5	<ul style="list-style-type: none"> Maximum 8 months of continuous service in 3rd qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
6	<ul style="list-style-type: none"> Maximum 8 months of continuous service in 4th qualifying area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	8 months
Sr. Operator	<ul style="list-style-type: none"> Maximum 9 months of continuous service in qualifying console area pass written and oral examinations proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities Deliver a minimum of 1 Enhanced Skill 	9 months

FINISHED PRODUCT HANDLING (FPH)

Phase Progression	Required Qualifications to Achieve Phase Promotion	Timeline to Achieve Progression
1	<ul style="list-style-type: none"> • Entry Level 	
2	<ul style="list-style-type: none"> • Maximum 3 months of continuous service in 1st qualifying area • Pass written and oral examinations • Cover a minimum of one (1) loader position • Proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities. 	3 months
3	<ul style="list-style-type: none"> • Maximum 7 months of continuous service in 1st qualifying area • pass written and oral examinations • Cover a minimum of two (2) loader position • Proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	4 months
FPH Specialist	<ul style="list-style-type: none"> • Maximum 6 months of continuous service in 2nd qualifying area • Pass written and oral examinations • Cover all loading positions • Proven on-the-job-knowledge through demonstrated ability in performing operating duties or responsibilities 	6 months
FPH Lead	<ul style="list-style-type: none"> • Promoted on vacancy with selection from FPH Specialist candidates as per Clause 14.08 of the current agreement • Demonstrated the ability to train and lead junior employees and manage the daily requirements of the loading department • Ability to interface with Samia Manufacturing Business Department and external customers as required ensuring products are managed in a timely and efficient manner 	

LABORATORY

Phase Progression	Required Qualifications to Achieve Phase Promotion	Timeline to Achieve Progression
Laboratory Analyst 1	<ul style="list-style-type: none"> Entry Level 	
Laboratory Analyst 2	<ul style="list-style-type: none"> Maximum of 6 months' continuous service in the laboratory. Completion of 2 Modules Passed the required tests Demonstrated the capacity to perform all tasks defined in the modules 	6 months
Laboratory Analyst 3	<ul style="list-style-type: none"> Maximum of 12 months' continuous service in the laboratory. Completion of 3 Modules Passed the required tests Demonstrated the capacity to perform all tasks defined in the modules 	6 months
Laboratory Analyst 4	<ul style="list-style-type: none"> Maximum of 18 months' continuous service in the laboratory. Completion of 4 Modules Passed the required tests Demonstrated the capacity to perform all tasks defined in the modules 	6 months
Laboratory Analyst 5	<ul style="list-style-type: none"> Maximum of 28 months' continuous service in the laboratory. Completion of 5 Modules Passed the required tests Demonstrated the capacity to perform all tasks defined in the modules 	10 months
Laboratory Analyst 6	<ul style="list-style-type: none"> Maximum of 38 months' continuous service in the laboratory. Completion of 6 Modules Passed the required tests Demonstrated the capacity to perform all tasks defined in the modules 	10 months
Sr. Laboratory Analyst	<ul style="list-style-type: none"> Maximum of 48 months' continuous service in the laboratory. Completion of 7 Modules Passed the required tests Demonstrated the capacity to perform all tasks defined in the modules undertake applicable Senior Laboratory Analyst focal point responsibilities as defined in Letter of Understanding "Laboratory Progression – Related Tasks" dated August 7, 2001 	10 months

MAINTENANCE

Phase Progression	Required Qualifications to Achieve Phase Promotion	Timeline to Achieve Progression
Class VI Mechanic (Utility)	<ul style="list-style-type: none"> Entry Level for employees with less than 2 years of service 	
Class V Mechanic (Handyman)	<ul style="list-style-type: none"> Completed 6 months of continuous service 	6 months
Class IV Mechanic (Junior Mechanic)	<ul style="list-style-type: none"> Completed 12 months of continuous service or entry level for employees with greater than 2 years of service employee will enter one of the trade progression systems 	6 months
Class III Mechanic	<ul style="list-style-type: none"> Completed 8-12 months of satisfactory performance on-the-job Successful completion of required courses and of practical requirements 	8-12 months
Class II Mechanic	<ul style="list-style-type: none"> Completed 16-24 months' satisfactory performance on-the-job Successful completion of required courses and of practical requirements 	8-12 months
Class I Mechanic	<ul style="list-style-type: none"> Completed 24-36 months' satisfactory performance on-the-job Successful completion of required courses and of practical requirements 	8-12 months
Journeyman	<ul style="list-style-type: none"> Completed 36-48 months' satisfactory performance on-the-job Successful completion of all remaining required courses of practical requirements Demonstrated the ability to successfully undertake applicable additional Journeyman responsibilities and tasks as defined in the Letter of Understanding "Maintenance Progression – Related Tasks" dated August 7, 2001. 	12 months

Utilities Operator

Promotion on vacancy with selection made from Phase 7 candidates who hold a 2nd Class Stationary Engineer's certificate, as per Clause 14.08 of the current Agreement.

Senior Utilities Operator

Has completed 24 months continuous service as Utilities Operator. Responsible for overtime holdover and call-ins when requested by the Chief Operating Engineer.

Shift Engineer

Promotion on vacancy with selection made from Senior Utilities Operator candidates who hold a 2nd Class Stationary Engineer's certificate, as per Clause 14.08 of the current agreement.

- 14.12 Subject to the provisions of this Article, any employee transferred from one department to another must remain in that position for three months before becoming eligible for promotion within the department.
- 14.13 When an employee transfers from one department to another, the employee cannot

again transfer to another department for at least twelve (12) months unless permitted to do so by the Company.

- 14.14 The Company may transfer an employee from one department to another for training or educational purposes on a temporary basis.
- 14.15 In filling temporary vacancies for a period not to exceed thirty (30) calendar days, seniority considerations may be disregarded by the Company. This refers to vacancies created by sickness, injury, leave of absence and emergencies. Temporary vacancies will normally be filled by upgrading within the shift. Experience gained by employees filling such temporary vacancies shall not work to the disadvantage of other eligible employees subsequently considered for promotion to a higher regular job. It is understood that wherever practicable, if overtime in the Company's opinion becomes necessary due to such vacancy, an employee of equivalent classification will be used.

PERMANENT WORK FORCE REDUCTION

14.16 In the event of technological change, or the permanent closure of all or part of the refinery, which in the opinion of the Company, will result in a permanent workforce reduction, the Company will:

1. Notify the Union six (6) months in advance in writing; and
2. Meet with representatives of the Union to discuss the impact of the change on the work force.

If, after using attrition, reduction in the workforce is unavoidable, terminated employees will be entitled to severance pay, provided:

1. the employees have not refused to exercise seniority rights to claim other available jobs within the bargaining unit;
2. the employees have not rejected reasonable alternative employment which the Company may offer to employees;
3. the employees remain available for work until the designated date of termination; and,

4. the employees, by virtue of performance or actions prior to or during the notice period of termination, are not discharged for just cause.

Effective February 1, 2004, severance pay will be calculated on the basis of two (2) weeks pay plus two (2) weeks' pay per year of service.

The severance pay resulting from the above formula will be multiplied by 1.15. For the purpose of this calculation, a week's pay is defined as 40 hours pay at the employee's straight time basic wage rate at the time of termination. Partial years of service will be pro-rated for the calculation of severance payments and such payments will be subject to statutory deductions.

Should the Company be required by law or otherwise to make any payment by reason of layoff or termination of any employee exclusive of:

- earned vacation pay
- pension payments
- sickness or disability insurance payments
- workers compensation

Such payments shall be deducted from the severance payment provided herein.

- 14.17 In the event of a layoff, temporary employees shall be laid off first, probationary employees shall be laid off next, and thereafter layoffs shall be in accordance with plant seniority, provided that, in the opinion of the Company, the employees affected are of equal skill, competence, efficiency, reliability, and the last employee laid off shall be the first re-hired, all subject to the limitations set out in this Article. Opinions by the Company shall not be exercised in an arbitrary or unfairly discriminatory manner.

LAYOFFS

- 14.18 In the event of a layoff, if a senior employee wishes to transfer to another job, and the Company feels that their skill, competence, efficiency, reliability and willingness are sufficient to justify the transfer, arrangements for such transfer will be made wherever possible.
- 14.19 Employees who have been laid off due to lack of work and subsequently re-employed will have their length of service determined by the actual time they have been on the

Company's payroll, provided such employees return to work when notified, and subject to the conditions of subsections 14.20 and 14.21 below.

- 14.20 Employees laid off due to lack of work retain recall rights for a period of twelve (12) months from date of layoff. Provided that, if an employee is off the payroll for a continuous period of twelve months or more by reason of layoff caused by an extended period of depressed business conditions, the operation of this clause may be waived on agreement between the Company and the Union. Laid off employees will be recalled as set out in Article 14.17.
- 14.21 Any employee who has been laid off and retains recall rights, and who is notified to return to work will lose these recall rights unless the employee notifies the Company within 5 days that they are intending to return to work, and unless the employee returns to work as soon as possible after receiving notice, and in any event within 7 days after the mailing or other communication of such notice.
- 14.22 In the event of a layoff due to lack of work for a continuous period which exceeds twelve months, the laid-off employee will be

terminated and be entitled to severance pay as provided in 14.16 above. In the hiring of new employees, preference shall be given to those former employees who have had seniority and who have applications for reemployment on file. This preference shall be given subject to conditions respecting skill, competence, efficiency, and reliability.

- 14.23 Employees that are laid off will be eligible to maintain medical, dental and life insurance coverage while on recall for up to a period of six months after the date of lay-off, provided that the employee maintains the employee and company premiums for such coverage.

ARTICLE XV

BULLETIN BOARDS

- 15.01 The Union will be granted by the Company the use of certain bulletin boards to be designated by the Company for posting notices, provided, however, such notices are first submitted to the Management for approval. Neither the Company nor the Union shall make any change in such notices thereafter and no notice shall be posted except on such boards. There shall be no distribution or posting by employees of pamphlets, advertising, cards, notices or any other kind of literature upon Company property except as permitted by the Company.

ARTICLE XVI

SAFETY AND HEALTH

- 16.01 The Company agrees that the Union may appoint two representatives on the Safety Committee and that these representatives shall be notified in advance of meetings of this committee which have been called for purposes of safety or to investigate accidents involving injury to employees.

The Company agrees to provide to the designated Health and Safety Committee and the employees the generic names of all nonproprietary substances known to Management used in association with the employees' work site. The Company will also cooperate with the Health and Safety Committee and continue to develop and disseminate to employees and the Health and Safety Committee information regarding known hazardous substances present at the work sites and to advise the Health and Safety Committee and the employees of measures and safety precautions intended to protect their health and safety.

ARTICLE XVII

LEAVE OF ABSENCE

- 17.01 At the Company's discretion as to whether leave is to be granted in any particular case and what length such leave is to be, and upon presentation of the circumstances, up to three days' leave with pay to employees who suffer a bereavement in their immediate family (father, mother, brother, sister, spouse, parent-in-law, grand-parent, son, daughter, daughter-in-law, son-in-law or grandchild of the employee and the employee's spouse)

may be granted.

If any employee who is on vacation suffers a bereavement in their immediate family, as described above, the employee will be eligible for a bereavement leave which may be taken as an extension of their vacation period or at a later date without additional vacation pay.

17.02

(a) Upon the written application of the Union, a leave of absence without pay will be granted in order to engage in the business of the Union provided that,

(i) Leave under this provision shall not exceed six (6) employees at any one time, unless previously agreed with management, nor shall it total more than 30 calendar days per employee, at any one time, unless previously agreed with management.

(ii) The expectation is that notification is given one week prior to the period in which the absence is to be scheduled. To qualify as a request for time off, the Union Business Matrix form is to be fully completed and submitted as part of the notification to Management for all time off requests. Failure to complete and

submit the Union Business Matrix form with the request for a Leave of Absence shall be grounds for not approving leave.

(iii) Such leaves can be granted without additional cost or penalty to the Company.

(iv) The Company reserves the right to refuse leave to a particular individual when the granting of such leave would interfere with the operation of the Company.

It is agreed that an employee covered by the above provision will continue to be paid base wages plus shift differential where applicable, and the Union will be invoiced for this amount.

In the application of this provision, the Union shall determine what constitutes Union business.

(b) Upon the written application of the Union, an employee who is elected or appointed by the Union to act on its behalf in full-time Union work shall be granted a leave of absence without pay for the term of such office but not to exceed one year, provided that,

(i) Only one such leave of absence shall be in effect at any time.

(ii) Request for leave is given a minimum of one month prior to the period in which the absence is to be scheduled.

(iii) Such leaves can be granted without additional cost or penalty to the Company, and will be governed by the administrative provisions of the Company's personnel policy on Leaves of Absence beyond 30 days.

(iv) The Company reserves the right to refuse leave to a particular individual when the granting of such leave would interfere with the operation of the Company.

(v) Vacancies created by granting a leave of absence under this provision shall be considered temporary vacancies as described in Article XIV - Seniority, and vacancies can therefore be filled by upgrading within the shift.

An employee granted a leave of absence under this provision shall continue to accumulate plant seniority, but not Company service, during this leave of absence. However, an employee will not be entitled to exercise seniority on return from such leave of absence against a vacancy, which has been filled during their absence, but while on leave of absence will be given consideration

for a promotional vacancy.

(c) The Company agrees to pay up to the first 1000 hours per annum for replacement or relief costs that are incurred as a result of a Leave of Absence for Union business. In the year preceding bargaining, the Union can carry forward up to 1000 hours to be used the following year for Negotiations. The Union shall be obligated to pay the Company for all replacement costs incurred that are beyond the 1000 hours. Union business that is deemed mutually beneficial to both parties may also be applied towards the 1000 hour provision. For clarity, any and all other agreements and practices related to time off or leaves of absence for Union business are herein expired and replaced with sections herein. The Union agrees to provide Management with an accountability of hours incurred for Union Business within 30 days when requested by Management and Union agrees to settle all outstanding accounts owed to the Company within 60 days of receipt from the Company.

17.03 When a member of local 848 a non-maternal parent, either by birth or adoption, and the employee is scheduled to work on the day of the baby's birth or arrival, the employee may request leave of absence with pay for up to

two consecutive days. A supervisor can grant the leave of absence for two consecutive days provided the shift can be covered. If the time off request occurs on already scheduled days off (i.e. vacation, 9 days off, scheduled day off) then no leave of absence with pay shall be granted and no additional pay or time off in lieu will be granted.

ARTICLE XVIII

PERSONAL HARASSMENT

18.01 The Company, Sarnia Refinery and Chemical Plant, and Local 848 of Unifor equally share the objective of creating a working environment free of unlawful harassment or discrimination.

To this end, all employees are encouraged to know the respective Corporate and Union policies covering Personal Harassment and Discrimination. Company representatives and Union Executive members will provide copies of the policies upon request.

ARTICLE XIX

TERMINATION

19.01 The parties agree that the collective agreement shall be renewed from February 1, 2016 to March 31, 2019. This agreement shall continue in force from year to year thereafter unless in any year, not more than one hundred and twenty (120) days and not less than thirty (30) days before the date of its termination, either party shall furnish the other with notice of termination of, or proposed revision of, the agreement.

The parties herein accept and agree to the terms of the above memorandum as constituting the complete and full settlement of all matters in dispute. All other related proposals tabled by the Company and the Union during negotiations for inclusion into the new Collective Agreement have been dropped. It is understood that parties desire that any issue now or which may arise between the Company and Union be resolved by using the ongoing Union Management Dialogue process.

Signed and agreed to this 29th day of August, 2016, in Sarnia, Ontario.

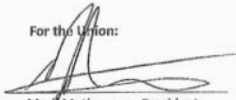
Shell Canada Limited
(Sarnia Manufacturing Centre)

Unifor LOCAL 848

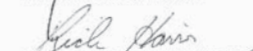
For the Company:

For the Union:


Karen Miller, General Manager

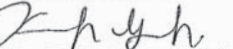

Marj Mathewson, President



Sue Krienen, Americas Growth Projects Director


Rick Harris, Vice President


Karyn Adams, HR Manager


Al Gates, Treasurer



Kaanesh Ghosh, HR Account Manager


Cory Soimise, Chief Steward


Jason Kimball, Production Excellence Manager


Ryan McRae, Secretary


Rich McLean, Production Team Lead


Doug Coleman, Deputy Chief Steward


Ken Ross, Production Team Lead


Joe Free, National Representative, Unifor


Paul White, Maintenance Team Lead

SHELL CANADA PRODUCTS LIMITED
(Sarnia Refinery and Chemical Plant)

Schedule "A" Rates of Pay

	Apr 1/16	Apr 1/17	Apr 1/18
	0.0%	2.0%	2.5%
PRODUCTION UNITS			
Senior Operator	53.03	54.09	55.44
Assistant Operator - Phase 6	44.87	45.77	46.91
Assistant Operator - Phase 5	41.97	42.81	43.88
Assistant Operator - Phase 4	39.80	40.60	41.61
Assistant Operator - Phase 3	38.01	38.77	39.74
Assistant Operator - Phase 2	34.76	35.46	36.34
Assistant Operator - Phase 1	33.63	34.30	35.16

	Apr 1/16	Apr 1/17	Apr 1/18
	0.0%	2.0%	2.5%
DISPATCHING			
Senior Operator	53.03	54.09	55.44
Assistant Operator - Phase 6	44.87	45.77	46.91
Assistant Operator - Phase 5	41.97	42.81	43.88
Assistant Operator - Phase 4	39.80	40.60	41.61
Assistant Operator - Phase 3	38.01	38.77	39.74
Assistant Operator - Phase 2	34.76	35.46	36.34
Assistant Operator - Phase 1	33.63	34.30	35.16

	Apr 1/16	Apr 1/17	Apr 1/18
	0.0%	2.0%	2.5%
UTILITIES			
Shift Engineer	55.69	56.80	58.22
Senior Operator	53.03	54.09	55.44
Assistant Operator - Phase 7	50.63	51.64	52.93
Assistant Operator - Phase 6	44.87	45.77	46.91
Assistant Operator - Phase 5	41.97	42.81	43.88
Assistant Operator - Phase 4	39.80	40.60	41.61
Assistant Operator - Phase 3	38.01	38.77	39.74
Assistant Operator - Phase 2	34.76	35.46	36.34
Assistant Operator - Phase 1	33.63	34.30	35.16

	Apr 1/16	Apr 1/17	Apr 1/18
	0.0%	2.0%	2.5%
CHEMICAL PLANT			
Senior Operator*	51.78	52.81	54.13
Assistant Operator - Phase 6	49.31	50.30	51.55
Assistant Operator - Phase 5	44.91	45.81	46.95
Assistant Operator - Phase 4	41.63	42.46	43.52
Assistant Operator - Phase 3	38.35	39.12	40.09
Assistant Operator - Phase 2	35.39	36.10	37.00
Assistant Operator - Phase 1	32.47	33.12	33.95

*New rate of "Senior Operator" administered upon effective date of ratification

	Apr 1/16	Apr 1/17	Apr 1/18
	0.0%	2.0%	2.5%
FINISHED PRODUCT HANDLING			
FPH Lead	41.29	42.35	43.93
FPH Specialist	36.96	37.70	38.64
Phase 3	35.33	36.04	36.94
Phase 2	30.92	31.54	32.33
Phase 1	26.49	27.02	27.70

	Apr 1/16	Apr 1/17	Apr 1/18
	0.0%	2.0%	2.5%
LABORATORY			
Senior Laboratory Analyst	*50.65	51.66	52.95
Laboratory Analyst - Phase 6	44.87	45.77	46.91
Laboratory Analyst - Phase 5	41.97	42.81	43.88
Laboratory Analyst - Phase 4	39.80	40.60	41.61
Laboratory Analyst - Phase 3	38.01	38.77	39.74
Laboratory Analyst - Phase 2	34.76	35.46	36.34
Laboratory Analyst - Phase 1	33.64	34.31	35.17

*New rate of "Senior Operator" administered upon effective date of ratification

	Apr 1/16	Apr 1/17	Apr 1/18
	0.0%	2.0%	2.5%
MAINTENANCE			
Crew Leader	55.95	57.11	58.60
Journey person	50.86	51.92	53.28
Class I Mechanic	44.87	45.77	46.91
Class II Mechanic	41.97	42.81	43.88
Class III Mechanic	39.80	40.60	41.61
Class IV Mechanic (Jr. Mechanic)	38.01	38.77	39.74
Class V Mechanic	34.76	35.46	36.34
Class VI Mechanic (Utility)	33.64	34.31	35.17
Regular Labour	31.75	32.39	33.19

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**LETTER OF UNDERSTANDING #1 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: TRANSFER OF PERSONNEL FROM OPERATIONS TO MAINTENANCE

In the spirit of understanding that the Maintenance Department needs to fill the vacancies with qualified people and that there could be a time when someone in Operations would like to transfer into the Maintenance Department, the company and the union agree to use the below ratio when filling vacancies.

The company reserves its right to determine the total number of positions in each trade at any time and the appropriate timing of when to fill each vacancy. Apprentices will be the next hire into each group, unless the apprenticeship quota as defined below is being met.

1. The maximum allowable apprentices at one time in each trade will be as follows:

- Electrician: 4 journeypersons to 1 apprentice
- Pipefitter: 3 journeypersons to 1 apprentice
- Millwright: 4 journeypersons to 1 apprentice
- Instrumentation/Analyzer: 7 journeypersons to 1 apprentice

- (i) Apprentices will be internal transfers from within the Bargaining Unit and will be awarded based on Seniority.
- (ii) If there is an internal posting and no one from within the Bargaining Unit applies, the company can choose to post that role externally.
- (iii) Operations personnel selected for maintenance vacancies will have a period limited to thirty (30) calendar days from the date of their physical transfer to the maintenance position to decline their transfer and return to their original department. Should any such employee decline their transfer after they have physically moved, the Company reserves its right to determine how it fills this vacancy. If the individual has not physically transferred over to the maintenance position then the position would be offered to the next successful bargaining unit candidate.

2. Operations personnel selected for maintenance vacancies will be transferred at the junior mechanic rate provided the individual has more than 2 years of service. Rate below the Jr. Mechanic will remain in effect.

3. If unforeseen problems arise in the functioning of this agreement, a Company/Union meeting will take place to settle differences. This LOU will replace the LOU #1 for the period of this term of the agreement. This LOU will be discussed annually at dialogue.

*An apprentice is a person that does not possess the required qualifications by the Company

**All incumbents to the maintenance department will be required to complete the apprenticeship program if they do not possess the top qualifications as outlined by the Company, unless the employee has an equivalent diploma in the trade in which case they will follow 14.11(g) as progression.

***All incumbents to the maintenance department will be required to attain the trades red seal certificate unless they possess a diploma of equal qualification required by the company.

Originally signed on July 6, 2007, by:

For the Company:
Marc Mageau, General Manager

For the Union:
Steve Rumbold, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:



Karen Miller
SMC General Manager

For the Union:



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #2 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: TEMPORARY OPERATOR PROMOTIONS

This is to confirm our understanding agreed to at the time of signing of the Memorandum of Settlement that:

SECTION 1: UNDERSTANDINGS CONCERNING TEMPORARY OPERATOR PROMOTIONS

- a. All Phase 7s, including the Designated Phase 7, will receive the Senior Operator pay when working in the Board Operator position.
- b. In filling Temporary Operator vacancies for periods in excess of 30 days, the individuals who accept such Temporary Operator promotions will have the full rights of a regular Operator, i.e. their basic pay will be at the Operator rate for all hours worked, including Statutory Holidays and Company benefits. They will also be classified as Operator for the purpose of overtime distribution, and cannot be bumped for any reason until they revert back to their former classification.

SECTION 2: QUALIFYING FOR PHASE 7

The trainee will spend 2 cycles or 48 shifts training on the board with the Senior Operator when there is a spare or when the trainee has spare time while on their shift. In addition, the trainee must spend 15 continuous shifts as the Board operator. An experienced Operator must be available as a spare, when the trainee is working as the board Operator for the 15 shifts.

Additional training modules will be provided for training as a Phase 7. Examples may include the following:

- Understanding of the role of Senior Operator as per SOTIS documents
- Comprehensive module of questions including some generic material about processes i.e. safety, environmental laws, ESP, DCS, etc. as well as area specific material from our training system.
- Train with Area Training Coordinator, Operations Coordinator and Operation Shift Coordinator on "what if" scenarios.

Successful completion of both a written and oral exam.

Once a person has achieved their Phase 7 it is important that they receive concentrated board time. Therefore the Phase 7 will be given 30 shifts on the board in the first year of qualification. To help facilitate these shifts, if there is a senior Phase 7 on the board they may have the junior person work the board providing both are paid Senior Operator rate.

If the person cannot achieve the 30 shifts in the first 12 months, the company will make the necessary arrangements to ensure the training is complete.

The company recognizes continuous training is necessary and as past practice dictates, they will, under every best effort work with the Senior Operators on their crew to ensure that each Phase 7 receives a minimum of 12 shifts on their respective boards each year.

The Sr. Operator will develop and submit Phase 7 training schedule to their supervisor by January 15 each year.

PHASE 7 ADDITIONAL TRAINING

The following training is not a prerequisite to becoming a Phase 7:

Leadership courses such as those provided by Sarnia IEC. The Training Department will recommend the courses to the Line Department.

Originally signed on July 6, 2007, by:

For the Company:
Marc Mageau, General Manager

For the Union:
Steve Rumbold, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:



Karen Miller
SMC General Manager



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #3 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: REPLACEMENT OF HSIRT FUND TO PAID EDUCATION LEAVE (PEL)

As part of the Collective Agreement dated February 1, 1988, to January 31, 1990, the Company agrees to contribute monies to the Union for training solely in the areas of Safety, Health and Industrial Relations. Such training will be supportive of the Company's initiatives in these areas and will enhance Union/Management relations.

Contributions shall be calculated on the basis of \$60 per annum per bargaining unit member, calculated annually January 31, and paid in quarterly installments to the Fund.

The Union agrees that the monies so collected shall be applied primarily for the training of Shell employees working at the Sarnia Refinery.

The Union agrees to provide a Fund audit on request.

Training carried out under this Fund, will be subject to the Leave of Absence provisions contained in the Collective Agreement.

For E.C.W.U. Local 848 – R. Taylor
For Shell Canada Products Limited (Sarnia Refinery) – G.G. Myers

Revision #1: October 6, 1997:

Local 848 of the CEP recognizes Shell Canada's desire to have more input into the development and utilization of this fund. It is therefore agreed that the Union will support Shell Canada Limited in its desire to be represented on, once established, an "Employer's Advisory Council." Shell Canada is prepared to liaise with SHIRT fund Administrator in establishing such a council.

The primary purpose of the Advisory council would be to recommend the type and frequency of training programs to be offered through the SHIRT Fund.

This Memorandum will be considered part of the Sarnia Refinery Collective Agreement for the life of this Agreement, with the proviso however, that either party may cancel the Fund within 30 days prior to February 1, 2001, by giving written notice to the other party.

Revision #2: August 7, 2001:

Local 848 of the CEPU agrees to provide to the Company a detailed audit of training courses, associated costs and related benefits achieved by Local 848 members from the **Health, Safety and Industrial Relations Training Fund (HSIRT Fund)** upon written request from the Company.

This Letter of Intent will be considered part of the Sarnia Refinery Collective Agreement for the life of this Agreement, with the proviso however, that either party may cancel the Fund within 30 days prior to February 1, 2004, by giving written notice to the other party.

Revision #3: August 28, 2016

Effective September 30, 2016, the Company will no longer make remittance to the Health, Safety and Industrial Relations Training Fund ("HSIRTF").

Effective October 1, 2016, the Company will remit 5 cents (\$.05) for each full time employee's regular hours of work to Paid Education Leave ("PEL"). The Union commits to maintain the principles and governance established with the HSIRTF for administration and reporting of PEL activities to the Company. If the Union offers similar courses as what was offered by the HSIRTF fund, the Union will notify the Company of any such courses.

Signed on August 7, 2001, by:

For the Company:
Peter St. George, General Manager

For the Union:
Steve Rumbold, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:


Karen Miller
SMC General Manager

For the Union:


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #4 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

**SUBJECT: PHASE LEVEL FOR TRANSFERS BETWEEN OPERATIONS,
DISPATCHING, UTILITIES OR LABORATORY**

Operations, Dispatching, Utilities or Laboratory personnel selected for vacancies in any of the other departments will be transferred at the Phase 3 rate, provided that the individual has in excess of two years' service.

Transfer of personnel from Operations, Dispatching, Utilities or Laboratory to Maintenance will be in accordance with Letter of Understanding #1 executed the 26th day of July 2007.

Originally signed on July 26, 2007, by:

For the Company:
Marc Mageau, General Manager

For the Union:
Steve Rumbold, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager


For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #5 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: JOB SECURITY / PERMANENT WORK FORCE REDUCTION

The company will not contract out work at this location which causes the layoff of any regular employee in the bargaining unit.

In the event of technological change or the permanent closure of all or part of the plant which will result in a permanent work force reduction of employees covered by this agreement, the Company will:

1. Attempt to provide other employment for affected employees who, in the opinion of management, have the basic qualifications and aptitude to be considered for vacancies which may exist at that time in other departments or other locations within the Company and provide training or retraining for employees placed in new jobs.
2. Discuss the use of contractors at dialogue in regards to the number of contractors utilized and the total number of hours worked by such contractors.
3. Provide rate protection for employees who are "downgraded" by "red circling" their rate for one year after which management will assign an appropriate progression step for the employee.
4. Discuss relocation assistance that could be made available for employees being transferred to other locations within the Company.
5. Meet with the local executive to review the work being performed at that time in the Refinery and or the Chemical Plant and discuss alternatives that could create the potential of retaining employees in revised or new roles. Any job opportunities and retraining costs created through this process must be, in the opinion of the Company, cost effective and otherwise desirable to the Company.
6. Provide provisions for outplacement assistance at the time of termination up to a budget of \$2000.

The terms and conditions of this letter will automatically renew unless representatives of either party serve written notice to terminate this letter. Such notice must be given at least sixty (60) but not greater than ninety (90) days prior to the expiry date of the Agreement signed between the parties at this location*

*In the event that the Company announces a permanent workforce reduction within 120 days of the expiry of this agreement, neither party will serve written notice to terminate this letter.

Originally signed in 1994 by:

For the Company:
Sam Spanglet for
Jack King, General Manager

For the Union:
S. Rumbold,
President Local 848 CEPU

Re-signed on August 7, 2001

For the Company:
Peter St. George, General Manager

For the Union:
S. Rumbold, President, Local 848 CEPU

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:


Karen Miller
SMC General Manager

For the Union:


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #6 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

**SUBJECT: COMPETITIVE PREMIUM COMPONENT INCORPORATED INTO BASE
WAGE RATES (SCHEDULE "A" RATES)**

The Company and the Union recognize that to remain competitive within our industry requires a flexible workforce.

In keeping with The Company's goal to provide a competitive level of pay while continuing to make changes it deems necessary to achieve flexibility and productivity gains, it is prepared to continue to provide a wage component in this regard.

NOW THEREFORE, THE PARTIES HAVE AGREED THAT:

1. Effective Feb 1, 2001, the current amount of the competitive premium (\$1.18 per hour) will be incorporated into the following base wage rates (Schedule "A" Rates). This incorporation will be calculated prior to the application of the agreed February 1, 2001 general adjustment to hourly rates.

Schedule "A" Wage

<u>Rates Category</u>	<u>Positions</u>
Production Units	Assistant Operator – Phase 3 and above
Dispatching	Assistant Operator – Phase 3 and above
Steam Plant	Assistant Utilities Operator – Phase 3 and above
Maintenance Department	Class V Mechanic and above, including Crew Leader
Laboratory	Laboratory Analyst – Phase 3 and above

2. The parties acknowledge that the competitive premium has been applied and appropriately paid for all hours worked by Local 848 members in the classification listed in item #1 above. This includes working hours that have or will have occurred between February 1, 2001, and the actual effective date of incorporation of the premium into base wage rates (Schedule "A" Rates).
3. In no way will the incorporation of the Competitive Premium amount into the basic, Schedule "A" wage rates be interpreted as restricting the Company's current or future ability to determine the work or content of any job classification or to otherwise exercise its Management Rights as outlined in the Collective Agreement.
4. Coincidence with the incorporation of the competitive premium amount into base wage rates in Schedule "A," the two existing Letters of Understanding between the parties with respect to the competitive premium become redundant and are cancelled. For clarity, these two letters are:
 - a. Letter of Intent with subject "Competitive Premium (April 21, 1997)" dated October 6, 1997 and printed on page 87 of the Collective Agreement booklet for the 1997-2001 contract period.
 - b. Letter of Understanding with subject "Competitive Premium Lab Analyst" dated September 15, 1997, and printed on page 90 of the Collective Agreement booklet for the 1997-2001 contract period.

5. In recognition of the wage adjustment made in the 2010 Collective Agreement, all Chemical Plant Operations department employees will be responsible for Minor Maintenance by Operators as contemplated in this Letter of Understanding.

Originally signed on August 7, 2001, by:

For the Company:
Peter St. George, Refinery Manager

For the Union:
Steve Rumbold, President, CEP Local 848

Re-signed on August 25, 2010

For the Company:
Kerry Margetts, General Manager

For the Union:
Mark Mathewson, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #7 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: OPERATIONS TRAINER PAY RATE

The parties agree that for those employees assigned to the Trainer role, he/she will receive a premium of 10% over the Senior Operator rate as per schedule A. In addition, the 5% day assignment allowance shall apply if the employee was not previously eligible for the day assignment allowance.

Employees selected to perform Trainer roles, when directed by the Company to cover a normal shift position, shall continue to receive the Trainer premium for that time period. Employees who voluntarily accept an overtime shift or voluntary move to another position in an Operations role are not eligible to receive the Trainer premium. Employees will be temporarily assigned to the trainer position for a 3 year term. If less than 3 year term, the Company will advise the Union.

Originally signed on August 31, 2013:

For the Company:
Michele Harradence, General Manager


For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #8 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

**SUBJECT: OPERATOR ENHANCED SKILLS – PROCESS, UTILITIES AND
DISPATCHING**

The Company and the Union recognize that to remain competitive within our industry requires a skilled and fully committed workforce.

In keeping with the Company's goal to provide a competitive level of pay while continuing to make changes it deems necessary to achieve flexibility and productivity gains, it is prepared to introduce an adjustment to wage rates for certain job classifications and to implement a program of Operator Enhanced Skills in the Process, Utilities, and Dispatching Departments.

NOW THEREFORE, THE PARTIES HAVE DISCUSSED AND AGREED AS FOLLOWS:

1. PHILOSOPHY

Enhanced skills are a diverse set of skills that can be utilized on shift by operators that will improve the refinery's safety, environment and overall business performance. The Operator Enhanced Skills concept provides operators the opportunity to learn new skills and have a broader participation in the refinery operation. The concept of enhanced skills will be based on single point accountability however all operators will participate and support the entire crew to complete all activities and achieve their objectives. Opportunities will also exist to use these skills on day assignments.

In the context of the Operator Enhanced Skills program (ES Program), the term 'single point accountability' is the accountability of a designated individual for a particular area of responsibility. The individual is responsible to ensure that the required systems and tools are in place and that the activities are completed, although he/she may require the support of crew members to complete the tasks.

2. PREMISES

Enhanced skills focal point responsibilities will be taken on by all Phase 7s, including Designated Phase 7s (D-7s) and Temporary Designated Phase 7s (TD-7s).

Senior operators will not be focal points. However, consistent with their current leadership role, they will assume the overall leadership of the Enhanced Skill program for the crew. The Senior Operator will provide overall guidance of the ES program and, as required, will make decisions on how the work will be completed on each shift.

ES Skill focal points (Phase 7s) will work across department boundaries when required and appropriate. Assistant Operators at Phase 6 and below will support the Phase 7 ES focal point in the completion of the activities required on each shift. ES skills will primarily be applied on shift. However, based on the needs of the business, assignment to days will be handled on a posting basis (posted for those with the appropriate Enhanced Skill) or on a rotation basis so the day assignment opportunities can be distributed. This is not intended to restrict day assignments and/or special assignments to Phase 7s only.

3. COMPETITIVE PAY

In contemplation of the introduction of the Operator Enhanced Skill program and in order to reflect a competitive rate of pay, the Phase 7 Schedule "A" wage rate will be increased by \$1.20 per hour, retroactive to February 1, 2001. The agreed general adjustment to wage rates for February 1, 2001 will be applied to this amount. No additional wage premiums will be paid at anytime for the ES skills. An ES focal point who is temporarily moved to a day assignment for short durations will be entitled to receive the Day Assignment Allowance.

Senior Operators who are active employees on the date of ratification of the Collective Agreement for the 2001 to 2004 contract term will receive a one time, lump sum payment in the amount of \$500.00 in recognition of their ongoing crew leadership role.

4. ENHANCED SKILLS

Operating the units safely and at optimum targets will continue to be the operator's prime responsibility. The ES focal point will be expected to acquire the necessary knowledge base and skills to execute the required tasks with the support of the entire crew. MMBO (minor maintenance by operators), laboratory work, weekend safety/environment audits, lube oil checks, winterization and any other tasks currently performed by all operators will not change as a result of the implementation of the Operator Enhanced Skills program.

The Enhanced Skills have been defined as Safety, Environment/Energy, Reliability, Administration, Training and Inventory Management. Based on the number of Phase 7s on a crew, it may not be possible to fill all ES skills at one time. Certain ES positions will be filled on a priority basis.

Periodic reviews of the ES program will occur to assess its ongoing effectiveness.

5. IMPLEMENTATION TIMING

The target is to have all Enhanced Skills training modules fully developed within six months from date of ratification of the Collective Agreement for the 2001 to 2004 contract term. The Company will allow one year from the date of ratification of the collective agreement for current employees to qualify by written test and by demonstrated skills, to obtain their ES role.

Operators who fail to achieve this requirement will be placed on a performance improvement program except where the Company failed to provide the necessary resources to meet the timelines stated above.

It is in the best interest of both the Union and the Company that the ES skills are achieved as quickly as possible once the scope and training needs are identified.

6. ES IMPLEMENTATION TASK FORCE

A task force is to be established to develop appropriate implementation details of the ES skills program. The task force will be composed of both Union and Management representatives. It will regularly report on its progress to the Union/Management Dialogue Group and will make its final implementation recommendations to management within 3 months of contract ratification.

In the event the task force is unable to develop an implantation plan, the Company reserves the right to define the details and implement the program.

TYPICAL ENHANCED SKILLS DUTIES:

The following provides a listing of the typical duties for each of the six ES areas. The intent of the list below is to provide specific examples of the types of activities necessary to meet the objectives of the Operator Enhanced Skills program as defined in the philosophy statement in item #1 above.

Enhanced Skill Type	Typical Areas of Responsibility
Safety	<ul style="list-style-type: none"> • SIRS incident reports, action items and system updates • Provide initial investigation/info gathering after an incident • Second signature on safe work permits including vessel and confined spaces entries in accordance with the site safe work practices • OH&S Act knowledge (not expert) • Inventory, audit and replace fire/safety and emergency response equipment • Weekly test of PIV's on fire water systems • Trained to a higher level on fire truck operators and test drive truck on a weekly basis • Maintain utilization of fresh air bottles including refilling • Facilitate pre-job hazard reviews when requested • Focal point for crew HSE meetings, maintains action log and minutes
Energy and Environment	<ul style="list-style-type: none"> • SIRS incident reports, action items and system updates • Provide initial investigation/info gathering after an incident • Monitor unit performance for compliance to regulations and operating Certificates of Approval • Knowledge of environmental legislation (not expert) • Assist in the LDAR program • Monitor unit operations and minimize/optimize steam losses, steam balance, fuel gas, natural gas, and flare systems • Understand EII and assist in the generation of the data and develop ways to reduce the EII • Focal point for optimizing heater performance, ensuring heater checks are completed • Focal point for cooling water leak searches • Focal point for crew HSE meetings, maintains action log and minutes • Communicates environmental information to crews
Reliability	<ul style="list-style-type: none"> • Assist maintenance with CSI data collection • Focal point for MMBO – maintain and grow program • SIRS incident reports – initial data collection and causal analysis for equipment failures • Keep current and communicate site reliability performance – improvement initiatives/bad actors • Collect data for reliability measurement • Participate in reliability task teams when requested • Focal point for winterization and steam trap maintenance • Focal point for equipment lubrication and checks

Administration	<ul style="list-style-type: none"> • Overtime tracking • Overtime meals tracking and auditing • Review and sign paysheets • Capture/record absenteeism • Review and assess feasibility of mutuals, approvals by OSC • Work with HR on admin issues • Prepare vacation schedules for management approval
Training	<ul style="list-style-type: none"> • Write procedures and modules in SOTIS • Update and revise procedures • Assist in preparing, communicating and ensuring sign-off of mechanical awareness documents • Provide training on shift • Develop schedules for training both on and off shift • Record operator training, maintain records • Trainers would be assigned to days depending on workload and training needs for periods of time
Inventory Management	<ul style="list-style-type: none"> • Monitor and control chemical and catalyst consumption • Operations focal point for Betz and other chemical suppliers • Ordering chemicals, tools, supplies • Monitor unit performance versus chemical type and consumption

7. PROVISIONS FOR FUTURE CHANGES TO ES SKILL TYPES / GROUPINGS

This letter and the above-referenced adjustments to Phase 7 Schedule "A" wage rates shall in no way be interpreted as restricting the Company's current or future ability to determine the work or content of any job classification or to otherwise exercise its Management Rights as outlines in the Collective Agreement.

The parties agree, however, that any future proposals for changes to the Operator Enhanced Skills program at this location will be tabled with the Union/Management Dialogue Group and an opportunity for full dialogue on the proposed changes will be provided.

Originally signed on August 7, 2001, by:

For the Company:
Peter St. George, General Manager

For the Union:
Steve Rumbold, President, CEPU Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #9 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: MAINTENANCE PROGRESSION – RELATED TASKS

The Company and the Union recognize that to remain competitive within our industry requires a skilled and fully committed workforce. In the context of maintenance activities at this location, the efficiency of the maintenance workforce is critically important. Maintenance efficiency is a function of reliability, planning, scheduling, and the availability of a skilled and flexible workforce.

In keeping with the Company's goal to provide a competitive level of pay while continuing to make changes it deems necessary to achieve flexibility and productivity gains, it is prepared to introduce an adjustment to wage rates for Maintenance Journeypersons and to implement a program to increase the involvement of Journeypersons in a number of tasks related to the overall efficiency of the Maintenance function.

NOW, THEREFORE, THE PARTIES HAVE DISCUSSED AND AGREED AS FOLLOWS:

1. PHILOSOPHY

The Maintenance function is task-driven through the utilization of the work order system. Throughout Maintenance, efficiency is a function of the amount of working time that can actually be devoted to the application of the skills and abilities of the members of the workforce ("wrench time"). Wrench time is, itself, a function of accurate and timely job planning, effective scheduling and a flexible workforce. Flexibility is a strategy that enables the improved utilization of peoples' skills and knowledge without compromising safety or the environment. The current flexibility concept will continue to be developed and enhanced, as required by the Company in order to achieve its goals. The overall measure of success in the Maintenance function is the achievement of a high standard of reliability.

2. PREMISES

With the goal of increasing the efficiency of the Maintenance function at this location, Maintenance Journeypersons will assume responsibility for a number of additional tasks. These task responsibilities fall into the category of reliability.

3. COMPETITIVE PAY

In contemplation of the assumption by Journeypersons of the following responsibilities and in order to reflect a competitive rate of pay, the Journeyperson schedule "A" wage rate will be increased by \$0.47 per hour, retroactive to February 1, 2001. The agreed general adjustment to wage rates for February 1, 2001, will be applied to this amount. No additional wage premiums will be paid on account of the assumption of these responsibilities.

4. RESPONSIBILITIES

All Journeypersons will be expected to undertake, on a rotation basis, as appropriate, the following additional activities and responsibilities as part of their normal job:

Within the Reliability Group:

- Coverage for alarm and trip testing (A&TT) including maintenance/ development/ implementation of related documentation, procedures and training

- Analyzer maintenance on a routine basis including maintenance/ development/ implementation of related documentation, procedures and training
- Metering maintenance, including maintenance/ development/ implementation of related documentation, procedures and training
- Machinery Roving Millwright to have increased involvement in maintenance/ development/ implementation of related documentation, procedures and training
- Pipefitters to assume a role in winterization plus other reliability-related piping issues and maintenance/ development/ implementation of related documentation, procedures and training
- Electrical distribution preventative maintenance, checks and maintenance/ development/ implementation of related documentation, procedures and training
- Causal analysis is included in the above responsibilities

5. PROVISIONS FOR FUTURE CHANGES

This letter and the above-referenced adjustments to Journeyman Schedule "A" wage rates shall in no way be interpreted as restricting the Company's current or future ability to determine the work or content of any job classification or to otherwise exercise its Management Rights as outlined in the Collective Agreement. Maintenance Department duties and responsibilities may change over time depending on the needs of the operation and the business.

The parties agree, however, that any future proposals for changes to the duties and responsibilities of the Maintenance Journeyman classification at this location will be tabled with the Union / Management Dialogue Group and an opportunity for full dialogue on the proposed changes will be provided.

Originally signed on August 7, 2001, by:

For the Company:
Peter St. George, General Manager

For the Union:
Steve Rumbold, President, CEPU Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:




Karen Miller
SMC General Manager

Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #10 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: LABORATORY PROGRESSION – RELATED TASKS

The Company and the Union recognize that to remain competitive within our industry requires a skilled and fully committed workforce. In the context of laboratory activities at this location, the efficiency of the laboratory workforce is critically important. Laboratory efficiency is a function of training, reliability, planning, administration, inventory control, and the availability of a skilled and flexible workforce.

In keeping with the Company's goal to provide a competitive level of pay while continuing to make changes it deems necessary to achieve flexibility and productivity gains, it is prepared to introduce an adjustment to wage rates for Senior Laboratory Analysts and to implement a program to increase the involvement of Senior Laboratory Analysts in a number of tasks related to the overall efficiency of the laboratory function.

NOW, THEREFORE, THE PARTIES HAVE DISCUSSED AND AGREED AS FOLLOWS:

1. PHILOSOPHY

The assumption of a single point accountability for additional task responsibilities will provide Senior Laboratory Analysts with the opportunity to acquire new skills and have a broader participation in the business. As a result, efficiency in the Laboratory will increase.

2. PREMISES

With the goal of increasing the efficiency of the laboratory function at this location, Senior Laboratory Analysts will assume responsibility for a number of additional tasks. These task responsibilities fall into the categories of training, reliability, planning, administration, inventory control, overtime administration and health/safety/environment.

The additional responsibilities will be assumed on a rotational basis or a non-rotational basis, depending on the needs of the business. However, wherever responsibilities are assumed in a rotational basis, a minimum assignment period of three years will apply in order for the Company to obtain reasonable value for the required investment in training and familiarization with the required tasks.

3. COMPETITIVE PAY

In contemplation of the assumption by Senior Laboratory Analysts of the following responsibilities and in order to reflect a competitive rate of pay, the Senior Laboratory Analysts schedule "A" wage rate will be increased by \$0.28 per hour, retroactive to February 1, 2001. The agreed general adjustment to wage rates for February 1, 2001, will be applied to this amount. No additional wage premiums will be paid on account of the assumption of these responsibilities.

4. ADDITIONAL RESPONSIBILITIES

All Senior Laboratory Analysts will be expected to undertake the following additional activities and responsibilities as part of their normal job. These activities will be distributed amongst the Senior Laboratory Analysts employees.

Training	<ul style="list-style-type: none"> Analysts to be self-reliant in scheduling their own refresher training. Once Senior Laboratory Analyst will assume focal point responsibilities and will schedule training for all personnel who require refresher training in a specific laboratory area Participation, as appropriate, in laboratory recruitment processes (e.g. participation as a member of a recruitment committee) Focal point to create an appropriate training schedule for new laboratory employees Laboratory Day Assistant (Senior Laboratory Analyst) to be in charge of administering the exam portion of the new laboratory employee training program Reviews and updates to laboratory modules Conduct laboratory tours as part of refresher/operator training
Reliability	<ul style="list-style-type: none"> Laboratory Day Assistant (Senior Laboratory Analyst) to ensure that required preventative maintenance duties are equitably distributed amongst available laboratory personnel Distribution of the weekly QA charts for laboratory equipment/test methods Input Westhollow octane numbers Assume focal point responsibility for handling and expediting Alberta Research Council samples
Planning	<ul style="list-style-type: none"> Attend regular morning E&S /Dispatching meetings and communicate customer needs to laboratory personnel Input and appropriately communicate any daily requests for special laboratory services (e.g. non-routine requests) Assume focal point responsibilities as a contact for Process Engineering for test runs/Rosys Produce and communicate laboratory weekly personnel schedules Issue work orders for building and laboratory needs
Administration	<ul style="list-style-type: none"> Provide up-to-date paper work and inspection laboratory cards Input weekly Fe analysis for Inspection Department Vacation schedule for Laboratory Analysts Focal point for operation of the Bluewater bottle washing contract Filing of year end gas lab reports Review and sign paysheets
Inventory Control	<ul style="list-style-type: none"> Unpackage various laboratory operating supplies and ensure that related invoices and packing slips are passed to the Laboratory Day Assistant Check out supplies and requirements for the Laboratory Day Assistant
Overtime Administration	<ul style="list-style-type: none"> Arrangements and call outs
Health / Safety / Environment	<ul style="list-style-type: none"> Incident reports and follow up regarding action items Conduct safety audits and weekly eye wash station building audits Produce and distribute minutes and notes from monthly safety and environment meetings

5. PROVISIONS FOR FUTURE CHANGES

This letter and the above-referenced adjustments to Senior Laboratory Analyst Schedule "A" wage rates shall in no way be interpreted as restricting the Company's current or future ability to determine the work or content of any job classification or to otherwise exercise its Management Rights as outlined in the Collective Agreement. Laboratory Department duties and responsibilities may change over time depending on the needs of the operation and the business.

The parties agree, however, that any future proposals for changes to the duties and responsibilities of the Senior Laboratory Analysts classification at this location will be tabled with the Union / Management Dialogue Group and an opportunity for full dialogue on the proposed changes will be provided.

Originally signed on August 7, 2001, by:

For the Company:
Peter St. George, General Manager

For the Union:
Steve Rumbold, President, CEPU Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:



Karen Miller
SMC General Manager



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #11 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: SARNIA REFINERY JOINT EMPLOYEE ASSISTANCE PROGRAM (E.A.P.) COMMITTEE

Shell Canada provides a confidential Employee Assistance Program (E.A.P.) for its employees and their immediate families. Recognizing that the well-being of Shell employees is the joint responsibility and concern of the Company and the Union, Sarnia Manufacturing Centre established a Joint E.A.P. Committee in October 1991.

The parties acknowledge the important role that the SMC Joint E.A.P. Committee plays in the ongoing delivery of an effective E.A.P. at this location. This includes the role of both Management and Union representatives in reinforcing the fundamental principle of respect for the individual's right to privacy.

The parties agree that the SMC Joint E.A.P. Committee will continue to operate unless either party provides at least thirty (30) days written notice of its intention to discontinue the work of this committee.

Originally signed on August 7, 2001, by:

For the Company:
Peter St. George, General Manager

For the Union:
S. Rumbold, President-Local 848 CEPU

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence
SMC General Manager

For the Union:
Mark Mathewson
Union President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:



Karen Miller
SMC General Manager

For the Union:



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #12 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: Sons & Daughters Summer Student Employment Program

In an attempt to provide increased summer job opportunities for students pursuing post-secondary education, The Company offers a Sons & Daughters Summer Student Program. The program typically runs from the start of May until the end of August.

The number of students to be employed as part of this program will be a minimum of 3, unless a lesser number is mutually agreed to by the Union/Management Team.

The wage for the students working within the program will be mutually agreed to by the Union/Management Team, annually. The wage rate paid to students working in the bargaining unit as part of this program does not apply to temporary employees filling a vacation relief role in the dispatching and laboratory areas. The Company will deduct Union Dues from the wages of all students employed within the bargaining unit as part of this program. If there are any changes that are to be made to this program, they must be mutually agreed to.

If 3 or less students are employed, the Company will utilize a random draw process from site Union employee family member application for filling the position. Where more than 3 students are employed, The Company will utilize a random draw selection process from site employee (Union and non-Union) family member applications for filling the positions.

Originally signed on February 9, 2007, by:

For the Company:
Marc Mageau, General Manager

For the Union:
S. Rumbold, President, CEP Local 848

Re-signed on August 25, 2010

For the Company:
Kerry Margetts, General Manager

For the Union:
Mark Mathewson, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:


Karen Miller
SMC General Manager

For the Union:


Mark Mathewson
Union President, Unifor Local 848

First printing: 1997
Reprinted: 2001
Revised and reprinted; 2013

The following is the *Anti-Harassment Policy* of the Local 848, Unifor and is reprinted here for educational purposes only and does not form part of the Collective Agreement. In addition, Shell Canada Ltd has a Respectful Workplace Policy as stated in the HR Online system.

LOCAL 848 ANTI HARASSMENT POLICY

Mutual respect must be the basis of interaction among all workers in addition to co-operation and understanding. This Union will neither tolerate nor condone behavior that is likely to undermine the dignity or self esteem of an individual, or create an intimidating, hostile or offensive workplace

Harassment is not a joke. It creates feelings of uneasiness, humiliation and discomfort.

It is an expression of perceived power and superiority by the harasser(s) over another person.

Harassment can be defined as any unwelcome action by any person, whether verbal or physical, on a single or repeated basis, which humiliates, insults or degrades. "Unwelcome "or "unwarranted" in this context means any actions that the harasser(s) knows (or ought to reasonably know) are not desired by the victim of the harassment.

Unwanted comments, racist statement, slurs, jokes or favoritism, as well as any unwelcome attention of a sexual nature such as remarks about appearance or personal life, offensive written or visual actions like graffiti or degrading pictures, physical contact of any kind, or sexual demands are all forms of harassment.

There are two principles that are fundamental to the trade union movement: *human rights* and *solidarity*. Harassment strikes at the heart of both. As trade unionists we must work to protect rights, not take them away.

Trade union principles prohibit us from infringing on the human rights of others, and oblige you to stand with them to protect their rights when others attack them.

If you are harassed by comments or unwanted attention, please advise that person that you find their behavior unacceptable. If they persist, immediately advise an Executive Board Member of Local 848, Unifor.

LETTER OF UNDERSTANDING #14 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: Training Days

Work Schedule

- All Operations twelve (12) hour shift employees will work the 54-day, 9-position refinery schedule. This includes Process, Utilities, Dispatch and Chemical Plant departments. Operations employees on day assignments will attend training days as part of their regular schedule and are not eligible to accrue personal time off.
- The Company will establish three (3) training days per year per Crew. Training Days will be eight (8)-hour days. Training Days will be done as part of an employee's normal schedule.
- Employees are expected to attend three (3) 8-hour Training Days per year, for a total of 24 unpaid hours.
- In exchange, employees will be allowed to select two (2) 12-hour shifts per year, for a total of 24 hours, as paid personal time off.
- Training Days and personal time off will not be used for calculations of 324 work hours within 54 day cycle as in section 11.09(f)(i).
- The Training Days program will begin effective January 11, 2011.
- A 12-hour shift change payment for the initial implementation of this Letter of Understanding shall be paid to all 12-hour Operations employees. Employees on day assignment at the time of implementation will not be eligible for this initial shift change payment. No shift change payments will be made for the annual establishment of Training Days, after the initial 2011 implementation.
- A Training Day, or its cohesive alternative, that cannot be attended, due to 9 days off and/or vacation, shall be repaid as a self mutual at a mutually beneficial time as agreed by the employee and their coordinator.

Guidelines for Selection of Training Days

- The Company will be responsible for the selection of Training Days.
- The Company will select Training Days for the following year prior to vacation selection, nominally August 1st of each year. Once selected, Training Days will not be moved.
- The Union Executive will review the Training Days schedule prior to release.
- The Company will select individual Crew Training Days on the last day off prior to a scheduled set of night shifts.
- The Company will select Training Days during low vacation periods and low work activity periods and will not schedule Training Days during the following periods:
 - Statutory holidays
 - March break
 - Summer – June 15th to September 15th
 - Christmas/New Years – December 15th to January 2nd
- The Company will endeavor to select Training Days so as to schedule cohesive shifts Training Days with a minimum of 1 position between them. The Company will try to distribute the Training Days evenly across all positions in the scheduled rotation, however, it is recognized that this is not always possible.
- The Company will provide an agenda seven (7) days before the Training Day to the respective Crews.

- The Company retains an option to not schedule Training Days in any particular year and will identify this option prior to August 1st the previous year. In this circumstance, no personal time off will be allowed in that year.

Guidelines for Use of Personal Time Off

Personal time off will be selected in accordance with existing guidelines for shift integrity. Personal time off must be used within the calendar year and will not be eligible for banking or carryover. If an employee has a change of schedule, the employee will adopt the new Crew's Training Days, and the employee and their coordinator shall agree to the new personal time off shifts picked. Employees will be permitted to attend an alternate Crew Training Day, so as to provide flexibility in attending three Training Days per year.

This Letter of Understanding shall supersede the following:

- 11.09(f)(ii)
- 11.03(c)(iv)

Review of Program

The Company and The Union will formally review the effectiveness of this Letter of Understanding as part of the 2013 Collective Bargaining process. If the parties mutually agree that the program is ineffective, the work schedules will revert to the Operations work schedules described in article 11.03(c). It is understood that Training Days will be planned for 2013.



Originally signed on August 25, 2010, by:

For the Company:	For the Union:
Kerry Margetts, General Manager	Mark Mathewson, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:	For the Union:
Michele Harradence, General Manager	Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:	For the Union:
	
Karen Miller SMC General Manager	Mark Mathewson Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #15 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: Shift Engineers – Wage Rate

As part of the 2016 CBA, both parties have agreed that the shift engineer pay will be deemed as a separate rate of pay as outlined in Schedule A with the following new conditions:

1. The Company shall retain the right to designate the number of Shift Engineers required for the business. Presently, the TSSA requirement is 1 per crew. If the Company decides to change the number of designated Shift Engineers, the Company will consult with the Union; it is understood that such consultation does not limit the right of the Company in establishing the number of Shift Engineers.
2. If the Company reduces the total number of Shift Engineers, the current five incumbents (Bob Potvin, John VanHooft, Mirsad Pirija, George Brown, Derrick Preiss) will retain their Shift Engineer rate of pay as outlined in Schedule A while they are in the utilities department.

Originally signed on August 25, 2010, by:

For the Company:

Kerry Margetts, General Manager

For the Union:

Mark Mathewson, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:

Michele Harradence, General Manager

For the Union:

Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:



Karen Miller
SMC General Manager

For the Union:



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #16 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: FPH Incumbent Rates

FPH Incumbent rates will be maintained for Richard Lunn. All new FPH employees will follow the Schedule "A" Rate of Pay for Finished Product Handling. FPH Incumbent rates will not be utilized for any other employees and will be terminated upon the above listed personnel leaving the company.

	Feb 1/13 (3.25%)	Feb 1/14 (3.50%)	Feb 1/15 (3.75%)
FPH Lead Incumbent	\$43.07	\$44.58	\$46.25
FPH Specialist Incumbent	\$38.04	\$39.58	\$41.29
FPH Phase 2 Incumbent	\$34.42	\$35.62	\$36.96

This letter will automatically be removed when all above listed personnel have left the company.

Originally signed by:

For the Company:
Kerry Margetts, General Manager

For the Union:
Mark Mathewson, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #17 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: RECOGNITION FOR VACATION AND SEVERANCE PURPOSES

The Company will recognize the continuous service of former Local 800 members, who have been employed by Shell Canada in 2008, for vacation entitlement and, if required, for severance calculation purposes (see Appendix A of Memorandum of Settlement between Shell Canada Limited (Sarnia Refinery), CEP Local 800 and CEP Local 848).



Originally signed on February 9, 2009, by:

For the Company:	For the Union:
Kerry Margetts, General Manager	Mark Mathewson, President, CEPU Local 848

Re-signed on August 31, 2013, by:

For the Company:	For the Union:
Michele Harradence, General Manager	Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:	For the Union:
	
Karen Miller SMC General Manager	Mark Mathewson Union President, Unifor Local 848

LETTER OF UNDERSTANDING #18 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: PROCESS FOR FILLING TEMPORARY WORKUP POSITIONS

The objective is to establish a pipeline of qualified employees to temporarily fill front-line leader roles, and a means to develop their talent and provide an opportunity for evaluation of potential future leaders.

Declaration of Interest: On a frequency not less than once every three years, Management will post the opportunity for employees to express their interest in the program. Through this posting, interested persons will formally declare that they would like to be considered as a front line leader candidate in the future.

Candidate Selection: Management will use a criteria-based process to select candidates from those declaring interest. The FLL Selection Meeting Candidate Evaluation template will be used as the selection guide in this process. Feedback to those not selected will be available upon request.

FLL Pool Utilization: Within the overall selected pool of candidates, management will select a pool of candidates qualified for each staff position. Of those in each "position" pool, rotation of opportunities will follow seniority first, then availability. Each opportunity will be rotated on a regular basis, where operationally feasible, when filling a longer-term need as both the Company and the Union recognize the value of rotation for these tasks. An opportunity will typically last for 90 calendar days. Any opportunity which may exceed 90 calendar days will need to be discussed with the Union Executive prior to the 90 days. Candidates will be given opportunities to fill positions based on demonstrated performance, willingness to step up and availability. The objective will be to give all selected candidates an opportunity to fill roles and demonstrate their abilities. Candidates may fill consecutive opportunities only if no other candidate within the pool is available, or if all others pass on their turn.

Development Planning & Feedback: Candidates in the FLL pool will be provided feedback, on their performance, annually or as required. Development planning will be included as part of the discussion. Where possible, selected candidates will participate in technical development and HR Basics leadership courses to supplement their developmental experiences.

IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS LETTER OF INTENT TO BE EXECUTED THIS THIRTY FIRST DAY OF AUGUST 2013.

Originally signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:



Karen Miller
SMC General Manager

For the Union:



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #19 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: TEMPORARY ASSIGNMENTS

The parties agree that for those employees who are assigned to temporary assignments he/she will receive a premium or rate as outlined in the table below.

The Company reserves the right to determine both the required assignment qualifications and assignment length based on identified site needs. Qualifications will be clear, concise and realistic and will be documented where employees can access them. Positions will be posted to ensure that qualified employees are selected for the positions in accordance with 14.08.

For selection of the trainer position, the Trainer Position Application template dated February 2014 shall be utilized to assess applicant qualifications for the Trainer position. Any applicant not deemed qualified per the criteria in the Trainer Position Application template will not be included in the top group

For selection of the HSE position, the Union will nominate their candidate. Following this, the Union and the Company will mutually agree on the candidate selected for this role.

The HSE hourly position reports to the Safety Manager and will fulfill the expectations identified by the Company. The HSSE Manager and the Union President will determine the KPI's for the assessment of the effectiveness of this position and the candidate's performance will be evaluated against these on an annual basis. This position will also be reviewed annually at UMD to ensure both parties attain the full value from this role and identify any improvement opportunities.

If the Company removes an employee from their temporary assignment for a period of 30 days or less to support operational needs, the employee will continue to receive their recognized premium during this absence. In cases where an employee either withdraws from or is removed from the position, they will no longer receive the recognized premium associated with the temporary assignment. Employees filling the Trainer and Day Assistant role will receive the associated premium for the duration of their temporary assignment.

If the same employee chooses to fill a role outside of their Temporary Assignment to gain additional overtime hours, his/her current rate of pay, not including any assignment related premiums, will apply for payroll purposes.

Temporary Work-Up Positions:

The following temporary assignments are available. Selections will be made based on 14.08 with the exception of the temporary PTL and temporary PS roles. Management reserves the right to make changes to any of these positions, including the decision to not fill these roles as required.

Position	Qualifications	Length of Assignment	Premium/pay
Trainer	Senior Operator or Phase 7+ in Utilities	3 year posted assignment	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance 10% Premium
Day Assistant	Phase 6+	1 year posted assignment	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance, when working days 5% premium
Temporary PTL	Senior Operator or Phase 7+ in Utilities	As needed	Employee's current rate of pay outlined in Schedule A 10% Premium
Temporary PS	Senior Operator or Phase 7+ in Utilities	As needed	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance 10% Premium
Temporary FMC	Senior Operator or Phase 7+ in Utilities	As needed	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance 10% Premium
SD Coordinator	Senior Operator or Phase 7+ in Utilities	As posted	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance, when working days 10% Premium
SD Assistant	As posted	As posted	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance, when working days
SD Operator	Senior Operator or Phase 7+ in Utilities	As posted	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance, when working days
Safety Inspector	Phase 6+	As posted	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance, when working days
Winterization	Phase 6+	As posted	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance, when working days 5% premium
ESP Focal	Senior Operator or Phase 7+ in Utilities	As posted	Employee's current rate of pay outlined in Schedule A 5% Day assignment allowance, when working days 5% premium
HSE Hourly role	As posted	3 year posted assignment	Employee's current rate of pay outlined in Schedule A 5% day allowance if applicable 10% premium
Crew Leader	As posted	As Posted	Employee's current rate of pay outlined in Schedule A 10% premium

The list of temporary assignment positions above is not all inclusive and shall in no way be interpreted as restricting the Company's current and or future ability to determine the qualifications or content of the temporary assignment, or to otherwise exercise its Management Rights as outlined in section 5.01 of this Agreement.

IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS LETTER OF INTENT TO BE EXECUTED THIS THIRTY FIRST DAY OF AUGUST 2013.

Originally signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #20 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: FINISHED PRODUCT HANDLING (FPH) DEPARTMENT

The Company and the Union recognize that to remain competitive within our Industry will require a cost effective, skilled and fully committed workforce. In keeping with the Company's goal to remain cost competitive and continue to make changes that reflect fair compensation for work performed the Company and the Union agree to the following:

- 1.) To establish and participate jointly in the process of creating a site-wide Loading Department (FPH) which will be responsible for IPA Tank and Truck Loading, Refinery Rack # 2 -RGP Offloading, site wide Rail Car shunting, receiving and delivery of products at SMC.
- 2.) Duties will include IPA Rail and Truck Loading/Rail Car Shunting and Offloading of Propylene at Rack #2, and goods receiving at the Chemical Plant Warehouse. Established protocol for recognizing competency must be completed prior to any Employee performing these tasks.
- 3.) As the work transitions from Dispatching to the FPH Department, Dispatching employees will be expected to assist in the training of the FPH Department employees to ensure the current FPH personnel are capable of performing the work safely. It is anticipated this work will be transitioned in full by January 2014.
- 4.) To support the additional work transitioned from Dispatching to the FPH Department, additional FTEs will be added to the current FPH headcount. There will be no impact to the number of employees in the Dispatching department currently as the shunting and #2 Rack loading work transitions out. Current FTEs will be retained to assist in decreasing the departmental overtime. Additionally, there will be no impact on Dispatching progression as the shunting and #2 Rack loading work transitions out.
- 5.) Letter of Understanding # 16 remains in effect.
- 6.) FPH roles will be posted both internally and externally, respectively.
- 7.) Finished Product Handling Department Team Members will normally work rotating shifts Monday to Friday from 7:30 a.m. to 3:30 p.m. (with a paid half hour lunch break) and 3:00 p.m. to 11:00 p.m. (with a paid half hour lunch break).
- 8.) Should the responsibilities and scope of the roles in the FPH department change in the future, the skills, qualifications and experience required to fulfill those duties shall be reviewed to determine any impacts to rates of pay within the FPH department. The Company and the Union would then negotiate any adjustments that may be required to the rates of pay.

The following adjustments will be made to reflect the proposed changes to the FPH Progression System:

Phase 1

- (i) Entry at Basic Pay Level.

Phase 2

- (ii) Completed a maximum of 4 months of continuous service in the FPH department, passed written and oral examinations, can cover a minimum of one loader position and has proven on-the-job knowledge.

Phase 3

- (iii) Completed a maximum of 8 to 12 months of continuous service in the FPH department, passed written and oral examinations, can cover a minimum of two loader positions and has proven on-the-job knowledge.

Phase 4 FPH Specialist

- (iv) Completed a maximum of 24 months of continuous service in the FPH department, passed written and oral examinations, can cover all required loading positions and has proven on-the-job knowledge.

Refer to Schedule 'A' for current applicable rates.

Phase 5 FPH Lead

- (v) Promotion on vacancy with selection from Specialist candidates as per Clause 14.08 of the current agreement, has demonstrated the ability to train and lead junior Employees and manage the daily requirements of the loading department. Ability to interface with SMC E and S Dept and External Customers as required to ensure products are managed in a timely and efficient manner.

IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS LETTER OF INTENT TO BE EXECUTED THIS THIRTY FIRST DAY OF AUGUST 2013.

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager


For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #21 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: CPET COOP TERM 1 & TERM 2 DOCUMENT

1st Term CPETs

Initially, first term CPET Co-op students will be considered as staff employees. They will work Monday through Friday, normally 7:30 am to 4:15 pm for approximately their first 6 weeks and then be put on rotating 12 hour shifts – 3 days / 3 off / 3 nights for the remainder of their coop term. (6.5 months).

During their day assignment, students will rotate through various departments and will gain exposure to several key elements of refinery operations including operations, ESP, Safety, Environment, Inspection, Engineering, Energy management, Maintenance planning, setting operating targets, and troubleshooting. This will provide them with a broad overview of the Manufacturing Centre.

Working alongside a number of refinery/chemical plant staff members, students will, upon completion of each segment of the rotation, have an opportunity for performance and development-related dialogue with a Shell staff member.

When the student moves to 12-hour shifts they will be assigned to a Crew in a designated area and given a number for 9 day off purposes. They will start an evaluation period that will be 3 months in length. While working under the supervision of the Operator in Charge (OIC) on that Crew, they will acquire knowledge on the area they are assigned, with assistance from the crewmembers. They will not be asked to work alone on the unit and are in an observer's capacity for their shift assignment. The Production Team Lead (PTL) and the OIC will use this 3 month period as an opportunity to mentor and coach to ensure the CPET is ready to proceed to the next step.

Each student will be assigned a mentor this would be an individual to whom they could address questions or concerns that they were uncomfortable to share with their supervisor. The company will look to provide mentors from recent new hire CPET intakes. Post evaluation, if the student has been deemed capable by the PTL and OIC the student will be allowed to carry a radio and be permitted to be in a unit by themselves. The permission of the OIC to be granted on each occasion they go outside, taking into account the operating conditions in effect at that time.

It is still understood that they will not be allowed to perform any of the work by themselves, however, they will be part of the progression system and therefore allowed to train and do the modules. For this they will become a member of the union and union dues will be deducted. The rate of pay will continue to be set by the company at its sole direction as per the existing approach. This exposure will enable the student to gain a level of appreciation for the nature of working life in a refinery-operating environment.

An evaluation will be completed on the student by each department as they rotate through the various areas of the refinery. An overall evaluation will be completed and discussed with the student prior to the completion of their coop term.

Regular evaluations will be performed by their PTL at 3 month, 5 month and 7 month intervals. Each evaluation will be discussed with the student to ensure they understand where they are doing well and if they have any areas for improvement.

A letter outlining these conditions including the rate of pay shall be signed by the Union prior to every on-boarded group of CPET term 1 hires – this may take an electronic format. The Union understands although this person is in the Union, their rate of pay is not up for negotiations and the rate will be set at the Company's discretion. Although, the Union will retain the discretion to make representations with regard to this position, if the Company and the Union are unable to reach agreement on the rate for CPET 1st Terms, the Company retains the right to return to CPET 1st Terms being non unionized hires.

2nd Term CPETs

The second term CPET Co-op students will be considered temporary union employees during their work term at SMC. They will work Monday through Friday, 7:30 am to 4:15 pm, for their orientation period and then be put on rotating 12 hour shifts – 3 days / 3 off / 3 nights for the remainder of their coop term.

Following the orientation period, the student will move to 12-hour shifts. If they require steam time, they will be assigned to a Crew in the Steam Plant for their first 3 months and given a number for 9 day off purposes. While working under the supervision of the Chief Operating Engineer and the shift operator, they will acquire knowledge on the area they are assigned, with assistance from the crewmembers. If no steam time is required, the student will be assigned directly to a process unit for their 2nd term.

At the end of 3 months (for those requiring steam time) and for the remaining 5 months, the student will be assigned to a Crew in the process area and given a number for 9 day off purposes. While working under the supervision of the Production Team Lead and the shift operator for the Crew, they will acquire knowledge on the area they are assigned, with assistance from the crewmembers.

The CPET student will not be asked to do work alone on the unit and are in an observers' capacity for their shift assignments. This will enable the student to gain a level of appreciation for the nature of working life in a refinery-operating environment.

Working alongside a number of refinery crewmembers, the individual will be given modules and training materials to learn, applicable to the area they are assigned to. Upon successful completion of the required checkouts and tests, they can qualify to become a Phase 2 during their co-op term.

Regular evaluations will be performed by their PTL at 3 month, 5 month and 7 month intervals. A record of these evaluations will be kept and a copy shared with the individual. The final 7 month evaluation will be filed with HR and a copy reviewed with and given to the student prior to the completion of their co-op term.

The Company and the Union indicate their agreement with the approach outlined in this document through the authority of the below signatories on Tuesday 17th January 2012:

Originally signed on January 17, 2012, by:

For the Company:
Kerry Margetts, General Manager

For the Union:
Mark Mathewson, President, CEP Local 848

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:



Karen Miller
SMC General Manager

For the Union:



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #22 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: OVERTIME CALL-OUT BOARD REQUIREMENTS, FORWARD SCHEDULING, AND TIME OFF IN LIEU

A) Overtime Distribution and Call-Out Board Requirements

11.04 shall remain as the language for Call out board requirements. The TOIL trial is in place to try to provide more incentive for workers to use of the call out board. If the TOIL trial is unsuccessful Call out Board requirements will continue to be as detailed in 11.04 of the 2013 Collective Agreement. The PTL in each area is responsible to ensure the board is filled in with the required number of employees. Where no one volunteers, the individual(s) with the lowest overtime will be appointed to the board. Individuals on the board will be required to be available.

B) Forward Scheduling of Overtime Clarifications

a) Employees in the Operations Department who are scheduled to work overtime as per the 9 Day Locked in Forward Schedule are required to work that scheduled shift. Any absence will be handled via the Absence Management process.

b) Other guidelines to be followed for the implementation of Forward Scheduling include:

- (i) All forward scheduling of Overtime for established site needs shall take place ideally a shift cycle in advance but no later than the last two sets in advance of the uncovered shift in the schedule to avoid the need for unscheduled overtime.
- (ii) Management can shift change operators within the 9 day locked in schedule to fill open positions
- (iii) Operators returning to the schedule from approved absences, Phase Ups and unexpected returns from Special Assignments can be added to the schedule outside of the 9 day locked in schedule
- (iv) The scheduling cycle is defined as 54 days for the Overtime forecast. With the exception to section (iii), operators will not be shift changed during the cycle except as needed during the 9 day locked in schedule.

(e) To ensure fair and equitable distribution of overtime, the overtime lists (call in and forward scheduling) in the Operations Department, will be maintained by the employees in their respective departments, with final approval by Management. The Operator in Charge will be responsible for scheduling Overtime work and to maintain the Forward Scheduling call out lists so as to ensure the Company has required and qualified employees available at all times for coverage to meet operational or site requirements outside of normal schedule.

The Operator in Charge has the responsibility to ensure callouts follow the Overtime Guidelines procedure with Management approval. Employees retain the right to grieve any missed overtime opportunities. In cases where an employee has been incorrectly bypassed for overtime due to deviating from the Overtime Guidelines procedure, they will be given an opportunity to make up the overtime hours at a mutually arranged time.

C) Time Off In Lieu of Overtime (TOIL) Trial

The Company will conduct a one year trial starting January 1, 2017 of using Time Off in Lieu (TOIL) for Overtime that is worked when employees are called in/called out for coverage. A guideline document on TOIL will be developed and made available to employees prior to the rollout of this program.

TOIL Success factors are based on the following:

Area	Success Measure	Metric
DUCP	Number of 18+ hour shifts	Maximum 1 shift
	Number of shifts filled with staff employees	0
Process	Number of 18+ hour shifts	Maximum 1 shift
	Number of shifts filled with staff employees	0
Instrumentation	Coverage request filled	0-6 months - Minimum 70% 6-12 months - Minimum 80%
Analyzer	Coverage request filled	0-6 months - Minimum 70% 6-12 months - Minimum 80%
Electrical	Coverage request filled	0-6 months - Minimum 70% 6-12 months - Minimum 80%
Millwright	Coverage request filled	0-6 months - Minimum 70% 6-12 months - Minimum 80%
Pipefitters	Coverage request filled	0-6 months - Minimum 70% 6-12 months - Minimum 80%
Lab	Coverage request filled	Minimum 95%

Each Area will be reviewed independently on a quarterly basis at UMD. If the success factors are not met, the trial TOIL program will cease for that area.

Re-signed on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager


For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:


Karen Miller
SMC General Manager

For the Union:


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #23 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: PROBATION & EARLY QUALIFICATION TIME PERIODS FOR PHASE 3

The Company will retain the 7-month probation period consistent with the Collective Agreement. However, in cases where a probationary employee is ready to qualify as Phase 3 prior to the end of the standard 7-month probation period, management will consider early termination of the probation period to coincide with Phase 3 qualification. Management will retain the right to withhold Phase 3 qualification based on any performance concerns until such time as we are prepared to terminate probation, whilst not exceeding the agreed 7-month term.

IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS LETTER OF INTENT TO BE EXECUTED THIS THIRTY FIRST DAY OF AUGUST 2013.

Originally on August 31, 2013, by:

For the Company:
Michele Harradence, General Manager

For the Union:
Mark Mathewson, President, Unifor Local 848

Re-signed on August 31st, 2016 by:

For the Company:


Karen Miller
SMC General Manager

For the Union:


Mark Mathewson
Union President, Unifor Local 848

**LETTER OF UNDERSTANDING #24 BETWEEN SHELL CANADA LIMITED (SARNIA
MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR**

SUBJECT: CANADIAN COMMUNITY FUND

As part of the Collective Agreement dated February 1, 2016, to March 31, 2019, the Company agrees to contribute monies to the Union for a Canadian Community Fund ("CCF").

Effective October 1, 2016, the company will remit 3 cents (\$.03) for each full time employee's regular hours of work to the CCF. Contributions will be calculated annually and paid in quarterly installments to the Fund.

The Company and Union will annually agree on a list of charitable organizations that the Union will submit to their National Union for consideration. The Union agrees to annually provide a report of CCF projects in-progress or completed locally the prior year.

Originally signed on August 31st, 2016 by:

For the Company:



Karen Miller
SMC General Manager

For the Union:



Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #25 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: GRANDFATHERED OPERATORS RELATED TO PROGRESSION TO SENIOR OPERATOR IMPLEMENTATION

As part of the Progression to Senior Operator LOU signed on the 31st of August, 2013, Console operators will be required to work a rotation between both Console and Outside Operator jobs. This job rotation requirement will not apply to any existing Senior Operators at the time of signing, except in the case where a newer Operator requires console time to maintain their Console Operating qualifications.

Furthermore, this exemption only applies to Senior Operators working their scheduled shifts with their scheduled crew, and does not apply to any overtime shifts worked.

This exemption applies to the following individuals – Graham Deans, Ron Downie, Jim Gibbons, Len Dobbin, Arnie Bresette, Mike Baron, Larry McLean, John Millholland, Keith Anderson, Mike Peters, Dan Zimmerman, Don Honke, George Brown, John Vanhooft.

As of August 31st, 2013, any Phase 6 SMC Refinery employees will not be required to progress to Phase 7. This includes the following individuals – Tim Weiler, Brian Potvin, Art Vanderwerff, Chad Shymko, Mike Rawlings, John Charteris, Corey Pauling, Scott Cunningham, Mark Christopher, Ian Scott, Terry Anonquot, Gary Dart, Brad Leveille, Chris Cadieux*

Former Operators of the Shell Chemical Polypropylene Plant will not be required to progress to Console Operator, and will maintain their current rate of pay, at the classification of Phase 6. This list includes the following individuals – Sandy Kennedy, Mike Kennedy, Vito Mika, Dan Knight, Sandro Cata.

This list may not have all the names that are actually "Grandfathered". If another person(s) meets the requirement of one of the above clauses they can be added by having the company and Union agree.


* = Does not have to get a 2nd class Stationary operating ticket as he is at top rate, 3rd class, at time of new CBA.

Originally signed on August 31st, 2016 by:

For the Company:

For the Union:


Karen Miller
SMC General Manager


Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #26 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: Transfer of Waste Water Treatment Plant from Dispatching to the Utilities Department

The details of the transfer process related to this amalgamation and the impacts on the existing Departments are defined below.

Selection Process for Dispatch Operators Transferred to Utilities:

To ensure knowledge transfer and uninterrupted operation of the WWTP, a number of Operators will be required to transfer from the Dispatch to the Utilities Department and the company will determine the timing of each of the transfers.

A posting will be issued to transfer 6 positions from the Dispatching to the Utilities Department using the following guidelines:

1. Only current Dispatching Employees qualified in the WWTP will be eligible to apply for this posting.
2. Selection will be based on the most senior qualified employees that post and accept the positions.
3. Employees currently qualified in the WWTP who transfer to the Utilities Department and are unable to progress due to extenuating circumstances may be granted an exception from progressing further in the Utilities Department. The company retains the right to make the final decision on granting exceptions.
4. If there are fewer applications for the posting than required, additional qualified Operators will be selected from Dispatch using reverse seniority, meaning the lowest in seniority WWTP qualified Operators will be transferred to the Utilities, as needed.
5. Successful candidates will maintain their current rate of pay until such time as their progression within the Utilities department results in a higher rate of pay.

Training Requirements for the 6 transferred WWTP candidates:

- Progress to the Senior Operator level in the Utilities department within the timelines outlined in the CBA.
- Obtain a 2nd class Operating Engineers Certificate will be 36 months in addition to the defined timeline in the CBA.

Individual training plans will be developed and Supervisors will monitor the employee's progress on the above tasks, ensuring adherence to their respective timelines.

Impact of WWTP transfer on existing Utilities Operators

Upon attaining the required knowledge and competency in the WWTP area:

- Current Phase 2 Assistant Operators who hold a 4th Class Certificate will be classified as a Phase 3
- Current Phase 3 Assistant Operators who hold a 4th Class Certificate will be classified as a Phase 4
- Current Phase 4 Assistant Operators who hold a 3rd Class Certificate will be classified as a Phase 5

- Current Phase 5 and 6 Assistant Operators, and Operators will see no change to their Phase classification.

All individual training plans for current trainees will be adjusted to reflect the new inclusion of the WWTP.


The parties agree to review this agreement at the next round of negotiations.

Originally signed on August 31st, 2016 by:

For the Company:


Karen Miller
SMC General Manager

For the Union:


Mark Mathewson
Union President, Unifor Local 848

LETTER OF UNDERSTANDING #27 BETWEEN SHELL CANADA LIMITED (SARNIA MANUFACTURING CENTRE) & LOCAL 848 OF UNIFOR

SUBJECT: Steam Time

The Chief Engineer of the Utilities Department will grant qualifying time for a 4th Class Operating Engineer certification to Operations personnel, where the following criteria have been met:

- I. The employee must have successfully completed all TSSA testing requirements to obtain 4th Class certification, as determined by authorized representatives of the TSSA, and
- II. The employee must be in possession of a current STOP TICKET recognized by the TSSA or be in the process of completing their first or second term as a co-op student under LOU#26.

All costs associated with obtaining the 4th Class Operating Engineer certification under (i) or (ii) above are the responsibility of the employee and will not be reimbursed by Shell unless the 4th Class certification is mandated in place of STOP tickets by Shell or the TSSA.

The Company and Union will continue to have discussions pertaining to employees obtaining their 3rd Class Operating Engineer Certification. These discussions shall be at Union/Management dialogue meetings on a semi-annual basis.

The Company and Union will have discussions at Union/Management Dialogue pertaining to additional learning support for employees with STOP Tickets who are writing their 4th class exams. The union will be expected to provide a proposal on how to facilitate and manage these sessions in a reasonable and cost effective manner for the company to review and will be expected to support with the coordination and facilitation of these sessions.

Originally signed on August 31st, 2016 by:

For the Company:


Karen Miller
SMC General Manager

For the Unifor:


Mark Mathewson
Union President, Unifor Local 848