

*Contract
2010*



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COLLECTIVE AGREEMENT

BETWEEN

OCEANEX INC.
(the "Company")

AND

**INTERNATIONAL LONGSHOREMEN ASSOCIATION
LOCAL 2054**
(the "Union")

09934(05)

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ARTICLE 1. RECOGNITION

- 1.01 The Company recognizes the Union as the exclusive bargaining agent for all of its employees involved in longshoring and stevedoring work on the ships and docks in Corner Brook, Nfld., but excluding the manager, office staff, mechanics, and supervisor.

ARTICLE 2. MANAGEMENT RIGHTS

- 2.1 The Company has the exclusive right to direct employees, determine qualifications, hire, promote, lay-off, suspend or discharge employees for cause.

ARTICLE 3. NO STRIKES OR LOCKOUTS

- 3.01 There will be no strikes, lockouts, slowdowns or other interruptions of operations as long as this Agreement is in effect. Any action, by employees, in contravention of the above will result in immediate discharge.

ARTICLE 4. MAINTENANCE OF MEMBERSHIP AND EMPLOYMENT

- 4.01 a) The Company agrees that members of Local 2054 I.L.A. will be assigned to all work covered by this Agreement, except that when the number of Union Members are insufficient, the Company may obtain labour from any available source to accommodate the temporary vacancy or vacancies.
- b) Newly hired employees shall serve a probation period of three (3) months of continuous service. Probationary employees shall have no seniority rights during this period. Upon successful completion of the probationary period, the employee shall have his service dated back to the most recent date of continuous service.
- 4.02 On the first weekly pay period of each month, the Company will deduct monthly Union dues in respect to all employees covered by this Agreement in the amounts as established by the Union.
- Such amounts shall be remitted to the Union no later than the 15th day of the month following the deduction.
- 4.03 The Company shall not be responsible for fees or dues of an employee unless there are sufficient unpaid wages of that employee in the Company's hands.
- 4.04 The right of any employee to employment with the Company shall be conditional upon the employee being medically fit to perform his duties and the Company may, at any time, cause the employee to be medically examined at the Company's expense.

ARTICLE 5. GRIEVANCE PROCEDURE

- 5.01 An employee who is discharged, suspended, or laid off from his employment has the right and, should he wish to grieve, must file a grievance immediately to the Union within five (5) days of its occurrence subject to the procedure outlined herein.
- 5.02 Prior to initiating a grievance, an employee who believes he has cause for grievance must discuss this matter with his Supervisor.
- 5.03 Should the employee still have a grievance while working on the job, he must present his

grievance in writing to the Supervisor with a copy of the Union Delegate within two (2) days of its alleged occurrence.

- 5.04 Upon request of the grieving employee, the Union Delegate shall assist in the grievance procedure. He shall not be subject to discipline for assisting the griever in the grievance procedure, provided such assistance does not interfere with the operations on the dock.
- 5.05 The Supervisor shall acknowledge receipt of the grievance in writing and shall provide the employee with a written response within two (2) days of receipt of the grievance.
- 5.06 If settlement is not achieved upon receipt by the griever of the Supervisor's reply, the griever shall immediately submit the grievance directly to the Union.
- 5.07 Within fourteen (14) days of the Supervisor's reply, the Union shall submit the written grievance to the Company.
- 5.08 Within fourteen (14) days of the date the grievance is received by the Company, the Managing Director shall respond in writing to the grievance.
- 5.09 The Union shall also have the right to submit a grievance in writing to the Company on behalf of all the employees in the bargaining unit or a group or category thereof within fourteen (14) days of the occurrence-giving rise to the grievance. In both these instances above, the Company shall reply to the grievance as per clause 5.08 above.
- 5.10 A labour-management meeting shall be held between the Company and the Union prior to a grievance being referred to arbitration.
- 5.11 If the grievance is not settled at the meeting referred to in clause 5.10 of this article, the grievance must be referred to arbitration within ten (10) days thereafter.

ARTICLE 6. ARBITRATION

- 6.01 Any grievance involving the interpretation or alleged violation of any provisions of this Agreement which has not been settled to the satisfaction of the Company and the Union by conference or negotiation, may be submitted to arbitration.
- 6.02 The Union and the Company from a predetermined panel will jointly select the arbitrator. The selection shall be made within ten (10) days after either party of this Agreement has made the request for arbitration. In the event that the parties fail within the said ten (10) day period to agree upon the selection of an arbitrator, the matter may be referred, by either party, to the Minister of Labour for Canada, who shall select and designate the arbitrator. (The panel referred to shall be those arbitrators who are currently recognized as such at ratification of this collective agreement.)
- 6.03 A statement of the dispute or question to be arbitrated shall be submitted by both parties to the arbitrator with fifteen (15) days of his appointment. The Arbitrator shall convene a meeting with the parties within twenty (20) days following his appointment unless otherwise agreed by the parties, and shall render his decision as soon thereafter as possible.

- 6.04 The decision of the Arbitrator shall be limited to the dispute or question contained in the statement or statements submitted to it by the parties. The decision of the Arbitrator shall not change, add to, vary or disregard any conditions of this Agreement. The decisions of the Arbitrator which are made under the authority of this Arbitration Article shall be final and binding upon the Company, and the Union and all persons concerned.
- 6.05 The expenses, fees and costs of the Arbitrator shall be borne equally by the parties to this Agreement.

ARTICLE 7. UNION BUSINESS

- 7.01 One evening in the third week of each month shall be free of any work in order that Union meetings can be held. The day to be agreed upon locally and shall not interfere with the operations of the dock.

ARTICLE 8. SENIORITY AND PROMOTIONS

- 8.01 Employee Seniority shall commence January 1, 1983 as per the attached Appendix A.
- 8.02 A seniority list will be compiled by the Company and will be revised annually. Such list will show names, positions and date of last entry into continuous service in positions covered by this Agreement.
- 8.03 A copy of this seniority list shall be forwarded to the Union, and shall also be posted on each job site for all to see, annually, or no more than fifteen (15) days after it is compiled. Any question on the revised list shall be brought to the attention of the Company within fifteen (15) days of posting, failing which, the list will be considered accurate and final.
- 8.04 In promotions, demotions, lay-offs and rehire, skill efficiency and ability must be the controlling factors. Those being relatively equal, seniority will prevail.
- 8.05 An employee will retain his seniority and the right to be recalled for a period of twelve (12) months after his last date worked, provided he reports to the Company when recalled. An employee who is given reasonable notice and fails to report for work upon recall is subject to discharge from service.
- 8.06 Appendix A of this Agreement will serve as the official employee seniority list as of the signing of this Agreement.
- 8.07 An employee shall have his name removed from the seniority list for the following reasons:
- a) He/she voluntarily leaves the Company.
 - b) He/she is discharged for cause.
 - c) He/she absents himself/herself from work without valid reason or notice for more than seven (7) call outs.
 - d) **He/she reaches mandatory retirement age of 65 years.**
- 8.08 **Within thirty (30) days of an employee's sixty-fifth (65) birthday the employee will be required to retire.**

ARTICLE 9. VACATION

9.01 All employees will be entitled to vacation pay as follows:

- From 0 up to and including 6 years of service: 6% of gross earnings
- From 7 years up to and including 12 years of service: 8% of gross earnings
- From 13 and > years of service: 10% of gross earnings

9.02 Vacation pay shall be paid out on each pay, with the exception of those employees that request otherwise, to maximum of four (4) times per year.

ARTICLE 10. STATUTORY HOLIDAYS

10.01 Statutory Holidays will be paid on the basis of eight (8) hours straight pay times the classification of the employee.

- Stevedore/Yardman
- Equipment Operator
- Foreman & Stand-by
- Casual Help

10.02 The following Statutory Holidays will be observed. The Holiday pay will be entitled to all regular employees listed on the seniority list (Schedule A) with a maximum of seventeen (17) employees.

- New Years Day
- Good Friday
- Canada Day
- Orangeman’s Day
- Victoria Day
- Discovery Day
- Labour Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- Boxing Day
- Carnival Day

10.03 All holidays proclaimed by the Federal Government will be observed on the date proclaimed by the Federal Government. Provincial Holidays – Boxing Day and Discovery Day will be observed on the days proclaimed by the Provincial Government. In the event that a Provincial Declared Holiday falls on the same day as any Federal Proclaimed Holiday, the Provincial Day will be observed the first regular working day after. Accordingly, in the event that a Holiday falls on a Sunday, the day substituted by the Federal Government in the first part shall be observed and the day substituted by the Provincial Government in the second part shall be observed. Double time shall be paid for all work performed on the above holidays.

ARTICLE 11. SCHEDULE OF WAGES

	May 1, 2010	May 1, 2011	May 1, 2012	May 1, 2013	May 1, 2014
Stevedore/Yardman	\$22.43	\$22.99	\$23.56	\$24.15	\$24.87
Equipment Operator	\$22.95	\$23.52	\$24.11	\$24.71	\$25.45
Foreman & Stand-by	\$23.90	\$24.50	\$25.11	\$25.74	\$26.51
Casual Help	\$12.95	\$13.27	\$13.60	\$13.94	\$14.36

11.01 Equipment Operator includes Crane, Top lift, Shunt Tractors Operators and Winchmen but does not include Forklift Operators. The Equipment Operator's rate of pay will be paid to persons who are hired as such at each call out period.

	May 1, 2010	May 1, 2011	May 1, 2012	May 1, 2013	May 1, 2014
Automobiles	0.73	0.75	0.77	0.79	0.81
Trailers	3.55	3.64	3.73	3.82	3.93

11.02 Payment will be made to each stevedore on basis of total volume handled both inward and outward. For greater certainty, containers loaded on trailers will be considered two (2) units except when the same is a non-revenue move for the Company (i.e. return of empty containers). The rate is inclusive of all overtime.

ARTICLE 12 HOURS OF WORK AND OVERTIME

12.01 The regular, straight-time rate of pay shall be paid for all hours worked between 8:00 a.m. and 5.00 p.m. on Monday to Friday unless otherwise provided for in this Agreement.

12.02 Work performed between the hours of 6:00 p.m. and 10:00 p.m. on Monday to Friday shall be paid for a time and one half.

12.03 **All** work performed between the hours of 11:00 p.m. and 8:00 a.m. shall be paid for at the double time rate.

12.04 Work performed between the hours of 8:00 a.m. and 11:00 p.m. on Saturday shall be paid for at time and one half rate.

12.05 All work performed on Sundays shall be paid for at double time rate.

12.06 When an employee is working a shift between 11:00 p.m. and 8:00 a.m. and the job extends beyond 8:00 a.m., he shall continue to be paid double time until such job is completed.

ARTICLE 13. MEALS HOURS AND COFFEE TIME

13.01 Meal hours shall be from 7:00 a.m. to 8:00 a.m., 12:00 noon to 1:00 p.m., 5:00 p.m. to 6:00 p.m. and 10:00 p.m. to 11:00 p.m.

13.02 Should an employee be required to work during a meal hour, he shall be paid double the basic hourly rate of pay.

13.03 When employees or employee are required to work during the night shift between 11:00 p.m. and 8:00 a.m., he shall be granted twenty minutes meal break from 3:00 until 3:20 with no loss of wages. Should he not take this break, he shall be paid an additional half (1/2) hour pay at the double time rate.

ARTICLE 14. WORKING ARRANGEMENTS AND GUARANTEES

14.01 Regular starting times shall be 8:00 a.m., 1:00 p.m., 6:00 p.m. and 11:00 p.m.

- 14.02 (a) the following call out times will apply on weekdays.
- 11:00 p.m. start - by 5:00 p.m. same day
 - 8:00 a.m. start - by 5:00 p.m. previous day
 - 1:00 p.m. start - by 10:00 p.m. previous day
 - 6:00 p.m. start - by 10:00 a.m. same day
- b) Call out time for Saturday and Sunday shall be 5:00 p.m. the previous day, except from May 15th to September 15th inclusive, the call out time shall be 5:00 p.m. Friday.
- 14.03 When Ice Conditions prevent the normal operation and scheduling of ships, call out time shall not be less than four (4) hours prior to the start of the next work period.
- 14.04 The Container gang or gangs shall report for work by an announcement given by a telephone recorded message, which employees can access by dialling 634-3301.
- 14.05 Four (4) hour wages will be paid for any specified call time. Men standing by under pay may be required to perform other work. This four (4) hours paid recall will apply to employees attending OHS meetings called by the Company.
- 14.06 When men work five (5) minutes past the hour shall be paid to the half (1/2) hour; if five (5) minutes past the half (1/2) hours they shall be paid to the hour.
- 14.07 If work ceases due to bad weather or some other cause, and the men are checked out, work may only recommence at a regular starting time as listed above.
- 14.08 Should two (2) hours or less after 10:00 p.m. be required to complete discharge or loading of a vessel, the gang or gangs will continue to work to complete the discharging or loading and no meal hour will be required.
- 14.09 If a man has not reported for work at the regular starting time, another man shall be immediately hired in his place and the man so hired will continue to work until the end of the day or until the work is completed on that day. When a man fails to report when his gang has been called and a replacement has to be put into the gang, it is agreed that the absented employee must report his availability to the Management prior to the next day's assignment and, failing this, such replacement as has been employed will be entitled to work the first shift (4 hours).
- 14.10 When work ceases due to bad weather or rain, and some of the men do not return when work again commences, and other men have to be hired to fill their places, the men so hired will remain on the job until the end of the day or until the work is completed on that day.
- 14.11 There will be no loss of pay when shifting from one vessel to another.
- 14.12 When an Operator or Dispatcher is called in to work beyond regular working hours to accept units over the highway, they will be paid four (4) hours wages, except when they are asked to stay on the job if it requires time beyond 5:00 p.m., in which case they will be paid a meal hour and for time actually worked.
- 14.13 Stevedores will be compensated on the basis of total inbound and outbound volume. For

greater certainty. containers loaded on trailers shall be considered two (2). with the exception of a restow on vessel, which will only be considered as one (1) inbound move and one (1) outbound move. This rate is inclusive of all overtime.

ARTICLE 15. GANG SIZE

15.01 In determining the number and size of gangs required for loading or unloading of a ship, the Company shall take into consideration the safety and efficiency of the operation, vessel and equipment design and methods of cargo handling. Should the Company change its established practices, it shall first advise the Union of these changes, as well as the reasons for them.

15.02 The Company will arrange relief for ten (10) minutes for winchmen and hatchmen and such relief to be part of the gang.

ARTICLE 16. SHIFT WORK WARD OPERATIONS

16.01 The Company shall have the right to establish a regular evening or night shift should it be deemed necessary. Employees working on these shifts shall be paid on hourly shift premium of one dollar (\$1.00) for the night shift and fifty (50)cents for the evening shift.

ARTICLE 17. SLING LOAD AND MECHANICAL EQUIPMENT

17.01 The weight of the sling load shall not exceed the safe working capacity of the ship's gear and/or other mechanical equipment employed in its handling.

17.02 Company owned mechanical equipment will be operated by the Union Men designated by the Supervisor.

ARTICLE 18. HIRING

18.01 All men will be hired by and report to the Supervisor.

ARTICLE 19. PAY DAY

19.01 The payment of wages shall commence not later than 10:00 a.m. each Thursday except when Monday is declared an office holiday, then the payment of wages shall commence not later than 10:00 a.m. Friday of said week.

ARTICLE 20. DISTRIBUTION OF WORK

20.01 Work will be shared equally when and where possible among the regular employees, provided that in assigning men to work in the sheds when ships are not working, the Company will give preference to the men qualified to do the job properly.

20.02 When two or more ships are being handled and casual employees are hired, the regular employees, if knocked off, will take over from the casual employees at the next regular start time.

ARTICLE 21. DELEGATES

21.01 The Union shall have the right to appoint a representative on the wharf. This shall not,

however, be construed to mean that Union matters may be discussed during working hours.

ARTICLE 22. SAFETY

- 22.01 Employees will be encouraged to co-operate in the maintenance of health and safe working conditions, in the proper use of protective clothing and equipment and in the observance of all safety rules and regulations.
- 22.02 The Company will contribute \$150.00 annually to each Regular Union member as an allowance for proper safety footwear.
- 22.03 The Company will provide each Regular Union member with one (1) raingear suit annually..

ARTICLE 23. LINESMEN

- 23.01 Union members called in to moor or unmoor a vessel shall be paid a minimum three (3) hours pay at the basic rate. When Union members already at work are asked to handle lines on the vessel they are working, they shall remain under pay until they are dismissed. Union members will not be required to handle lines for any vessel other than the one they are working without receiving the minimum three (3) hours pay.

ARTICLE 24. GENERAL

- 24.01 Union members shall not perform any longshore work for any other employer involved in longshoring operations, if such employer does not abide by all the terms and conditions of this Agreement.
- 24.02 The Company agrees to provide each Regular Union member with one (1) pair of regular and one (1) pair of insulated overalls per annum. The regular coveralls will be issued in May and the insulated in November. The Company further agrees to provide four (4) pairs of work gloves per annum with one (1) pair issued quarterly. Union members are responsible for the maintenance and cleaning of this clothing.
- 24.03 The Company shall provide each member a copy of the signed Collective Labour Agreement in the style and format chosen by the Company.

ARTICLE 25. BEREAVEMENT LEAVE

- 25.01 Any employee who is called to report for work but is prevented to work because of bereavement in the immediate family will be granted leave with pay as follows:
- In the event of a spouse, child, father, mother, grandfather, grandmother, brother or sister, three (3) days on the basis of the eight (8) hour day at the basic hourly rate of pay provided that he attends the funeral.
- (a) In the event of a father-in-law or mother-in-law, two (2) days on the basis of the eight (8) hour day at the basic hourly rate of pay provided that he attends the funeral.
- 25.02 In no case will an employee be paid bereavement leave for time that he would not normally have worked.

ARTICLE 26. JURY DUTY

26.01 An employee who is summoned for Jury Duty or to Court as a witness on the Company's behalf and is required to lose time at work as a result, shall be compensated for actual lost time with a maximum of one (1) basic day's pay at the straight time rate for his position for each day so involved, less the amount paid to him for each day of duty.

ARTICLE 27 MEDICAL INSURANCE

27.01 The employers of the Port of Comer Brook agree to contribute eighty percent (80%) of the medical in existence July 1, 2003. To be eligible for the above plan an employee must have earned seven thousand dollars (\$7,000) from waterfront work in the previous year and be an active member on the waterfront.

If a qualifying employee changes his dependent coverage he may not subsequently revert back for at least twelve (12) month period. Any employee who has had coverage under the medical plan at any time since July 1st, 2003 who has or will become disabled from the workforce shall be eligible to be covered under the plan and shall be absolved of remitting the 20% of the premium at the rate given to active members of the plan.

ARTICLE 28. GROUP RRSP

28.01 If an employee chooses to participate in the Group RRSP Plan (managed by the service provider of the Employer's choice), the Employer will contribute 1% of his gross weekly earnings for the first three years of this Agreement and 2% for the last two years plus match the employee's contribution, to a maximum of \$700 per year.

ARTICLE 29. DRUG & ALCOHOL POLICY

29.01 The Union agrees to support all provisions of the Company's Drug and Alcohol Policy and Procedure as outlined in Appendix B, attached.

ARTICLE 30. DURATION OF AGREEMENT

This Agreement shall be effective on the first day of May 1, 2010 and will continue in force until April 31, 2015, and thereafter from year to year unless notice of termination or revision is given by either party. Such notice shall be served in writing within the period of sixty (60) days prior to termination.

The Parties hereby signify their agreement by affixing their signatures on this _____ day of _____ 2010, at _____, NL.

**FOR
OCEANEX INC.**

**FOR
INTERNATIONAL
LONGSHOREMEN ASSOCIATION
LOCAL, 2054**

Glenn Etchegary, V-P, Operations

Patrick J. Murphy, V-P, Atlantic Coast District

Marilyn Hunt, Terminal Manager

Elliott White, President

Neil A. Fernandes, Director. H.R.
& Industrial Relations

Barry Keeping, Secretary

APPENDIX A

OCEANEX INC. (Corner Brook Longshoremen Seniority List)

<u>Date of hire</u>	<u>Name</u>	<u>Position</u>
January 20, 1983	Hunt, James	Toplift Operator
January 20, 1983	Kennedy, David	Toplift Operator
January 30, 1983	Kennedy, Richard	Stevedore
January 30, 1984	Keeping, Barry	Foreman
January 30, 1984	Neal, Rodney	Toplift Operator
February 14, 1984	Young, Raymond	Stevedore
May 28, 1984	Blanchard, Brian	Crane Operator
May 28, 1984	White, Elliott	Stevedore/Shunt
June 6, 1985	Anderson, Boyd	Toplift Operator
January 13, 2003	Blanchard, Derek	Toplift Operator
December 20, 2003	Power, Terrance	Toplift Operator
June 27, 2004	Piercey, Sterling	Yard Man
May 15, 2005	Kennedy, Robert	Foreman
September 19, 2005	Sheppard, Lawrence	Stevedore/Shunt
September 29, 2006	Allen, James	Crane Operator
September 21, 2009	Hunt, Matthew	Stevedore
	Keeping, Rick	Casual

APPENDIX B

DRUG & ALCOHOL POLICY and PROCEDURE

PURPOSE

This Policy is an important component of the overall safety program of Oceanex (the “Company”) designed to ensure a safe, healthy and productive workplace. It recognizes that the use of Illicit Drugs and the misuse of Alcohol or prescription Drugs can limit Employees’ abilities to properly do their job, and can have a serious negative impact on the health and safety of all concerned.

The purpose of the Policy is to:

- Support our responsibility for and commitment toward our Employees to ensure a safe and healthy workplace;
- To ensure that all Employees have a work environment which is free of Alcohol and Drug use/abuse;
- To outline the Company’s expectations and requirements for creating and maintaining an Alcohol and Drug free work environment, and for dealing with substance abuse in the workplace;
- To provide an opportunity for Employees to get assistance in dealing with a substance abuse problem.

SCOPE

This Policy applies to Employees engaged in Company Business. working on Company premises. vessels. operating and/or driving Company machinery or vehicles.

All Contractors and consultants engaged by Oceanex are to be advised of the applicable provisions of this Policy and are required to comply. They are expected to enforce these requirements for their employees, sub-contractors and agents. Any contravention will be considered a breach of their contract with Oceanex.

This Policy is subject to ongoing review and evaluation, and modifications will be made as deemed necessary to respond to changing circumstances, safety requirements and evolving needs.

1. DEFINITIONS

Alcohol means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl.

Company Business refers to all business activities undertaken by Employees in the course of the Company’s operations, whether conducted on or off Company Premises. It includes all situations when Employees are representing the Company.

Company Premises includes but is not necessarily restricted to, all land, property, structures, installations, vessels, vehicles. and equipment, used, owned. leased, operated or otherwise directly controlled by the Company. or under the Company’s operating authority.

Contractor refers to any Contractor or supplier, its agents, employees and representatives providing services to Oceanex and not on the Company payroll.

Drug means any substance, Drug or medication, the use of which has the potential to change or adversely affect the way a person thinks feels or acts. For purposes of this Policy, Drugs of concern are those that inhibit a worker's ability to perform his or her job safely and productively.

Employees include all regular full time, regular part time, seasonal, temporary and casual employees when on Company Business or Company Premises.

Fitness-for Work/Duty in the context of this Policy means being able to safely and acceptably perform assigned duties without any limitations due to the use or after-effects of Alcohol. Illicit Drugs or medications and any failure to perform without such limitations is **Unfitness for Work/Duty**.

Illicit Drug means any Drug or substance whose use, sale, possession, purchase or transfer is restricted or prohibited by law.

Return to Work Agreement is an agreement entered into between an Employee and Oceanex governing the conditions of the return to work following treatment of the Employee for Alcohol or Drug problems.

Safety-Sensitive Positions are positions in which Employees have a key and direct role in an operation where impaired performance could result in safety risk to self, co-workers, property, the community or the environment.

2. POLICY

Employees are expected to be Fit for Duty when they report for work or are called into work, and to remain that way for the duration of their shift or other period of work.

In support of a responsible approach to Alcohol and Drug use, the Company prohibits:

- Anyone reporting for duty or working while Unfit for Work because of the use or after effects of Alcohol or Drugs;
- The misuse or unauthorized use of medications both prescribed and over-the-counter, which includes misuse of prescription medication (e.g. not using the medication as prescribed or directed by a physician or pharmacist, using someone else's prescription medication, combining medication and Alcohol use against direction, etc.);
- The use, possession, distribution, offering or sale of Illicit Drugs, or any prescription Drug which is not obtained and used under a lawfully-issued prescription; and
- The use, possession, distribution, offering or sale of alcoholic beverages.

Employees are not allowed to work while under the influence of Alcohol and/or Drugs; they must not report for work or carry out Company business if their ability to safely and efficiently perform their duties is influenced by the use or after-effects of Alcohol or Drugs.

Scheduled Standby: Employees on call are expected to remain Fit for Duty while on call, and be capable of reporting to work in compliance with this Policy.

Unexpected Call-in: Employees requested to perform unscheduled work (i.e. not scheduled nor on call) who are under the influence of Alcohol or Drug or after-effects must refuse the request. A refusal in these circumstances will not result in disciplinary or other corrective action.

Unfit for Work Situations: Employees at the work site who are observed behaving in an unusual manner such that there are reasonable grounds to suspect their ability to safely and efficiently perform their duties for any reason, will be removed from duty. If an Employee is required to leave the Company Premises because there are grounds to believe the Employee is Unfit for Work, transportation will be provided.

SOCIAL EVENTS

Outside of Normal Work Hours: Oceanex sponsored business or social events outside normal work hours where Alcohol is expected to be served must have the prior approval of Senior Management or their designate and must be conducted in a way that places a priority on the safety and well-being of the Employees present and the community.

Events during Normal Work Hours: Alcohol consumption is not permitted on Oceanex worksites except under special circumstances for social events approved by Senior Management.

Possession, distribution or use of Illicit Drugs or the excessive use of Alcohol by Employees while on Company Business or at a social event sponsored or organized by Oceanex is strictly forbidden.

Oceanex will reimburse Employees for the reasonable cost of transportation home from a Company sponsored event where Alcohol is served.

CONSEQUENCES OF A POLICY VIOLATION

Violations of this Policy or any of its provisions are grounds for disciplinary action including termination of employment. In all situations, an investigation will be conducted to verify if a Policy violation has occurred.

An Employee believed to be involved in an incident that could lead to disciplinary action may be placed on leave pending the results of the investigation.

Disciplinary action will be determined in accordance with the facts of the case, including the circumstances of the violation, the culpability of the conduct and the work history of the Employee. Disciplinary action or testing for Unfitness to Work or impairment (in circumstances where testing is applicable) cannot be avoided by a request for assistance with a substance abuse problem or by disclosure that the Employee is already involved in a treatment program.

3. RESPONSIBILITIES

The objectives of this Policy cannot be achieved when job performance is adversely affected by the use of Alcohol or Drugs. Accordingly, Employees and Oceanex must share responsibility to ensure a safe and healthy work environment.

EMPLOYEES' RESPONSIBILITIES

- **Compliance:** Employees are personally responsible for compliance with this Policy and are always expected to place a priority on workplace safety in their job performance and practices.
- **Authorized Medication:** Employees are expected to responsibly use prescribed and over-the-counter medications in accordance with the physician's or pharmacist's instructions. They must:
 - Review their duties with their physician or pharmacist to confirm that the use of medication will not impair their ability to work safely;
 - Report immediately any concerns to their supervisor.

Supervisors are required to ensure that work assignments for affected Employees are adjusted, if and as possible, without compromising Company Business, safety and welfare. Oceanex reserves the right to confirm the nature and duration of any required work modifications with the treating physician and as a condition of employment with Oceanex the Employee involved consents for the treating physician to meaningfully participate in such discussions.

- **Substance abuse problem:** Employees who may have a substance abuse problem are expected to assume ownership of their problem, and to use counselling and treatment services that are available.
- **Duty to Report:** Employees are responsible for advising their immediate supervisor or designate of any situation in which they believe that an Oceanex Employee is in violation of this Policy.
- **Loss of License/Impaired Driving Charge:** Employees who regularly or periodically operate any motorized vehicle on behalf of Oceanex must advise their supervisor immediately if charged with an impaired driving offense or loss of license. Failure to report the charge will be grounds for appropriate disciplinary action which could include termination of employment.

COMPANY'S RESPONSIBILITIES

- Actively promote a safe and healthy working environment that strives to eliminate any negative effects due to the inappropriate use of Alcohol or Drugs;
- Provide prevention programs emphasizing awareness, education, training and peer participation;
- Provide access to confidential assessment, counselling, referral and aftercare services;
- Identify specific standards to be met by Employees holding Safety-Sensitive Positions;
- Monitor and take appropriate action if an Employee who is required to have a valid license as a condition of employment receives an impaired driving charge or conviction at any time;
- Undertake Drug testing for applicable positions and Alcohol and Drug testing for Employees as required; and
- Reserve the right to conduct searches for Alcohol and Illicit Drugs on Company Premises.

ASSISTANCE AND REHABILITATION

The Company recognizes that Alcohol and Drug addiction are treatable illnesses for which early intervention greatly improves the probability of a lasting recovery. Employees who suspect they have a substance dependency or emerging Alcohol or Drug problem are encouraged to seek assistance from the Company Employee Assistance Program (EAP), their personal physician, or appropriate community services and to follow appropriate treatment promptly before job performance is affected or violations of this Policy occur. Access to rehabilitation programs, medical benefits and partial funding for programs is available to help Employees overcome substance abuse. In order to access Employee Assistance Program, a worker must contact the Human Resources Department.

Assistance: Employees who come forward voluntarily for help with an Alcohol or Drug problem will be referred to a Substance Abuse Professional (*SAP*) for assessment and will be supported through a treatment and aftercare program consistent with the *SAP*'s recommendations and the applicable benefit coverage. Employees should understand that accessing assistance or declaring a problem does not eliminate the requirement for maintenance of satisfactory performance levels. Employees who voluntarily seek assistance through the Company's EAP services will not be disciplined for doing so, but Employees cannot avoid disciplinary action by declaring they suffer from an addiction.

Aftercare: Employees who complete primary treatment (e.g. residential or out-patient treatment) for Alcohol or Drug problems as a result of a performance-related referral or request for assistance from Oceanex will be required to participate in an aftercare program when returning to work in order to assist them in recovery, consistent with the *SAP*'s recommendations. Such Employees returning to work will be expected to enter into a written Return to Work Agreement which will outline the conditions governing their return to work.

Confidentiality: Confidentiality of all records collected under this Policy will be maintained except where limited disclosure is necessary for related health and safety concerns (e.g. there is deemed to be a potential for risk to self, others or the Company) or if disclosure is required by law. Information limited to the medical level of functionality (e.g. Fitness for Work and any restrictions that may apply) may be shared with those individuals who need to be informed for purposes of determining Fitness for Work, appropriate work accommodation, and/or work re-entry initiatives.

All records relating to Employee personal information collected under this Policy will be stored in accordance with Human Resources policies and procedures and used only for the explicit purposes for which they were collected.