

MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN:

British Columbia Regional Council of Carpenters;
Construction and Specialized Workers' Union, Local Union 1611;
International Brotherhood of Electrical Workers, Local Union 993;
International Association of Sheet Metal, Air, Rail & Transportation
Workers Local Union No 280;
United Association of Journeymen and Apprentices of the Plumbing
& Pipefitting Industry of the United States and Canada Local Union 170;
International Association of Bridge, Structural, Ornamental and
Reinforcing Ironworkers, Local 97

(Hereinafter referred to as the "Local Unions")

AND:

CIVEO INSTALLATIONS EMPLOYEES LP
(Hereinafter referred to as the "Employer")
(Collectively, the "Parties")

WHEREAS Civeo Installations Employees LP. Will be performing the work to install a workforce accommodations facility, known as the "Kitimat Sitka Lodge" (the "Lodge") in the District of Kitimat, B.C.

AND WHEREAS the Parties agree to enter into a Memorandum of Understanding (MOU) setting out terms and conditions for construction of the Lodge.

NOW THEREFORE IT IS AGREED that the Local Unions and the Employer have entered into the following terms and conditions of employment.

- 1) The Union's Provincial Standard Industrial Collective Agreements shall govern the relationship of the signatory Parties with respect to the Sitka Lodge project (Project), except as is modified by this Memorandum of Understanding (MOU) and any Addendum(s). Wherever and to the extent that there are differences between the Union's Provincial Standard Industrial Collective Agreements and this MOU, the terms of this MOU shall prevail.
- 2) Where the renewal, negotiation or re-negotiation of such Union's Provincial Standard Industrial Collective Agreements result in changes to wages, benefits, or required employer or member administrative remissions such

changes shall be paid on the effective date agreed to between Construction Labour Relations Association of BC (CLR) and the Local Union(s) subject to the provisions of this MOU.

- 3) The Industrial monetary package for each Local Union in effect for the duration of this Project shall be those in effect on May 1, 2018. For the IBEW the applicable monetary package shall be the Enabled Industrial Projects monetary package in effect on May 1, 2018. For the SMW the applicable monetary package shall include the Industrial MOU's for LNG and other related projects for both Roofing and Sheet Metal in effect on May 1, 2018. These monetary packages will be in effect until April 30, 2020 at which time clause 2 above will be triggered with the proviso that the parties will by February 1, 2020 meet to confirm the acceptance of the allocations and timing of adjustments based upon their impact to the Project.
- 4) All Employer contributions, with the exception of pension, shall be calculated on the basis of "hours worked". Employer contributions to Pension shall be calculated on the basis of "hours earned".
- 5) This MOU shall only apply in respect to work performed by the Local Unions in the construction of the Lodge.
- 6) The provisions set out in this MOU shall apply to and be binding upon any sub-contractor engaged to perform work, on the construction of the Lodge, that falls under the jurisdiction of the Local Unions. Each sub-contractor will be required to provide written agreement to this effect prior to commencing work on the Lodge.
- 7) **Social Performance**
 - a) The Parties acknowledge that the early involvement and continued participation of members of Aboriginal peoples, local residents, women and under-represented groups of the labour market are essential to the success of the Project.
 - b) The Parties accept and acknowledge the importance of attracting new entrants to the trades and occupations in the construction industry, and agree to work collaboratively to meet and exceed expectations in this regard.
 - c) The Parties agree to optimize training opportunities for Aboriginal Peoples, Local Residents, women and under-represented groups of the labour market to enhance Local Content.
 - d) The Parties will need to demonstrate that reasonable efforts to hire qualified Aboriginal Peoples, Local Residents, women and under-represented groups of the labour market have been made for work.

- e) The Parties are committed to working co-operatively to identify, recruit and employ individuals on the Project from the following geographical areas of priority:
- i. Local Area
 - ii. British Columbia
 - iii. Canada
 - iv. North America, and
 - v. Outside North America.
- 8) The Parties acknowledge that this MOU is designed to achieve labour relations stability on the Project. It is a violation of this MOU for any of the Parties, International Unions, Employees, or Local Union members to do anything to harm, delay, or otherwise impede construction of the Project. Any individual(s) engaging in such conduct may be subject to immediate removal from the Project and any Parties involved in, or responsible, for such conduct may be held liable for any and all financial or other losses resulting from such a violation.
- 9) During the term of this MOU, there shall be no strikes, lockouts, work stoppages, work slowdowns, work-to-rule, or other disruptive activity, for any reason, by any Party, Local Union member (including permitted members), International Union International Union Representative(s), or Employee which in any way interferes with or otherwise restricts the progress of the Project. In the event of any such disruptive activity, the Parties will undertake immediate action and instruct the offending individual(s) to cease the disruptive activity. The Local Unions agree that in the event of any strike or lock-out commenced pursuant to the Labour Relations Code, such strike or lock-out shall not apply to the Project. The Local Unions waive any right they may have at law to commence, or require that any such strike be conducted, under the Labour Relations Code as it applies to the Project.
- 10) **Hours of Work and Scheduling**
- (a) The following provisions are intended to identify regular hours of work, shift hours, and overtime hours and are not to be construed as a guarantee of hours of work per day, per week, or with respect to days of work in any week.
 - (b) The starting time for a regular working day will be between 6:00 a.m. and 8:00 a.m.
 - (c) Recognizing that it is necessary to establish schedules that accommodate travel to and from the site for workers from British Columbia, workers from other Canadian Provinces, or for Temporary Foreign Workers that may be employed at the site the following work schedules (cycles) may be instituted.

Schedule "A" - Fourteen Days On, Seven Days Off (14/7)

All shifts shall be scheduled up to ten (10) hours per day on the following basis.

- i. Each day of work shall be compensated based upon a blended hourly rate. The first ten (10) hours worked shall be paid at one point one seven five (1.175) times (one point one four (1.14) for 9 hour shifts) the otherwise applicable straight time hourly rate unless other terms and conditions are mutually agreed to by the parties.
- ii. The first two hours of work performed beyond ten (10) hours in a day, the first twelve (12) hours worked on a Statutory Holiday, or the first twelve (12) hours worked on a scheduled day of rest shall be paid at one and three-quarter times (1.75X) the otherwise applicable straight-time hourly rate. Work beyond twelve (12) hours in a day will be paid at two times (2X) the otherwise applicable straight time hourly rate.
- iii. The Employer shall have the option to move the start time of any shift by two (2) hours without penalty.
- iv. The seven (7) scheduled days off shall be a furlough.
- v. An Employee who is transferred to a schedule with a different start day must be provided with a minimum of two scheduled work days' notice. If the Employee has requested the transfer then overtime rates will not apply for days worked in the scheduled days of rest under their previous schedule. If the transfer is not as a result of an Employee request, the Employee shall be given a minimum of the scheduled seven day furlough, or overtime provisions will apply for days worked, as a result of such transfer, during the scheduled furlough the Employee would have been entitled to under their previous schedule.
- vi. The Parties recognize that variations in the scheduling of the work week (eg: shift rotations, addition of night shift), reporting for work or returning from work, rest breaks, meal breaks and start and finish times may be appropriate from time to time, and that It may be appropriate that such variations affect all or only a portion of the Project. If the Employer intends to make such variations they shall notify the affected Employee(s) as soon as practicable. In the event the Employer adds a night shift, such night shift shall be paid in the same manner as the day shift otherwise described in this Agreement with the addition of a night shift premium of three dollars (\$3.00) per hour worked which shall not be applicable on any hour paid at overtime rates.
- vii. The affected Local Union(s) will be notified of any significant variations prior to implementation by the Employer.

Schedule "B" – Twenty one days on, Seven Days Off (21/7)

All shifts shall be scheduled up to ten (10) hours per day on the following basis.

- i. Each day of work shall be compensated based upon a blended hourly rate. The first ten (10) hours worked shall be paid at one point one seven five (1.175) times (one point one four (1.14) for 9 hour shifts) the otherwise applicable straight time hourly rate unless other terms and conditions are mutually agreed to by the parties.
- ii. The first two hours of work performed beyond ten (10) hours in a day, the first twelve (12) hours worked on a Statutory Holiday, or the first twelve (12) hours worked on a scheduled day of rest shall be paid at one and three-quarter times (1.75X) the otherwise applicable straight-time hourly rate. Work beyond twelve (12) hours in a day will be paid at two times (2X) the otherwise applicable straight time hourly rate.
- iii. The Employer shall have the option to move the start time of any shift by two (2) hours without penalty.
- iv. The seven (7) scheduled days off shall be a furlough.
- v. An Employee who is transferred to a schedule with a different start day must be provided with a minimum of two scheduled work days' notice. If the Employee has requested the transfer then overtime rates will not apply for days worked in the scheduled days of rest under their previous schedule. If the transfer is not as a result of an Employee request, the Employee shall be given a minimum of the scheduled seven day furlough, or overtime provisions will apply for days worked, as a result of such transfer, during the scheduled furlough the Employee would have been entitled to under their previous schedule.
- vi. The Parties recognize that variations in the scheduling of the work week (eg: shift rotations, addition of night shift), reporting for work or returning from work, rest breaks, meal breaks and start and finish times may be appropriate from time to time, and that It may be appropriate that such variations affect all or only a portion of the Project. If the Employer intends to make such variations they shall notify the affected Employee(s) as soon as practicable. In the event the Employer adds a night shift, such night shift shall be paid in the same manner as the day shift otherwise described in this Agreement with the addition of a night shift premium of three dollars (\$3.00) per hour worked which shall not be applicable on any hour paid at overtime rates.
- vii. The affected Local Union(s) will be notified of any significant variations prior to implementation by the Employer.

Schedule "C" – Twenty Days On, Eight Days Off (20/8)

All shifts shall be scheduled up to ten (10) hours per day on the following basis.

- i. Each day of work shall be compensated based upon a blended hourly rate. The first ten (10) hours worked shall be paid at one point one seven five (1.175) times (one point one four (1.14) for 9 hour shifts) the otherwise applicable straight time hourly rate unless other terms and conditions are mutually agreed to by the parties.
- ii. The first two hours of work performed beyond ten (10) hours in a day, the first twelve (12) hours worked on a Statutory Holiday, or the first twelve (12) hours worked on a scheduled day of rest shall be paid at one and three-quarter times (1.75X) the otherwise applicable straight-time hourly rate. Work beyond twelve (12) hours in a day will be paid at two times (2X) the otherwise applicable straight time hourly rate.
- iii. The Employer shall have the option to move the start time of any shift by two (2) hours without penalty.
- iv. The eight (8) scheduled days off shall be a furlough.
- v. An Employee who is transferred to a schedule with a different start day must be provided with a minimum of two scheduled work days' notice. If the Employee has requested the transfer then overtime rates will not apply for days worked in the scheduled days of rest under their previous schedule. If the transfer is not as a result of an Employee request, the Employee shall be given a minimum of the scheduled seven day furlough, or overtime provisions will apply for days worked, as a result of such transfer, during the scheduled furlough the Employee would have been entitled to under their previous schedule.
- vi. The Parties recognize that variations in the scheduling of the work week (eg: shift rotations, addition of night shift), reporting for work or returning from work, rest breaks, meal breaks and start and finish times may be appropriate from time to time, and that It may be appropriate that such variations affect all or only a portion of the Project. If the Employer intends to make such variations they shall notify the affected Employee(s) as soon as practicable. In the event the Employer adds a night shift, such night shift shall be paid in the same manner as the day shift otherwise described in this Agreement with the addition of a night shift premium of three dollars (\$3.00) per hour worked which shall not be applicable on any hour paid at overtime rates.
- vii. The affected Local Union(s) will be notified of any significant variations prior to implementation by the Employer.

- (d) Other shift cycles, and the premium pay in respect to such cycles, may be established by the Parties, and will become effective when agreed by the Employer and the affected Local Union.

11) **Two Break Day**

In lieu of the normal coffee breaks and lunch periods specified in the respective Local Union Collective Agreements, there shall be one (1) paid and one (1) unpaid break of one half hour (i.e. thirty minutes) each, approximately equally spaced in the nine (9) or ten (10) hour day. In the event an Employee is not able to take a break, the Employee shall be paid at the one and three quarter (1.75X) overtime rate (net of benefits) for the missed break.

12) **Reporting Time**

When an Employee reports to work and cannot start because of inclement weather he/she shall be paid two (2) hours reporting time at their blended rate excluding employer contributions and the Employee must remain on the job for the two (2) hour period, unless otherwise instructed by the Employee's supervisor. When an Employee has commenced work and is instructed to stop due to inclement weather, they shall be paid for the actual time worked at the appropriate rate which shall include any shift premium. In no case shall an Employee receive less than two (2) hours pay. If an employee is advised before the completion of the previous workday that no work will be available the following workday(s) due to inclement weather, there shall be no pay for the inclement weather day(s).

When an Employee has started to work on their regular shift and is instructed to stop, for a reason that is beyond the control of the Employer, they shall be paid for the actual time worked. In no case shall the Employee receive less than two (2) hours pay at the appropriate rate which shall include any shift premium.

If an Employee stops work for reasons of their own, and without the approval of the Employer, they shall be entitled to pay only for the hours actually worked in the day and minimum conditions shall not apply.

Subject to all of the above, it shall be the Employer's prerogative to decide whenever work shall be stopped during the day for any reasonable cause.

13) **Transportation and Travel**

(a) **Initial and Terminal Travel Allowance**

The employer shall pay, to non-local resident employees, an initial and terminal travel allowance, calculated at the maximum allowable tax-free rate for mileage expense reimbursement as published

annually by the Canada Revenue Agency, per kilometer to a maximum of \$750.00 each way. The allowance shall be paid each way, and the distance travelled shall be calculated from the employee's residence to the site via the most direct route.

(b) **Turn-around Leave Travel Allowance**

When air transportation is not provided and the employee is required to provide their own transportation the employee will be entitled to a turn-around leave travel allowance in accordance with the following formula. Such allowance shall be paid only once for each turn-around.

• 0 km to 249 km	n/a
• 250 km to 500 km	\$175.00
• 501 km to 750 km	\$275.00
• 751 km to 1,000 km	\$375.00
• Over 1,000	\$475.00

The mileage shall be computed from the site to the non-local resident employee's place of residence via the most direct route.

(c) **Air Transportation**

In lieu of paying initial, terminal and turn-around leave travel allowances the Employer may provide flights. Where flights are provided they will be provided to pre-determined destinations at the conclusion of each cycle with ground transportation provided from the site to the designated air-terminal. Return flights to the work site will be provided from the pre-determined destinations to the site or designated air terminal and ground transportation will be provided from the air terminal to the site. No initial, terminal and turn-around leave travel allowance will be paid when flights are provided.

(d) **Local Daily Travel**

Local resident employees whose primary residence is within a 40 km radius of Kitimat City Town Center will receive no daily travel allowance. Local resident employees whose primary residence is outside a 40 km radius of Kitimat City Town Center will receive one of the following entitlements:

- i. The Employer may provide transportation in approved passenger carrying vehicles which conform to public transportation standards with full insurance coverage and operated in compliance with WorkSafe BC regulations; or,
- ii. Reimbursement at a flat rate of \$20.00 return per day worked.

- iii. Where the Employer provides transportation for local resident employees the employee will be required to use the transportation provided.

(e) **Transportation for Terminated Workers**

Non-local resident employees who are terminated will be provided with return transportation by air, if flights are being provided, dependent upon flight schedule, at the earliest practical opportunity following lay-off, or travel allowance entitlements as per 13(a) above.

Non-local resident employees who quit or who are terminated for cause, after having been on the project for more than fifteen (15) days, will be provided with return transportation, or travel allowance entitlements as per 13(a).

14) **Accommodations and Meals**

Camp accommodations and meals shall be provided for non-local resident employees for their scheduled work days (cycle). Employees will be required to pack up their room and checkout, for their furlough, at the end of their work cycle.

- 15) There shall be no limitation or restriction upon the choice of materials or design, nor, regardless of source or location, upon the full use and installation of equipment, machinery, package units, pre-cast, pre-fabricated or pre-assembled materials tools or other labour saving devices. Such materials may be fabricated, shaped, assembled, tested and transported by personnel not covered by this MOU. Where practical, where a situation arises with respect to onsite work that foreseeably could create controversy the employer will contact the affected Local Union(s) to discuss. In the event of any conflict between this provision and the collective agreements in force from time to time, the terms of this provision shall prevail.

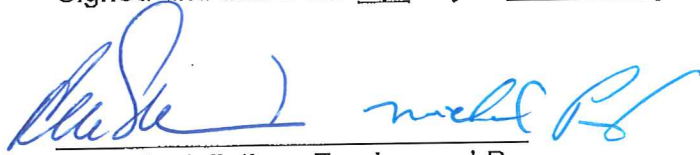
16) **Alcohol and Drug Policy**

The Employers Drug and Alcohol Policy shall be applicable to employees and sub-contractors working on the project. Oral fluid testing shall be used the primary drug testing methodology.

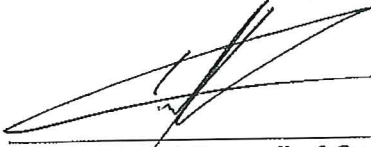
- 17) It is the expressed intention of the Parties hereto that the execution of this MOU in no way detracts from nor adds to the bargaining authority of the Employer or any of the Local Unions.
- 18) The Parties agree and understand that they may discuss changes to this MOU. Any changes shall be subject to ratification by both the Employer and a majority of the Local Unions.

- 19) The MOU shall remain in effect for the duration of the construction of the Kitimat Sitka Lodge and shall terminate upon completion of construction.
- 20) The Local Unions agree that they will not apply for certification of the Employer or any sub-contractor, performing work for the Employer, during the life of this site project agreement.

Signed and dated this 9 day of NOVEMBER 2018.



Civeo Installations Employees LP



BC Regional Council of Carpenters

Construction and Specialized Workers' Union, Local Union 1611

International Brotherhood of Electrical Workers, Local Union 993

International Association of Sheet Metal, Air, Rail & Transportation Workers Local
Union No 280

United Association of Journeymen and Apprentices of the Plumbing
& Pipefitting Industry of the United States and Canada Local Union 170

International Association of Bridge, Structural, Ornamental and Reinforcing
Ironworkers, Local 97

Signed and dated this ____ day of _____ 2018.

Civeo Installations Employees LP

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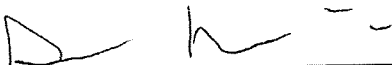
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Glen Hilton BMFS. RSE

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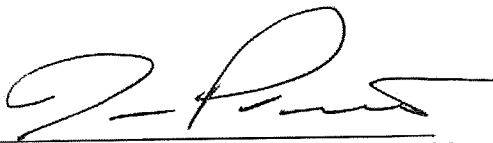
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Signed and dated this 30 day of Nov 2018.

Civeo Installations Employees LP

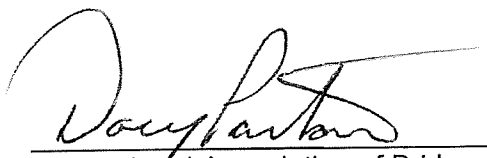
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