



Hours of Work Averaging Arrangement

Tolko Industries Ltd. High Prairie Division Hours of Work Averaging Arrangement (HWAA) is designed to ensure the plant has coverage to operate continuously while providing a balanced schedule to employees. This HWAA is a group arrangement, and the group consists of B Crew Production Team Leader, B Crew General Production, B Crew Shift Millwrights, B Crew Shift Electricians, B Crew shift Welders, and B Crew Shift Energy employees (the “Employees”) and applies to any new Employees in the group.

1. The parties agree the HWAA will commence on **July 10, 2022**.
2. The Employees’ hours of work under this HWAA will be averaged over a period of 4 weeks, commencing Sunday, and recurring every 4 weeks thereafter as set out below. Each 4-week period shall be considered an “Averaging Period” for the purposes of calculating overtime entitlement, based on the following schedule.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
12 Hours	off	off	off	off	12 Hours	12 Hours
12 Hours	12 Hours	12 Hours	off	off	off	off
off	12 Hours	12 Hours	12 Hours	12 Hours	off	off
off	off	off	12 Hours	12 Hours	12 Hours	12 Hours

3. Employees are employed on an hourly basis, and actual daily hours may be varied from those scheduled, with less than 24 hours’ notice, based on an accident which has occurred, urgent work being necessary or other unforeseen or unpreventable circumstances. In all other circumstances, Tolko may amend the scheduled daily and weekly hours of work upon 24 hours’ notice to the affected Employees.
4. The Employees’ work schedule may be changed on a temporary basis without requiring the payment of overtime provided that the change is made with at least 2 weeks’ notice to the Employee.
5. If within the same Averaging Period an Employee makes up a shift on an unscheduled workday because of having been absent on a scheduled workday, the Employee is entitled to be paid the regular wage rate and any applicable overtime pay in accordance with the originally scheduled shift.



6. Employees will be entitled to overtime for the greater of hours worked in excess of:
 - 12 hours a day (daily scheduled hours), payable at the end of the pay period
 - Hours worked which exceed an average of 44 hours per week over the Averaging Period, payable at the end of the Averaging Period.
7. For the overtime hours worked, the Employee shall be paid overtime pay of 1.5 times the Employee's wage.
8. Tolko will provide a copy of this HWAA to the Employees.
9. The HWAA may be cancelled or replaced with at least 2 weeks' written notice to the Employees.

By signing below, I confirm I received one copy of this HWAA to keep and one copy I signed was kept by Tolko.

Signed (Employer)

Date

Signed (Employee)

Signed (Witness)