Hours of Work Averaging Agreement

To meet customer demands, Weldco Heavy Industries is in operation 24 hours a day 7 days a week. Due to the nature of our industry the business requires a shift for most shop floor employees that new necessitates the need for a Hours of Work Averaging Agreement as required by the Alberta Employment Standards Code. As such, please review the document below:

- 1. The employees listed on Part A attached ("Employees") and Weldco Heavy Industries Ltd. of Lot 17, Caribou Energy Park, Fort MacKay, AB TOP 1CO ("Employer") have agreed to enter into an Hours of Work Averaging Agreement which commences on January 7, 2019 and ends on January 6, 2021.
- 2. The Employer and Employees (the "Parties") agree that, at the time this agreement was formed, the majority of Employees agreed to enter into this agreement.
- 3. The Parties acknowledge that any new employees will be bound by this agreement if the description of the group of employees listed in Part A applies to them.
- 4. The Parties agree that the number of weeks over which the Employee's hours of work will be averaged is 4 weeks.
- 5. The Employment Standards Code states that the work week runs from midnight on Saturday to midnight on the following Saturday unless the employer has established a different 7 day period as the work week by consistent practice. The Parties acknowledge and agree that the work week is Wednesday to Tuesday.
- 6. The Parties acknowledge and agree that the Employees' work schedule, as required by the Employment Standards Code and regulations, as amended, is attached to this agreement as "Appendix A."
- 7. The Parties agree that the Employer shall provide, and the Employees shall take overtime pay or, subject to clause 8, time off instead of overtime pay for overtime hours. Overtime hours are the greater of hours worked in excess of:
 - a. 12 hours per work day; and
 - b. an average of 42 hours per work week in the four-week averaging period.
- 8. The Parties acknowledge that a group or individual overtime agreement(s), as the case may be, may be separately entered into where the Employer provides time off with pay instead of overtime pay to the Employees or some of the Employees.
- 9. Employees will receive time and one half of their regular hourly rate for all hours worked in excess of an average of 42 hours over the four-week Averaging Period, or any hours worked in excess of 12 hours in a workday.

- 10. The Parties acknowledge that, from time to time, the Employer may make temporary changes to an Employee's work schedule that were not requested by the Employee as long as two weeks' notice of the change is provided to the Employee. The Parties acknowledge that if less notice is provided, any hours exceeding 12 hours per work day that were not set out in the Employee's current work schedule are overtime hours. The Parties acknowledge that notice is not required where an accident has occurred, urgent work is necessary, or other unforeseen or unpreventable circumstances have occurred. The Parties acknowledge that a change to the current work schedule in respect to one employee does not trigger this rule with respect to other employees.
- 11. The Parties acknowledge that the Employer must provide a copy of this agreement to each Employee before the commencement date included above or, where the agreement is amended, as soon as possible after the amendment is entered into but before the amendment takes effect. Where new employees have entered into this agreement, the employer must provide a copy as soon as possible after the employee is bound by this agreement. The Employer shall also post a copy of this agreement in one or more conspicuous place(s) in the workplace.

Cancellation

The Parties acknowledge that either Party may cancel this agreement by providing at least 30 days' notice to the other Party and, in the case of cancellation of the agreement by the Employees, where a majority of the Employees consent to the cancellation. An individual employee cannot exit the group agreement.

The Averaging Agreement contains important information about the averaging of hours of work and details of overtime compensation at Weldco Heavy Industries Ltd.

This Agreement may be executed in any number of counterparts or by facsimile or electronically, each of which shall be deemed an original and all of which shall together constitute one and the same contract.

I certify that the employees who have signed Part B attached to this form are the majority of employees in the group described and named on Part A attached.

Day Month Year

Signed by (for company/employer)

Appendix A

Enter Schedule