



This is the 1st Affidavit
of JEFFREY BROMLEY in this case
and was made on March 6, 2024

No. S236214
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

PETITIONER

AND:

SKEENA SAWMILLS LTD.

SKEENA BIOENERGY LTD.

ROC HOLDINGS LTD.

RESPONDENTS

AFFIDAVIT


I, JEFFREY BROMLEY, of 1432 Southview Drive, Cranbrook, in the Province of British Columbia, AFFIRM THAT:

1. I am the Wood Council Chair/Staff of United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (United Steelworkers) ("USW"), a general trade union with members across North America. I have personal knowledge of the matters hereinafter deposed to, save and except where those matters are stated to be based on information and belief, and to such latter matters, I verily believe the same to be true.
2. I am affirming this affidavit in support of USW Local 1-1937's response to Alvarez & Marsal Canada Inc.'s (the "Receiver") application materials filed February 29, 2024.


3. USW Local 1-1937 is the exclusive bargaining agent certified to represent certain employees employed by Skeena Sawmills Ltd. in Terrace, in the Province of British Columbia.
4. USW Local 1-1937 and Skeena Sawmills Ltd. negotiated a collective agreement with a term of January 1, 2020 to June 30, 2024 (the "Collective Agreement") which remains in effect. Attached to this Affidavit and marked as **Exhibit A** is a true copy of excerpts from the Collective Agreement.
5. On or around September 22, 2023, the Receiver delivered notice to all bargaining unit employees, except for six employees, that their employment had been terminated effective that date.
6. The six employees who were not terminated on or around September 22, 2023 were terminated effective September 25, 2023, pursuant to a Memorandum of Agreement between USW Local 1-1937 and the Receiver dated September 25, 2023 (the "MOA"). Attached to this Affidavit and marked as **Exhibit B** is a true copy of the MOA executed in counterpart.
7. The six employees terminated effective September 25, 2023 were engaged as contractors by the Receiver under the MOA and were not governed by the terms of the Collective Agreement.
8. Pursuant to the MOA, the Receiver agreed to provide the remaining terminated bargaining unit employees the option to have their termination of employment rescinded/nullified, by way of written notice on or before September 29, 2023.
9. Pursuant to the MOA, the Receiver further agreed that bargaining unit employees who elected to have their termination rescinded/nullified would have their rights to seniority and recall pursuant to Article 15.3 of the Collective Agreement reinstated as if their employment had not been terminated.

10. The Receiver provided the notice described above at paragraph eight, and four bargaining unit employees elected to have their termination rescinded/nullified.

AFFIRMED BEFORE ME
at Vancouver, British Columbia
on March 6, 2024


.....

A commissioner for taking
affidavits for British Columbia


.....
Jeffrey Bromley

MACKENZIE CUMBERLAND
Barrister & Solicitor
1650 - 409 GRANVILLE STREET
VANCOUVER, BC V6C 1T2

This is **Exhibit "A"** referred to in Affidavit #1 of Jeffrey Bromley affirmed before me at Vancouver, British Columbia this 6th day of March, 2024.



A Commissioner for taking Affidavits
for British Columbia

MACKENZIE CUMBERLAND
Barrister & Solicitor
1650 - 409 GRANVILLE STREET
VANCOUVER, BC V6C 1T2

January 1, 2020 – June 30, 2024

COLLECTIVE AGREEMENT

BETWEEN

UNITED STEELWORKERS LOCAL 1-1937

(the Union)

AND

SKEENA SAWMILLS LTD.

(the Company)

TABLE OF CONTENTS

PREAMBLE:	1
ARTICLE 1 - BARGAINING AGENCY	1
1.1 Recognition	1
1.2 Meetings	2
1.3 Bargaining Authority	2
1.4 Access to Operation	2
ARTICLE 2 - EMPLOYER'S RIGHTS	2
2.1 Management and Direction	2
2.2 Hiring and Discipline	2
ARTICLE 3 - UNION SECURITY	2
3.1 Cooperation	2
3.2 Union Shop	3
3.3 Maintenance of Membership	3
3.4 Discharge of Non-members	3
3.5 Union Membership	3
3.6 Check-off	3
3.7 Social Insurance Number	3
3.8 Employer Deductions From Wages – Employee Benefit Plans	4
3.9 Employee Discipline History	4
ARTICLE 4 – UNION COMMITTEE	4
4.1 Definition	4
4.2 Composition	4
4.3 Notification	4
4.4 Exceptions	5
4.5 Union Business Pay	5
ARTICLE 5 - HOURS OF WORK	5
5.1 Hours and Overtime	5
5.2 Alternate Shift Scheduling	5
5.3 Casual Work	6
5.4 Saturday and Sunday Work	7
5.5 Tuesday to Saturday	7
5.6 Completion of Afternoon Shift	7
5.7 Three-shift Operations	7
5.8 Swing Shift	8
5.9 Rest Periods	8
5.10 Hot Meals	8
5.11 No Work Guarantee	8
ARTICLE 6 - TECHNOLOGICAL CHANGE	8
6.1 Joint Committee	8
6.2 Advance Notification	8

6.3	Rate Adjustment	9
6.4	Retraining.....	9
6.5	Severance Pay	9
6.6	Option	9
ARTICLE 7 - APPRENTICESHIP		9
7.1	Joint Apprenticeship Committee	10
7.2	Apprenticeship Selection	10
7.3	Other Provisions	11
7.4	Trades	11
7.5	Tests.....	12
7.6	Assignment as Helper	12
7.7	Progression to Journeyman Status.....	12
7.8	Tools.....	13
7.9	Qualifications	13
7.10	Oiler Position	13
ARTICLE 8 - WAGES		14
8.1	Rates	14
8.2	Tools.....	16
8.3	First Aid Training	16
8.4	Sawmill Rate Determination Program	16
8.5	Shift Differential.....	18
ARTICLE 9 - PAY DAYS.....		18
ARTICLE 10 - STATUTORY HOLIDAYS AND FLOATING HOLIDAY		18
10.1	Manufacturing Plants.....	18
10.2	Qualifying Conditions.....	19
10.3	Sunday Holidays.....	19
10.4	Saturday Holidays	19
10.5	Weekly Work Schedule	19
10.6	Holiday Shift.....	19
10.7	Casual Employees	19
10.8	Arrangement for Change	20
10.9	Personal Floating Holiday	20
ARTICLE 11 - VACATIONS WITH PAY.....		21
11.1	Two Weeks' Vacation	21
11.2	Three Weeks' Vacation.....	21
11.3	Four Weeks' Vacation.....	21
11.4	Five Weeks' Vacation.....	22
11.5	Six Weeks' Vacation (Effective January 1, 2023)	22
11.6	Seven Weeks' Vacation (Effective January 1, 2023)	22
11.7	Vacation Pay on Termination	22
11.8	Vacation Time	22
11.9	Payment of Vacation Pay.....	23
11.10	Vacation Pay - Percentage of Wages Method (Effective January 1, 2022)	23

11.11	Qualifications for Vacation Pay - Regular Job Rate Method (Effective January 1, 2022).....	24
11.12	Draw From Accrued Vacation Pay	25
11.13	Employment Standards Act	25
ARTICLE 12 - CALL TIME		25
12.1	Where No Work	25
12.2	Where Work Commences.....	25
ARTICLE 13 - HEALTH AND WELFARE		25
13.1	Institution	25
13.2	General Principles	25
ARTICLE 14 - LONG-TERM DISABILITY		26
ARTICLE 15 - SENIORITY		27
15.1	Principle	27
15.2	Reduction & Recall of Forces	27
15.3	Retention During Layoff.....	27
15.4	Job Posting.....	28
15.5	Probationary Period.....	28
15.6	Hiring Preference	28
15.7	Absence Without Leave	29
15.8	Seniority List.....	29
15.9	Reinstatement	29
ARTICLE 16 - LEAVE OF ABSENCE.....		30
16.1	Injury or Illness.....	30
16.2	Pregnancy and Parental Leave.....	30
16.3	Written Permission	30
16.4	Family Responsibility and Compassionate Care Leave	30
16.5	Compassionate Leave	31
16.6	Bereavement Leave	32
16.7	Jury Duty	32
16.8	Union Business.....	32
16.9	Public Office	33
ARTICLE 17 - HEALTH AND SAFETY		33
17.1	Common Concern and Responsibility.....	33
17.2	Joint Health & Safety Committee	33
17.3	Pay for Meetings.....	34
17.4	Minutes.....	34
17.5	Injuries & Claims	35
17.6	Serious Incidents, Dangerous Occurrences, and Near Misses.....	35
17.7	Fatalities.....	35
17.8	Right to Refuse Unsafe Work.....	35
17.9	Injury at Work	36
17.10	WHMIS	36
17.11	Contractors & Sub-Contractors	36

17.12	Safety & Health Research Program	37
17.13	Wage Loss during Investigations	37
17.14	Copies of Reports.....	37
ARTICLE 18 - CONTRACTORS AND SUB-CONTRACTORS.....		37
ARTICLE 19 - EMPLOYEE WELLNESS		37
19.1	Employee and Family Assistance	37
19.2	Human Rights and Harassment	38
19.3	Domestic Violence	38
ARTICLE 20 - SAFETY EQUIPMENT		39
ARTICLE 21 – EDUCATION AND HUMANITY FUND		40
ARTICLE 22 - PENSION PLAN		41
ARTICLE 23 - PERMANENT CLOSURES.....		41
ARTICLE 24 - SEVERANCE PAY FOR PERMANENT PLANT CLOSURE.....		41
ARTICLE 25 - PERMANENT PARTIAL CLOSURES		41
ARTICLE 26 - ADJUSTMENT OF GRIEVANCES.....		42
26.1	Procedure.....	42
26.2	Time Limit	43
ARTICLE 27 - ARBITRATION.....		43
27.1	Grievances	43
27.2	Expedited Arbitration	44
27.3	Cost Sharing	44
27.4	Place of Hearing	44
27.5	Independent Companies	45
ARTICLE 28 - STRIKES AND LOCKOUTS.....		45
ARTICLE 29 - DURATION OF AGREEMENT AND ENTIRE AGREEMENT		45
29.1	Effective Dates	45
29.2	Sections 50(2) and 50(3) Labour Relations Code of B.C. Excluded.....	45
29.3	Entire Agreement.....	46
RED-CIRCLE LETTER OF UNDERSTANDING ("LOU")		47
LETTER OF UNDERSTANDING		49
APPENDIX 1 – WOODLANDS LETTER OF UNDERSTANDING		51
SUPPLEMENT NO. 8 - ALTERNATE SHIFT SCHEDULING.....		52

THIS AGREEMENT entered into this 14th day of May, 2020.

BETWEEN:

SKEENA SAWMILLS LTD.

(hereinafter known as the "Company")

OF THE FIRST PART,

AND:

**UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL
AND SERVICE WORKERS INTERNATIONAL UNION (UNITED STEELWORKERS)**

AFL – CIO – CLC LOCAL 1-1937

(hereinafter known as the "Union")

OF THE SECOND PART.

PREAMBLE:

The purpose of this Agreement is to secure for the Company, the Union, and the employees the full benefits of orderly and legal collective bargaining, and to ensure to the utmost extent possible the safety and physical welfare of the employees, economy of operation, quality and quantity of output, and protection of property. It is recognized by this Agreement to be the duty of the Company and the Union and the employees to cooperate fully, individually, and collectively, for the advancement of said conditions.

The Company and the Union agree to abide by the terms set out in this Agreement. The Union further agrees that it will at all times instruct its members to act in accordance with the terms contained in this Agreement. The Company agrees, in the exercise of the functions of Management, that the provisions of this Agreement will be carried out.

Wherever a gender-specific pronoun is used in this Agreement, it shall be deemed to include any person, regardless of gender.

ARTICLE 1 - BARGAINING AGENCY

1.1 Recognition

- (1) The Company recognizes the Union as the sole collective bargaining agency of the employees of the Company except confidential employees, office employees, and those employees with the authority to hire or discharge.
- (2) It is agreed that when a dispute arises as to whether or not a person is an employee within the bargaining unit it shall be subject to grievance procedure as provided in subsection 26.1, and in the event of failure to reach a satisfactory settlement it shall be dealt with by arbitration as set forth in Section 27.1.

- (3) The Union agrees to issue a withdrawal card to employees transferred from the bargaining unit to a job outside the bargaining unit providing that no dispute arises within the meaning of subsection 1.1(1) herein.

1.2 Meetings

The Company and the Union will meet at such time and place as may be mutually agreed upon for the purpose of discussing wages and working conditions and adjusting any matters within the confines of this Agreement which come within the scope of collective bargaining between employer and employee. Where such meetings are held during working hours, employee time will not be deducted for attending such meetings.

1.3 Bargaining Authority

The Party of the First Part agrees that the bargaining authority of the Party of the Second Part shall not be impaired during the term of this Collective Agreement. The Party of the First Part agrees that the only certification that they will recognize during the term of this Agreement is that of the Party of the Second Part, unless ordered by due process of law to recognize some other bargaining authority.

1.4 Access to Operation

Official Union representatives shall obtain access to the Company's operations for the purpose of this Agreement by permission which will be granted by the Company on request and subject to such reasonable terms and conditions as may be laid down by the Company.

ARTICLE 2 - EMPLOYER'S RIGHTS

2.1 Management and Direction

The management and the operation of, and the direction and promotion of the working forces is vested exclusively in the Management; provided, however, that this will not be used for purposes of discrimination against employees.

2.2 Hiring and Discipline

The Company shall have the right to select its employees and to discipline or discharge them for just and reasonable cause.

ARTICLE 3 - UNION SECURITY

3.1 Cooperation

The Company will cooperate with the Union in obtaining and retaining as members the employees as defined in this Agreement, and to this end will present to new employees and to all supervisors and foremen the policy herein expressed.

ARTICLE 15 - SENIORITY

15.1 Principle

- (1) The Company recognizes the principle of seniority, competency considered for reduction and recall of forces, training, job posting, overtime, shift preference, vacation scheduling, and any other application where a determination is made between employees. The only exception is where this principle is modified by Local Agreements.
- (2) The selection and promotion of supervisory officials shall be entirely a matter for the Company's decision.

15.2 Reduction & Recall of Forces

- (1)
 - (a) In the event of a reduction of the forces, the last person hired shall be the first released subject to the competency of the person involved and the provisions of Section 15.1. Where a reduction of forces is caused by emergency conditions the application of plant seniority may be postponed for such period as may be necessary but not exceeding five (5) working days. If the Company decides to exercise its right under this provision it shall notify the Plant Committee as soon as possible.
 - (b) When recalling forces after a period of layoff following a reduction of forces, an employee shall be recalled in order of his plant seniority subject to the competency of the person involved and the provisions of Section 15.1.
- (2) During a reduction of forces where an employee's seniority is such that he will not be able to keep his regular job, he may elect to apply his seniority to obtain a job paying a higher rate, subject to the competency of the person involved and the provisions of Section 15.1.
- (3) During a reduction of forces where an employee's seniority is such that he will not be able to keep his regular job, he may elect whether or not to apply his seniority to obtain a lower paid job or a job paying the same rate of pay or accept a layoff until his regular job becomes available, provided however:
 - (a) If during the layoff period the employee wishes to return to work and so notifies the Company, he shall be called back to work as soon as his seniority entitles him to a job.
 - (b) The application of this provision shall not result in an employee, in the exercise of his rights, bumping an employee with less seniority.
- (4) If a specific issue arises, details of the application of this Section shall be worked out by the Local Union and the Company.

15.3 Retention During Layoff

It is agreed between the parties that seniority during layoffs shall be retained on the following basis:

- (a) employees with less than one (1) year's service shall retain their seniority for a period of six (6) months;

- (b) employees laid off with one (1) or more years' service shall retain their seniority for one (1) year, plus one (1) additional month for each year's service, up to an additional twelve (12) months.

A laid-off employee's seniority retention under (a) and (b) above is reinstated upon the completion of one (1) day's work.

It shall be the employer's responsibility to maintain an address file of his employees and it shall be the employee's responsibility to notify his employer in writing of any change of address.

15.4 Job Posting

- (1) Vacancies shall be posted in advance for a period of not less than three (3) working days except when otherwise agreed.

It is understood that where weekend shift workers do not have access to the postings prior to their shift commencing, the period for applying for the posting shall be extended for two (2) additional days for said workers.

- (2) This section shall not apply to temporary replacements of two (2) weeks or less necessitated by illness, injury, or other leave of absence, or to temporary replacements of longer duration for employees on vacation, but in filling these vacancies senior employees will be given preference in accordance with Section 15.1.

15.5 Probationary Period

Notwithstanding anything to the contrary contained in this Agreement, it shall be mutually agreed that all employees are hired on probation, the probationary period to continue for sixty (60) working days within a six (6) month period, during which time they are to be considered temporary workers only, and during this same period no seniority rights shall be recognized. The Company may terminate employment at any time during the probation period for any reason without just cause and without advance warnings, or advance notice or severance. Upon completion of ninety (90) working days, they shall be regarded as regular employees, and shall then be entitled to seniority dating from the day on which they entered the Company's employ, provided, however, that the probationary period of ninety (90) working days shall only be cumulative within the six (6) calendar months following the date of entering employment.

It is agreed that probationary employees will have preference over casual employees for any work performed during the normal work week, subject to competency. It is further agreed that in the application of the foregoing, probationary employees will be called in for work in accordance with their hiring date, unless such call-in is beyond the control of the employer, and is subject to the employee being competent to perform the work. This obligation does not apply where the employee cannot be readily contacted or where the employee has already worked one shift in the 24-hour period.


15.6 Hiring Preference


When hiring new employees, the following will apply, competency considered, from among those completed applications on file:

29.3 Entire Agreement


This Agreement and any Letters of Understanding made with it or after August 31, 2012, shall represent the entire Agreement between the Parties and any prior Letters of Understanding or other side Agreements under prior Collective Agreements between the Union and predecessors to the Company as employer are of no force and effect upon this Agreement taking effect.

ON BEHALF OF
UNITED STEELWORKERS LOCAL 1-1937





ON BEHALF OF
SKEENA SAWMILLS LTD.



/jw
USW1-1937

This is **Exhibit "B"** referred to in Affidavit #1 of Jeffrey Bromley affirmed before me at Vancouver, British Columbia this 6th day of March, 2024.



A Commissioner for taking Affidavits
for British Columbia

MACKENZIE CUMBERLAND

Barrister & Solicitor

1650 - 409 GRANVILLE STREET
VANCOUVER, BC V6C 1T2

DATED this 25th day of September, 2023.

MEMORANDUM OF AGREEMENT

BETWEEN:

ALVAREZ & MARSHAL CANADA INC.
In its capacity as receiver of the assets, property
and undertaking of Skeena (as defined below) and not in its personal capacity
(the “Receiver”)

AND:

UNITED STEELWORKERS, LOCAL 1-1937
(the “Union”)
(collectively, the “Parties”)

WHEREAS:

- A. The Receiver was appointed as receiver of the assets, undertakings, and properties of, *inter alia*, Skeena Sawmills Ltd. (“**Skeena**”) pursuant to the order (the “Receivership Order”) of the Supreme Court of British Columbia made in Supreme Court Action No. S236214 Vancouver Registry;
- B. The Receiver is empowered and authorized by the Receivership Order to preserve, protect, collect and realize upon all of the property, assets and undertakings of Skeena, including the sawmill located in Terrace, B.C. (the “**Property**”), to manage, operate and carry on the business of Skeena without operating the sawmill as a going concern, including the powers to enter into an agreement with the Union on behalf of Skeena, and to take such steps as may be reasonably necessary to maintain and preserve the Property for the purpose of realizing on the Property;
- C. The Union is certified in respect of unionized employees employed at the Property as of date of the Receivership Order (the “**Bargaining Unit Employees**”) and is a party to a collective agreement with Skeena with a term of January 1, 2020 to June 30, 2024 (the “**Collective Agreement**”);
- D. The Receiver is not operating, and does not intend to operate, Skeena’s manufacturing operations as a going concern, but the business and/or the Property may ultimately be sold. The Receiver wishes to engage some Bargaining Unit Employees as contractors on a temporary and task, day-to-day basis to assist with the preservation of the Property;

- 2 -

- E. On or around September 22, 2023, the Receiver delivered notice to all Bargaining Unit Employees except for six that their employment had been terminated effective that date (with the employment of the six intended to be terminated once this Agreement is signed);
- F. The Union is the exclusive bargaining agent and representative for all of the Bargaining Unit Employees and enters into this Agreement on its own behalf and on behalf of the Bargaining Unit Employees; and
- G. The Union wishes to ensure that Bargaining Unit Employees are able to either have rights to seniority and recall under the Collective Agreement for as long as such rights continue under the Collective Agreement or to elect termination and severance.

NOW THEREFORE THIS AGREEMENT witnesses that in consideration of the terms and conditions contained herein, the Parties agree as follows:

1. On or before September 29, 2023, the Receiver will provide written notice to Bargaining Unit Employees of the option to elect to have their termination of employment rescinded/nullified. If, on or before October 13, 2023, a Bargaining Unit Employee communicates by email or otherwise their written election to have their termination of employment rescinded/nullified, the termination will be rescinded/nullified effective immediately.
2. Each Bargaining Unit Employee who elects to have their termination under Section 1 of this Agreement rescinded/nullified will have their rights to seniority and recall pursuant to Article 15.3 of the Collective Agreement reinstated as if their employment had not been terminated.
3. Notwithstanding Article 13.2(c) of the Collective Agreement, neither Skeena nor the Receiver shall be obligated to make or remit benefit contributions on behalf of any Bargaining Unit Employees after the date of this Agreement, until and unless the Bargaining Unit Employees are recalled to work pursuant to Article 15.2 of the Collective Agreement.
4. In accordance with its needs in fulfilling its mandate under the Receivership Order, the Receiver will make reasonable efforts to ensure that at least six (6) Bargaining Unit Employees are engaged to perform work for compensation, either:
 - (a) directly by the Receiver; or
 - (b) by any contractors with whom the Receiver engages.

The engagement of the Bargaining Unit Employment and the work performed will occur outside of the Collective Agreement and not be governed by the terms of the Collective Agreement.

5. Any Bargaining Unit Employees engaged directly by the Receiver will be engaged as contractors, not as employees.
6. Bargaining Unit engaged as contractors by the Receiver under this Agreement will be retained on a day-to-day basis to perform services identified by the Receiver.

7. Bargaining Unit Employees engaged as contractors by the Receiver under this Agreement will be engaged on terms and conditions including paid at a rate agreed upon between the Receiver and the Bargaining Unit Employees.
8. Bargaining Unit Employees engaged as contractors by the Receiver under this Agreement shall not be entitled to benefits, vacation, overtime, statutory holidays or pension contributions, pursuant to the Collective Agreement or otherwise.
9. The Receiver and the Bargaining Unit Employees may each terminate the contractor relationship without notice, but the Receiver may not replace any work that was performed by a Bargaining Unit Employee as a contractor except by engaging another Bargaining Unit Employee pursuant to the terms of this Agreement.
10. The Union agrees that:
 - (a) The Receiver is not a party to and is not bound by the terms of the Collective Agreement, nor are the terms of the Collective Agreement incorporated by reference into this Agreement.
 - (b) The Receiver is not bound by or responsible for any outstanding obligations of Skeena under the Collective Agreement or otherwise as it relates to the employment of the Bargaining Unit Employees by Skeena, and the Receiver will not incur any obligations under the Collective Agreement in the event it retains any Bargaining Unit Employees.
 - (c) The relationship between the Receiver and the Bargaining Unit Employees will be one of a contractor, and not that of employer and employee, and neither the Union nor the Bargaining Unit Employees will initiate or pursue any complaint, claim, application or action against the Receiver as an employer under the *British Columbia Labour Relations Code* (the "*Code*"), the *Employment Standards Act* or any other piece of legislation, and in the event that the Union and/or any Bargaining Unit Employee pursues any such complaint, claim, application or action, this Agreement may be pleaded and relied upon as an absolute bar and a complete defence to any such complaint, claim, application or action.
 - (d) Except where it is legally necessary in order to obtain a declaration that any subsequent purchaser of the Property is a successor to Skeena, the Union and/or Bargaining Unit Employees will not seek a declaration under Section 35 or any other provision of the *Code* with respect to the Receiver, and neither the Union nor the Bargaining Unit Employees will initiate or pursue any complaint, claim, application or action against the Receiver as a successor employer or other type of employer under the *Code*. In the event that the Union and/or any Bargaining Unit Employee pursues any such complaint, claim, application or action, this Agreement may be pleaded and relied upon as an absolute bar and a complete defence to any such complaint, claim, application or action. In the event that the above is legally necessary in order to obtain a declaration that any subsequent purchaser of the Property is a successor to Skeena, it is agreed that neither the Union nor the

Bargaining Unit Employees will initiate or pursue any action or claim against the Receiver as it relates to any liability that may arise from such a declaration.

11. The Receiver agrees that this Agreement is without prejudice to any position the Union may take with respect to the application or operation of Section 35 of the *Code* as it relates to any purchaser of the Property.
12. It is acknowledged and agreed that this Agreement concerns new contractor relationships and not the continuation of any former employment and, in particular, any prior employment with Skeena.
13. No grievance, complaint, application or action will be initiated or advanced by the Union or Bargaining Unit Employees as it relates to the Receiver or the receivership claiming that this Agreement or any term hereof contravenes the Collective Agreement or the *Code*.
14. If the Receiver, Union or Bargaining Unit Employee hired by the Receiver claims that there has been a breach of this Agreement or an applicable enactment relating to terms and conditions of employment under this Agreement, and makes the claim during the term of the Receiver's appointment, the Union and the Receiver (and the individual Bargaining Unit Employee, if applicable), shall meet in person or by telephone in an effort to settle the matter. Failing settlement, the Receiver and the Union will agree upon an alternate dispute resolution process or a party may apply to the Court in the receivership proceedings.
15. The Union will ensure that any Bargaining Unit Employees engaged by the Receiver understand and agree to the terms and conditions of employment set forth in this Agreement prior to accepting work with the Receiver.
16. This Agreement states and comprises the entire agreement between the Receiver and the Union concerning the terms and conditions of the Bargaining Unit Employees retained by the Receiver as contractor and, with respect to the work performed by any Bargaining Unit Employees as contractors with the Receiver under this Agreement, supercedes any previous oral or written communication, representations, understanding or agreements including, without limitation, the Collective Agreement.

- 5 -

17. This Agreement may be signed and transmitted electronically, executed in counterpart, and each counterpart when executed shall have the efficacy of a signed original. Electronic signatures shall be binding and considered to be original signatures.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the date and year first above written.

**ALVAREZ & MARSHAL CANADA INC. in its
capacity as Receiver of Skeena and not in its
personal or corporate capacity**



Authorized Signatory

UNITED STEELWORKERS, LOCAL 1-1937

Authorized Signatory

- 5 -

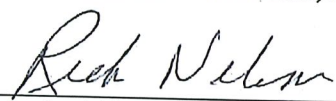
17. This Agreement may be signed and transmitted electronically, executed in counterpart, and each counterpart when executed shall have the efficacy of a signed original. Electronic signatures shall be binding and considered to be original signatures.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the date and year first above written.

**ALVAREZ & MARSHAL CANADA INC. in its
capacity as Receiver of Skeena and not in its
personal or corporate capacity**

Authorized Signatory

UNITED STEELWORKERS, LOCAL 1-1937



Authorized Signatory