

BRITISH COLUMBIA

COLLECTIVE AGREEMENT

BETWEEN

CENTRAL BUILDERS SUPPLY P.G. LIMITED

AND

TEAMSTERS LOCAL UNION NO. 31

**AFFILIATED WITH THE INTERNATIONAL
BROTHERHOOD OF TEAMSTERS
AND TEAMSTERS CANADA**

June 1, 2003 – May 30, 2008

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MEMORANDUM OF AGREEMENT

BETWEEN: CENTRAL BUILDERS SUPPLY P.G. LIMITED
(hereinafter called the "Company")
OF THE FIRST PART

AND: TEAMSTERS LOCAL UNION NO. 31
(hereinafter called the "Union")
OF THE SECOND PART

ARTICLE 1

Section 1

It is recognized by this Agreement to be the duty of the Union, the Company or its bargaining agent and the employees to fully co-operate individually and collectively, for the advancement of conditions.

ARTICLE 2 - UNION RECOGNITION

Section 1

This Agreement shall relate only to employees and categories of employees referred to in the Certificate of Bargaining Authority, save as hereinafter expressly provided.

Section 2

The Company recognizes the Union as the sole, and exclusive bargaining agent for all categories of employees referred to in the Certificate of Bargaining Authority at 1501 Central Street West, Prince George, British Columbia, and those excluded by the Act.

Section 3

The masculine pronoun shall include the feminine, and the singular shall include the plural, and vice versa.

Section 4

The Company agrees to provide a bulletin board in the lunchroom for the posting of notices, copies of this Agreement, and official papers pertaining specifically to this Bargaining Unit signed by an elected or appointed officer or other authorized representative of the Union.

Section 5

All members of the Union shall receive a copy of this Agreement, which is binding upon the Bargaining Authority, and every employee in the Unit for which the Union has been certified as recognized by this Agreement.

ARTICLE 3

Section 1 - Check-off

Each new employee when hired by the Company will be informed by the Company that he is to contact the Union Office or Shop Steward for the purpose of becoming a Union Member and signing the authorization card authorizing the Company to deduct from his earnings Union initiation fees, union dues, and/or other assessorial charges as levied against him in accordance with the constitution and by-laws of the Union of which he is a member and so indicated on the monthly check-off list as provided by the Union to the Company. The Company shall remit same to the Union not later than seven (7) days from the date of the receipt of the Union invoice, the deduction that was made from the employees wages.

Section 2 – Union Shop

Every employee of the Company covered by this Agreement shall be a member of the Union in good standing during the whole of the term of this Agreement as a condition of employment with the Company, save as hereinafter expressly provided.

There shall be no discrimination against any member of the Union because of legal Union activities.

Section 3

In the event that a person not a member of the Union is taken into employment by the Company, such person shall make application to join the Union within three (3) days of his hiring, and shall be added to the check-off list forthwith.

Section 4

1. The Company shall furnish to the appropriate Union area office designated in writing by the Union, a list of new employees taken into employment by the Company within seven (7) calendar days of their being hired.
2. Except in case of emergency every motor vehicle and every piece of mobile equipment used by the Company, whether owned by the Company or leased by the Company, shall be operated by a member of the Union.
3. All storing and handling of merchandise or other goods or materials shall be carried on by Company employees, members of the Union, categories of which are set out in “Appendix A-1 and A-2” where such work is under the control of the Company, as identified by the certificate of bargaining authority.
4. The Company agrees that it will not use any leasing, rental, or other device, which would result in the layoff of any employee in the Bargaining Unit.
5. Leased or hired equipment shall not be used until every reasonable attempt has been made to use available Company equipment as well as available and qualified employees.
6. It is not the intention of the Company to have non-bargaining unit employees in the Yard doing bargaining unit work. Both parties agree due to customer service requirements or operational concerns there may be times when a minimal amount of work may be performed on an incidental basis. If the bargaining unit feels that this is being abused a

meeting will be conducted with the Union to resolve the issue, with a claim for wages if the work performed is excessive.

ARTICLE 4

Section 1 – Regular Employees

A regular employee shall be considered as such an employee of the Company when:

1. He has completed his probationary period.
2. He makes himself available to the Company for full-time employment.
3. He has no other outside employment except where such employment may be specifically permitted under the provisions of this Agreement.
4. It shall not be cause for discipline or discharge for an employee to seek and/or accept gainful employment while on layoff provided the employee complies with subsection 2 herein. If the employee is working for a competitor the Company will be notified by letter.
5. He is the holder of a valid and subsisting license to operate mobile equipment, if required by the Company and as required by the statutes and regulations of the Federal and Provincial Governments.
6. When the Company tries to contact any regular employee who is either on layoff in excess of two (2) weeks or has failed to report for duty within twenty-four (24) hours of contact and cannot be contacted by telephone regarding his availability for employment, the Company will then make final contact by registered mail, with copy to the Union. Failure to then contact the Company with sufficient justification may then constitute grounds for dismissal. If the employee is leaving their place of residence they shall provide to the Company a forwarding address.

Section 2 – Part-time Employees

A part-time hourly employee shall:

1. Be hired on an incidental and temporary basis to provide additional manpower.
2. Be carried on a regular part-time employee's seniority list.
3. Be given first opportunity to qualify as a regular employee as openings become available providing he meets all Company qualifications and requirements.

A part time employee shall be carried on a part-time seniority list and where practical, shall be called into work according to their position on the seniority list. An employee, who has outside gainful employment or is a student, will not be carried on the part-time seniority list ahead of an employee who has no outside gainful employment.

Section 3

1. Any regular employee scheduled to work less than forty (40) hours per week will have the option to:
 - a) Go on layoff

- b) Work available part-time hours at the top of the part-time seniority list.
2. Any full time employee whose hours are reduced or who works less than 40 hours per week shall not be reclassified as a part-time employee and shall remain on the regular employee seniority list.
3. When the Company has a regularly scheduled shift of thirty (30) hours per week or more, a laid off regular employee shall be notified. The laid off regular employee shall have the option to accept or refuse recall for a shift of less than forty (40) hours per week.
4. If the Company cannot fill the available shifts the most junior qualified person is required to work that shift.

ARTICLE 5

Section 1 – Conflicting Agreements

The Company agrees not to enter into any agreement or contract with the employees of the Company, members of the Union, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement will be null and void.

Section 2 – Transfer of Company Title or Interest

This Agreement shall be binding upon the parties hereto, the successors, administrators, executors and/or assigns. In the event an entire business or part thereof is sold, leased, transferred, or taken over by sale, transfer, lease, assignment, receivership, or bankruptcy proceedings, such business or any part thereof shall continue to be subject to the terms and conditions of this Agreement for the life thereof. The Company shall notify the Union in writing, not later than the effective date of the fact of any sale, transfer, lease, assignment, receivership, or bankruptcy proceeding, not including financial arrangements thereof.

Section 3 – New Equipment and Classifications

Prior to any new type of equipment and/or new classifications of employment for which rate of pay are not established by this Agreement are put into use, the Company shall advise the Union as far in advance as possible, and not less than thirty (30) days prior to implementation the matter shall become the subject of discussion between the parties for rates governing such equipment and classifications of employment. The Company and Union shall finalize within sixty (60) days after such implementation a rate to be established and such rate to be retroactive to date of implementation.

ARTICLE 6 – Seniority

Section 1

Seniority shall be maintained in the reduction and restoration of the working force, providing the senior man is capable of performing the remaining job or jobs.

Section 2

All new jobs and vacancies are subject to seniority and shall be posted promptly for four (4) days in a conspicuous place, stating times, job description, and location. All regular employees shall be entitled to bid on such postings and the Company shall designate on the original posing the successful bidder within two (2) working days of the closing date of the posting. Any regular

employee absent by reason of accident, sickness or vacation, shall have the opportunity to bid on such job posting or vacancy within three (3) days after her returns to work provided he is capable

Provided the employee is capable and is given the opportunity to demonstrate his capability, seniority shall prevail in the appointment to new jobs or vacancies. Starting times preferences shall be given to senior employees on established shifts. Except where a job or shift has been discontinued there shall be no job or shift bumping privileges.

Section 3

Seniority shall be bargaining unit wide and there shall be two seniority list;

1. Employees employed on a regular basis.
2. Employees employed on a part-time basis.

Section 4

All newly hired employees shall be considered as probationary employees for the first forty-five (45) calendar days. There shall be no responsibility on the part of the Company in respect of the employment of probationary employees should they be laid off for lack of work or discharged during the probationary period. However, the Company shall inform the probationary employee as to whether he has been discharged or laid off and the reasons therefore. An employee who completes his probationary period shall have his name added to the part-time seniority list with a start date from the date of hire.

Any employee that has completed his probationary period and has completed one hundred hours in any thirty calendar day period shall have his name placed on the regular employees seniority list from the first day of the thirty calendar day period. This provision shall not apply during the period between June 1st and August 31st of the year or when a part time employee is replacing a regular employee on leave of absence. Until a part-time employee becomes a regular full time employee, he shall not be eligible for Employee Benefits as stipulated under "Appendix B" of this agreement. The Company will maintain a minimum 60% of its hours as regular full time hours with employee benefits. This will exclude part-time employees covering full time absence due to vacation, approved leaves of absence or part-time hours that result from full time employees opting to take layoff instead of part-time hours.

Part-time or casual employees will not be used to deprive any of the regular employees the conditions of this Agreement.

The Company will post and maintain seniority listings. Such up to date listings will be posted January 31st and July 31st. Copies of current listings will be provided to the Union. Such lists to state starting date of employee.

When an employee's employment is terminated by the Company for proper cause or he leaves by his own choice, he will be automatically stricken from the seniority list.

All layoff notices shall be in writing with one copy to be presented to the employee being laid off, and one copy to the Union with the date layoff notice is given.

Regular employees who have completed their probationary period shall receive as much notice as possible in the event of layoff and recall.

Any employee who has been on lack of work layoff for twelve (12) months or more shall be removed from the seniority list and the Company shall be under no further obligation to such employee.

Section 5 – Leave of Absence

1. When the requirements of the Company's operation shall permit, regular employees hereunder, upon written application to the Company, may be granted a leave of absence of up to thirty (30) calendar days. The leave shall be without pay and shall be adjudicated on the basis of merit, compassion, and length of service. Requests for the leave must be made at least thirty (30) calendar days prior unless circumstances make such lead time impossible, the Company will approve or reject the request in writing with a copy to the Union and if approved, the approval may not be withdrawn except by mutual consent.
2. Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority and his name shall be stricken from the seniority list and will no longer be considered as an employee of the Company
3. Any employee may request a leave of absence for up to a twelve month period once during his employment with the Company. The request must be made in writing to the Company and the Union, and shall not be unreasonably denied by the Company
4. When an employee in the bargaining unit receives a leave of absence to take a position within the Company outside of the bargaining unit, his seniority may be retained for a maximum period of thirty (30) calendar days. No later than the thirtieth (30th) calendar day of this period the employee must exercise his seniority rights by returning to the bargaining unit or relinquish all such seniority rights. (During this period the employee will not have the right to hire or fire).

ARTICLE 7 – MEAL PERIOD

Section 1 – Meal Period

The employee shall, except by mutual agreement between the Parties hereto, take at least one (1) continuous period for meals of not less than thirty (30) minutes or more than one (1) hour in any one day.

No employee shall be compelled to take more than one (1) continuous hour during such period nor compelled to take any part of such continuous hour before he has been on duty three and one-half (3 ½) hours or after he has been on duty five (5) hours.

Any employee shall be entitled to one (1) break of fifteen (15) minutes during both the first half and second half of any shift and where practical, during each two (2) hour period of overtime.

A coffee break shall be provided if the overtime worked is to exceed thirty (30) minutes. The commencement of this break may be staggered but not beyond one half hour.

ARTICLE 8

Section 1 – Safety Conditions

The Company shall establish a safety committee of which management personnel shall not outnumber employees. Meetings shall be held at least once every three months or quarterly. Copies of minutes of the meetings shall be posted on the bulletin board.

Section 2 – Equipment Maintenance and Safety

It is to the mutual advantage of both the Company and the employees that employees should not operate vehicles which are not in safe operating condition and not equipped with the safety appliances required by law. The maintenance of equipment in a sound operating condition is not only a function but a responsibility of the Company and its employee and in respect thereto the following is agreed:

1. The Company shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with the safety appliances or stickers prescribed by law. It shall not be violation of this Agreement if employees refuse to operate such equipment.
2. All trucks owned or leased by the Company must have steps or other similar devices to enable drivers to get in and out of the body for safety purposes.
3. All units shall have adequate heaters, windshield wipers and defrosters installed.
4. A form shall be supplied to the driver on which to report defects in equipment with sufficient copies so that the driver may retain a copy and the Manager will have a copy of this report on file

When a driver reports a defect in equipment, he must tag or mark the vehicle involved in such a manner so that any other employee will notice the defective equipment. It shall be the Company's responsibility to supply such tags or other marking devices. This tag to be left on the vehicle in order to show the work has been completed and shall be removed by the outgoing driver.

5. The Company shall not compel any driver to operate a vehicle in excess of the legal load limit.
6. Drivers will be responsible for overweight tickets providing the following requirements are met:
 - a) Product list with weights on pallets and or lifts shall be given to each driver and supplied for each truck.
 - b) Legal weight per running foot for loading purposes for each truck shall be provided.
 - c) Information shall be provided regarding how each truck should be loaded to determine how much weight the truck will legally hold per running foot.
 - d) The Company shall supply the gross weight, net weight, true weight for each truck. This information shall be given to each driver and supplied in each truck.

- e) Suppliers shipping copies must have weights of products at the time of pick up.

If the above information is not made available to the driver or if any weight is incorrect, the driver shall not be responsible for any overweight fines.

Any truck that is loaded in the companies yard that the driver did not load, or if the driver is concerned about a load being overweight the driver shall check with the foreman. The foreman shall sign the bill taking responsibility for any overweight violations on the Company's behalf and the Company shall be responsible for paying them.

ARTICLE 9

Section 1 - Pay Periods

1. Except as otherwise mutually agreed between the Parties, all employees covered by this Agreement shall be paid not less frequently than on every other Friday all wages earned by such employee to a day not more than seven (7) days prior to the day of payment. The pay period shall commence each Sunday at 00:01 hours. The Company shall provide every employee covered by this Agreement with a separate or detachable written or printed itemized statement in respect of all wage payment made to such employee. Such statement shall set forth the dated pay period, the total hours worked, the total overtime hours worked, either time and one-half (1 ½ x) or double time (2 x), the rate of wages applicable and all deductions made from the gross amount of wages. Pay cheques shall be made available in the morning except under circumstances beyond the control of the Company.
2. Except where otherwise mutually agreed, immediately prior to an employee leaving on annual vacation, he shall be entitled to receive vacation pay by separate cheque in accordance with "Article 24" of this Agreement, for that period of time that he will be absent from work. However, if the employee fails to exercise this entitlement, such vacation pay will be paid to him on the first regular payday following his return to work.
3. If, as and when an error occurs in an employee's paycheque and the amount is the equivalent of one (1) day's pay or more, he shall be entitled, on request, to a cheque being issued in favour of such employee as soon as possible and not later than the first (1st) Friday following the payday on which the error was made for such shortage.
4. Except as elsewhere herein provided, upon termination or quitting, the Company shall pay all money due to the employee as soon as possible but not later than fourteen (14) days thereafter.

ARTICLE 10

Section 1 – Paid for Time

All employees covered by this Agreement shall be paid for all time spent in the service of the Company. Rates of pay provided for by this Agreement shall be minimums. Time shall be computed from the time that the employee is ordered to report to work or registers in, whichever is later, until he is effectively released from duty.

Time clock or time sheet: The Company shall provide a time clock or time sheet in order to enable employees to record their time for payroll purposes. Employees shall record their own time as they start and finish work.

Section 2 – Company meetings

Staff meetings, whether on or off the premises, shall be considered as time worked and paid for accordingly, except dinner meetings at which the attendance is voluntary. Such dinner meetings in excess of three (3) during each contract year shall be considered as time worked and paid for accordingly. Attendance at product orientation meetings, whether on or off the premises, shall be voluntary.

Section 3 – Bereavement Leave

In the event of the death of an employee's parents, legal guardians, grandparents, spouse's grandparents, children, sisters, brothers, spouse, stepchildren, mother-in-law, father-in-law, brother-in-law, or sister-in-law the employee shall be granted up to three (3) working days paid compassionate leave provided he attends the funeral.

Upon giving twenty-four (24) hours notice an employee shall be granted time off without pay for the purpose of attending a funeral of person other than the aforementioned or for compassionate reasons.

Part-time employees shall receive Bereavement Leave Pay based on the same formula as outlined in Article 23 Section 3 (Statutory Holiday).

Section 4 – Jury Duty

An employee summoned to jury duty or subpoenaed as a witness on a day that he normally would have worked shall be paid wages amounting to the difference between the amount paid to him for such service and the amount he would have earned had he worked on such days.

Employees on jury duty shall furnish the Company with such statements of earnings as the courts may supply.

Employees shall return to work within a reasonable period of time. They shall not be required to report if less than two (2) hours of their actual shift remains to be worked. Total hours on jury duty and actual work on the job in one day shall not exceed eight (8) hours for purposes of establishing the basic workday.

Jury duty shall have no application for an employee on leave of absence or when receiving benefits under the Health and Welfare Plan, annual vacations, Worker's Compensation or as otherwise covered in this Agreement.

Section 5 – Maternity Leave

1. Maternity leave shall be granted in accordance with the Employment Standards of British Columbia.
2. Parental leave may be granted under the terms and conditions as outlined in the Employment Standards of B.C.

Section 6 – Medical

Any Company or Government required physical or medical examination shall be promptly complied with by all employees; however, the Company shall pay for any time lost during working hours. If it is necessary for the employee to receive the medical or physical outside of the normal working hours the Company will pay for the time spent.

Section 7 – Compensation Sickness Coverage

When an employee goes off work ill or on compensation the Company shall continue to pay both his Health and Welfare Plan premiums and Union dues so that the employee shall be protected to the utmost, provided:

1. The employee reimburses the Company for such contributions normally paid by said employee and is at no time more than five (5) months in arrears, and:
2. The period of such coverage shall exceed twelve (12) months only by mutual agreement of the two Parties.

When an employee returns to work, the Company shall deduct from his earnings any monies the Company has paid out in respect of his contributions.

In the event any employee does not return to work, and the employee refuses to or neglects on demand at his last known address to make restitution for such monies paid out, the Union shall then reimburse the Company for said amount.

Section 8 – License Tests

Whenever it becomes necessary for an employee to undertake tests for renewal of licenses or tickets, the Company shall, upon request, provide appropriate equipment for this purpose. Time taken off for such purpose shall be paid for at the employee's straight time rate, plus the cost of the medical.

Section 9 – Training

The Company agrees to pay the wages and the cost of any course(s) for those employees whose job function requires further training as a result of a Company initiated change or government requirement. The Company will endeavour to maintain three hiab drivers in its employ. The cost of training will be borne by the Company to a maximum of one hundred fifty dollars (\$150.00) provided the employee passes the course. A minimum of twenty (20) hours of driving time will be provided to any employee upgrading their driver's license from a Class 5 license to a Class 3 license.

If the employee leaves the Company during a six (6) month period following their successful completion of the course they will be required to reimburse the Company the full amount of the Company's contribution. The Company shall have the right to withhold from the final cheque the Company's contribution for the cost of the course.

The Company will maintain no less than two (2) people trained on the receiving function.

ARTICLE 11

Section 1 - Work Assignments

1. The Company agrees to respect the jurisdictional rules of the Union and shall not direct or require its employees or persons other than the employees in the bargaining unit here involved to perform work of the employees in the said unit. This is not to interfere with bona fide contracts with bona fide unions.
2. In the event that members of a Union other than the Union which is signatory to this Agreement attempt to encroach on the working practices and arrangements as laid down by

the Company and that contravene the Union's jurisdiction pursuant to the certificate of bargaining authority, the Union agrees that it shall inform the employees affected of their obligation to carry out the terms and conditions of this Agreement.

ARTICLE 12

Section 1 – Management Rights

Subject to the terms of this Agreement all matters concerning the Management and operation of the Company, including but not restricted to the right to hire, promote, demote, transfer, layoff, recall after layoff, retire at a normal retirement age, suspend, discipline, and discharge employees for just and sufficient cause, and to establish and enforce reasonable rules and regulations with a copy to the Union to assign and to determine the location and methods of operation, shall be vested solely with the Company. Those matters requiring judgment as to the competence of employees are also agreed to be the sole right and function of management, providing that such actions are consistent with and not in violation of this Agreement. The Parties agree that the foregoing enumeration of Management's rights shall not be deemed to exclude other recognized functions of Management not specifically covered in this Agreement.

An employee will receive a copy of any written reprimand or warning letter placed on his files, with a copy to the Union. Such written reprimand or written warning letter shall become a permanent part of the employee's personal work history. However, any incident causing such written reprimand or warning letter over a period of twelve (12) months will not be used to compound other disciplinary action against the employee.

ARTICLE 13

Section 1 – Protection of Rights

It shall not be a violation of this Agreement or cause for discharge of any employee in the performance of his duties to refuse to cross a legal picket line recognized by the Union.

The Union shall notify the Company as soon as possible of the existence of such recognized legal picket line.

The Union and/or the employees covered by this Agreement shall not engage in Union activities during working hours or hold meetings at any time on the premises of the Company without the permission of the Manger, permission will not be unreasonably withheld.

It is mutually agreed that there shall be no strike, lockout or slowdown, whether sympathetic or otherwise, during the term that this Agreement shall be in force.

ARTICLE 14

Section 1 – Technological and Mechanical Change

The Company shall not put into effect any technological changes of a permanent nature which will have adverse effects on employees without giving as much advance notice as possible to the Union representative. The Company shall notify the Union of its intent one (1) month in advance.

ARTICLE 15

Section 1 – Union Representatives on the Company Premises

Authorized agents from the Union will request from Management and have access to the Company's establishment during working hours for the purpose of investigating conditions related to this Agreement and shall in no way interrupt the Company's working schedule.

Section 2 – Shop Stewards

The Union shall elect or appoint a Shop Steward from among its members in the Bargaining Unit and shall notify the Company in writing forthwith of such appointments and deletions of those employees so elected or appointed. The Company shall recognize Shop Stewards and not discriminate against them for lawful Union activity. Wages for employees during negotiations shall be paid by the Union following negotiations. A Shop Steward shall be present during any meeting which may be disciplinary in nature.

Wages for the Shop Steward for servicing grievances shall be paid by the Company.

ARTICLE 16

Section 1 – Sanitary Conditions

The Company shall maintain adequate and clean lunchrooms and toilet facilities for the benefit of all employees.

The Company shall provide first-aid provisions in accordance with the Worker's Compensation Act. Safety equipment for the protection of eyes and ears shall be provided by the Company when required.

ARTICLE 17

Section 1 – Clothing and Allowances

Where an employee is required to wear any kind of uniform or coveralls as a condition of continued employment, such uniform or coveralls shall be furnished by the Company.

Upon completion of the probationary period all employees shall be entitled to an annual boot allowance of up to \$120.00 per year upon presentation of a receipt. The boot allowance reimbursement to the employee shall not be construed as taxable and shall be paid to the employee by cheque upon receiving a receipt for the boots and shall be included with the next payroll stub.

Good quality gloves will be provided by the Company to each employee on an exchange basis.

All employees are required to report to work in an acceptable manner meaning; clean shaven, or bearded, hair groomed, jeans clean and not torn. The Company will provide a clothing allowance of \$150.00 per year for regular employees and \$65.00 per year for part-time employees and service clerks. The clothing allowance reimbursement to the employee shall not be construed as taxable and shall be paid to the employee by cheque upon receiving a receipt for the clothes and shall be included with the next payroll stub.

The appropriate boot and clothing allowance will be paid to each employee annually on the anniversary of that employee having received the allowance the year before. Should an employee leave the employment of the Company within the year following the receipt of the

allowances, he/she shall pay a pro-rated portion based on the months remaining until the allowance would renew i.e. if the employee leaves 9 months after receiving the allowance, then 1/43 of the allowance will be recovered from the employee.

Any tools required on the job will be provided by the Company and replaced as needed if such tools break or are worn beyond repair due to normal business usage. Replacement of tools lost by employees will be the responsibility of the employee. The employer will re-issue an inventory of tools provided to employees once annually. All employees will start the process with all tools supplied.

ARTICLE 18

Section 1 – Posting

Hourly rated employees shall be notified before quitting time the day previous to their not being required for duty, except as otherwise mutually agreed by the parties hereto. Time shall be posted until 9:00 a.m. the following day.

ARTICLE 19

Section 1 – Paid for Day of Accident

Should an employee be unable to complete his scheduled shift as a result of an accident, he shall be paid for his full day's wages, providing he is not in receipt of compensation for that day from the Worker's Compensation Board.

ARTICLE 20

Section 1 – Pay for Change in Classification

When an employee from a higher rated classification is requested to work temporarily or until permanently reclassified at a lower rated classification, he shall continue to be paid at the rate for the higher rated classification.

Where an employee from a lower rated classification is requested to work in a higher rated classification for three (3) or more hours, he shall be paid for the entire day at the rate paid for the higher rated classification.

Section 2 – Charge Hand

A Charge Hand, when so designated and classified by the Company shall be defined as an employee who shall direct the work of other employees while performing similar work himself. He shall not have the authority to directly hire, fire, suspend or discipline employees. He shall be a member of the Union and shall have seniority in accordance with Article 6 herein.

ARTICLE 21

The regular hourly rates paid shall be those set out in Appendix A1 and Appendix A2 attached hereto and forming part of this Agreement.

ARTICLE 22

A Health and Welfare Plan shall continue, covering all Company employees, members of the Union, as set out in Appendix "B" hereunto annexed and forming part of this Agreement.

Companies which are in arrears in the remittance of Union Dues, Initiation Fees, or Health and Welfare payments, of thirty (30) days or more, shall be required to pay all legal costs involved, should the Union take legal action to recover said payments.

ARTICLE 23

1. Except as herein after provided the regular workday shall consist of eight (8) consecutive hours of work between 6:00 a.m. and 9:30 p.m. not including the meal period.

The regular workday shall consist of five (5) eight (8) hour days in the period from Monday to Sunday, both days included, with two consecutive days off for the regular employees that work Sunday, and Sunday and one other day as regular assigned days off for employees not working Sunday.

2. Regular employees shall be assigned to a scheduled workweek by seniority by the Company, and shall be notified of the schedule one (1) week preceding that to which the schedule refers. Employees shall have the same starting time for each day of the week except:
 - a) When employees are required to start later in the day to accommodate late night openings. Such exceptions shall be noted on the schedule.
 - b) The Company shall have the ability to change the start time of a shift due to operational needs. It is understood that an employee's shift start time may only be changed two (2) days in any two (2) week period, once with twelve (12) hours notice and once with twenty-four (24) hours notice.
3. Upon being assigned, per the provisions of the above, save as where a job has been eliminated, a regular employee's scheduled workweek shall not be altered until four (4) weeks have elapsed from the date of assignment.
4. Any employee who is called out to work on a scheduled day off, sixth shift, or overtime day shall be guaranteed four (4) hours pay and if he works in excess of four (4) hours he shall be paid for time worked.
5. Part-time employees, shall be assigned to a scheduled workweek by seniority by the Company, and shall be notified of the schedule to be worked on the last working day of the week preceding that to which the schedule refers.
6. When a part-time hourly rated employee is called and reports for duty he shall be guaranteed a minimum of four (4) hours pay.
7. Any hourly rated employee reporting for duty on a call-out or call-back basis inconsistent with his regular scheduled workday or shift shall be guaranteed a minimum of four (4) hours pay but after completion of the duty he was called for, he may book off work with a minimum of two (2) hours pay.
8. Any employee on layoff who requests his Record of Employment shall not be considered terminated.

Section 2 – Overtime Provisions

The Company shall pay overtime rates of wages to every employee entitled thereto as follows:

1. All time worked over and above eight (8) hours per day on any shift shall be deemed overtime until a break of eight (8) hours occurs.
2. For the first two (2) hours of overtime on any regular day, one and one half (1 ½) times his regular rate of wages and for all time worked thereafter, the employee shall be paid double (2x) his regular rate of wages.
3. For the first eight (8) hours worked on a 7th shift, an employee shall be paid double his regular rate of wages.
4. Where any employee works on his regularly assigned rest day or Statutory Holiday, except a seventh (7th) shift he shall be paid at one and one half (1 ½) times his regular rate for the first eight (8) hours and two times (2x) his regular rate thereafter.
5. For the purpose of this Section, the workweek shall be from 00:01 hours Sunday to 24:00 hours Saturday. With respect to General Holidays the foregoing overtime provisions are in addition to eight (8) hours wages, which shall be paid in any event.
6. Overtime shall be allocated wherever possible to capable senior employees in their classification in a voluntary manner, provided however, that upon reaching the bottom of the seniority list, the employee shall be required to work overtime.
7. Except in the case of emergency or where it is unavoidable, no employee shall work weekly overtime until all regular employees in the bargaining unit have been scheduled to work the full number of regular hours provided for in the workweek, provided there are capable and qualified regular employees amongst those who have not been scheduled for the full number of regular hours, provided the foregoing has been complied with, seniority will prevail in classification for the allocation of overtime.

Section 3 – Pay for Holidays when not worked

Employees shall be paid for time not worked at the regular rate on:

| | |
|------------------|-----------------|
| New Year's Day | Canada Day |
| Good Friday | B.C. Day |
| Victoria Day | Labour Day |
| Thanksgiving Day | Remembrance Day |
| Christmas Day | Boxing Day |

And in the event a General Holiday is proclaimed by the Federal or Provincial Government, such holiday shall be observed as a General Holiday. Notwithstanding the foregoing, the total number of General Holidays shall be ten (10). The rates of pay for these General Holidays will be at the regular applicable work time rate.

Employees entitled to those ten (10) paid holidays shall have been on the payroll forty-five (45) calendar days previous to the holiday.

Employees absent from work by reason of accident or illness not in excess of six (6) months shall receive full pay for General Holidays as designated herein. The Company shall pay the difference between Weekly Indemnity or W.C.B. payments received by the employee to eight (8) hours wages. In any event the employee shall receive a total of eight (8) hours wages.

Employees absent by reason of leave of absence, discharge, quit or suspension shall not be entitled to General Holiday pay.

The employee who is terminated or discharged for just cause within the forty-five (45) calendar day period shall not be entitled to General Holiday pay. If an employee who has been laid off temporarily is returned to work within thirty (30) calendar days, after the holiday, he shall be entitled to the paid General Holiday.

Employees must work the scheduled day before and the scheduled day after the statutory holiday.

Part time employees shall be paid the average of the preceding four (4) weeks preceding the statutory holiday and statutory pay to a minimum of four (4) hours wages.

In the event that a General Holiday falls on an employee's regular day off, either the day preceding or the day following such General Holiday shall be declared the General Holiday providing that it is consistent with the efficient operation of the business.

ARTICLE 24 – VACATIONS

Section 1 Two Weeks Vacation

Upon completion of one years service, employees shall receive two consecutive weeks vacation with eighty (80) hours pay at their hourly rate of pay in effect at the time they take their vacation or four percent (4%) of annual gross earnings, whichever is the greater provided the employee has worked 1550 hours or more during the year in which vacation entitlement was accumulated. Employees working less than 1550 hours in the accumulating year shall be entitled to the appropriate percentage of vacation pay.

Vacation pay at four percent (4%) shall be paid to all employees with less than one (1) year of service but they shall be credited with a year of service in the calculation of future vacation entitlement provided an employee works six (6) months or 500 hours.

Section 2 Three Weeks Vacation

Any employee completing four (4) years of continuous service shall thereafter receive six percent (6%) or one hundred and twenty (120) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater providing the employee has worked 1550 hours or more during the year in which vacation entitlement was accumulated. Employees working less than 1550 hours in the accumulating year shall be entitled to the appropriate percentage of vacation pay.

Employees hired after June 1, 2003 shall have the following vacation entitlement:

An employee completing five (5) years of continuous service shall thereafter receive six percent (6%) or one hundred and twenty (120) hours at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater providing the employee has worked 1550 hours or more during the year in which vacation entitlement was accumulated. Employees working less

than 1550 hours in the accumulating year shall be entitled to the appropriate percentage of vacation pay.

Section 3 Four Weeks Vacation

All employees with nine (9) years or more continuous service shall thereafter receive eight percent (8%) or one hundred and sixty (160) hours, at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater providing the employee has worked 1550 hours or more during the year in which vacation entitlement was accumulated. Employees working less than 1550 hours in the accumulating year, shall be entitled to the appropriate percentage of vacation pay.

Employees hired after June 1, 2003 shall have the following vacation entitlement:

An employee with ten (10) years or more continuous service shall thereafter receive eight percent (8%) or one hundred and sixty (160) hours, at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater providing the employee has worked 1550 hours or more during the year in which vacation entitlement was accumulated. Employees working less than 1550 hours in the accumulating year, shall be entitled to the appropriate percentage of vacation pay.

Section 4 Five Weeks Vacation

All employees with the sixteen (16) years or more continuous service shall thereafter receive ten percent (10%) or two hundred (200) hours, at their hourly rate of pay in effect at the time they take their vacation, whichever is the greater providing the employee has worked 1550 hours or more during the year in which vacation entitlement was accumulated. Employees working less than 1550 hours in the accumulating year, shall be entitled to the appropriate percentage of vacation pay

Section 5 Six Weeks Vacation

Effective January 1st, 1981 all employees with twenty-one (21) years or more of continuous service at December 31st, 1980 shall thereafter receive twelve percent (12%) or two hundred and forty (240) hours at their hourly rate of pay in effect at the time they take their vacations, whichever is the greater.

Section 6 Absence By Reason Of Accident Or Illness

Absence by reason of accident or illness shall be counted as hours worked in the intervening years between the employee's first year and final year of employment.

In any year where an employee has not qualified for a full vacation as a result of accident or illness, he will still be credited with a year of service to determine future vacations.

Section 7 Constitutes A Year's Service

Fifteen hundred (1500) hours shall constitute a year's service but no employee will be permitted to accumulate more than one (1) year of service, or any additional fraction thereof in any single calendar year however, General Holidays shall count as hours worked.

Section 8 Calculation of Vacation

1. Vacations shall be based on a calendar year and a calendar year shall be the period between January 1st and December 31st.

2. Vacation pay cheques will be issued to all employees in accordance with the provisions of Article 9 of this agreement.
3. An employee hired after January 1st in any year and who does not qualify for a full annual vacation, shall be paid an amount equal to four percent (4%) of his total wages from the date of employment to December 31st of the first year.

Employee then to work a full year before receiving a full annual vacation with pay. Time off (without pay) will be allowed during this year with such time off being calculated on the basis of holiday pay.

4. Employees who receive their vacation pay on the percentage basis shall be paid the appropriate percentage of gross income shown on their T4 income tax statement.

At the same time T4 slips are made available the employer shall type on the amount of Union Dues paid by each Union member in that year.

Section 9 Continuous Vacation Period

1. All employees entitled to more than two (2) weeks vacation may receive them in one continuous period only if they take their vacation in the off-season. The Union and the Company may, however, waive this provision where an employee requests, for compassionate reasons, that he be granted all of his vacation continuously, within the prime season.

Prime Season defined – May 1st to October 1st;

2. Employees entitled to three (3) weeks vacation, but whose seniority is such that they would not otherwise qualify for vacation in the prime season shall be given one week that season.
3. Employees, with the exception of those described in (#2) above, requesting a vacation during the prime season shall receive two (2) weeks in one (1) continuous period. The remainder of the vacation to which such employee is entitled shall be given during the off-season.
4. Employees shall be granted their vacation dates in order of their seniority, consistent with the efficient operation of the business, to a minimum of one person who shall be allowed on vacation. Vacation lists shall be posted by January 15th of each year and remain posted until March 15th of each year for the employees to mark their vacations. The final vacation schedule shall be posted by April 1st of each year and shall not be altered except by the mutual agreement of the Company and the employee.
5. Vacation period to start on completion of employee's normal work week and end on the first day of his normal work week on the completion of his vacation.
6. Where an employee has less than fifteen hundred (1500) hours and is terminating employment, voluntarily or otherwise, he shall receive 4%, 6%, 8%, 10% of his earnings as payment for the holidays to which he is entitled.
7. Unless otherwise mutually agreed between the Company and the employee, every employee shall be notified at least fourteen (14) days prior to being required to take any

vacation period. Once vacation periods are established the time shall not be changed, except where mutually agreed between the employee and the Company.

8. Any employee who accepts gainful employment while on vacation may be terminated.
9. In the event a General Holiday falls during an employee's vacation, the employee will be allowed a day off, with pay, in lieu of such General Holiday, either immediately preceding or immediately following his vacation period or a mutually agreed upon date. Such day off, with pay, in lieu of a General Holiday, will be designated on the final vacation schedule.

General Holidays that fall within the vacation period that are not designated on the final vacation schedule, the day in lieu of such General Holiday will be designated at the time the vacations are booked and approved.

ARTICLE 25 MAINTENANCE OF STANDARDS

Section 1 Conditions of Employment

The Company agrees that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest standards in effect at the time of signing of this Agreement.

Higher rated Union employees shall be subject to all terms and conditions of this Agreement.

ARTICLE 26

Section 1 Savings Clause

If any Article or Sections of this Agreement or any of the riders hereto should be held invalid by operation of law or by tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any rider thereto, or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

Section 2 Negotiations for Replacement of Articles Held Invalid

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth the Parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either Party for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the Parties do not agree on a mutually satisfactory replacement, they shall submit the dispute to the procedure as outlined in Article 28 following.

ARTICLE 27 MARGINAL NOTATIONS

The marginal section and article heading shall be used for purposes of reference only and may not be used as an aid in the interpretation of this Agreement.

ARTICLE 28

Section 1 Grievance Procedure

Whenever any dispute arises between the Company and the Union, or between the Company and one or more employees, the employees shall continue to work and the dispute shall be adjusted in accordance with the following procedure:

1. Termination or lay-off - ten (10) calendar days.
2. All other grievances - fifteen (15) calendar days.

In any dispute over a pay cheque or pay statement, or any matter thereon, the time limit shall be calculated from the date the employee received the pay cheque or pay statement.

STEP 1 Any grievance of an employee shall first be taken up between such employee and the Company supervisor, however, the employee will be entitled to be represented by a Shop Steward or a Union Representative.

STEP 2 Failing settlement under Step 1, such grievance shall be taken up between a Representative of the Union or a Shop Steward and the Company supervisor.

STEP 3 Failing settlement under Step 2, such grievance and any dispute arising between the Union and the Company over the interpretation or application of the provisions of this Agreement, including any dispute as to whether a matter is subject to this grievance procedure, shall be referred to two (2) authorized representatives of the Union and two (2) authorized representatives of the Company. The representatives of the Union and the Company shall exchange statements in writing setting forth their respective positions relative to the matter(s) in dispute not later than at their initial meeting.

STEP 4 Failing settlement under Step 3, either Party may refer the matter to an agreed upon neutral arbitrator who will meet with the authorized representatives of the Union and the Company to hear both sides of the case.

If the Parties fail to agree upon a neutral arbitrator within five (5) days (excluding Saturdays, Sundays and General Holidays) after one Party has served written notice on the other Party of its intention to refer the matter to a neutral arbitrator, the Minister of Labour will be requested to appoint a neutral arbitrator.

The arbitrator shall be required to hand down his decision within fourteen (14) days excluding Saturday and General Holidays) following completion of the hearing and his decision will be final and binding on the two Parties to the dispute and shall be applied forthwith.

The decision of the arbitrator shall be specifically limited to the matter submitted to him and he shall have no authority in any manner to amend, alter or change any provisions of this Agreement.

The cost of the arbitrator will be borne equally by the Union and by the Company.

Under Step 3 the Company will act as Recording Secretary and will furnish the Union with a copy of any such minutes. All copies of minutes will be signed by both the Union and the Company representative(s). Under Step 3 the meeting chairman will be rotated between the Union and the Company.

ARTICLE 29 DURATION OF AGREEMENT

Section 1 – Term of Agreement

This Agreement shall be for a term period of five years from and including **June 1, 2003, up to and including May 30, 2008**. Either party to this Agreement may, within four months immediately preceding May 30, 2008 give to the other party written notice to commence collective bargaining.

Section 2

After expiry of the term of this Collective Agreement and subject to the limitations necessarily resulting from the exercise of the rights of the Parties under Part 5 of the Labour Relations Code including the right to strike or lockout, the terms and conditions of employment as set out in this agreement, will be observed and not varied, accepted by the parties mutual consent during the period that the Union remains the bargaining agent for employees identified in this agreement.

Section 3

It is mutually agreed that the operation of Subsection 2 and 3 of Section 50 of the Labour Relations Code of British Columbia is specifically excluded from operation in this Agreement.

The Labour Relations Code provides as follows:

1. Subject to Subsection 4, if a Collective Agreement is for a term of more than one year, either party may at any time after the agreement has been in operation for eight (8) months apply to the Minister for leave to notify the other party that the agreement will be terminated on its next anniversary date.
2. If the Minister consents to the application under Subsection 2 and the Notice To Terminate is served on the other party at least three (3) months before the date on which the agreement is to be terminated, the agreement is terminated on that date.

Dated this day of June, 2003

SIGNED ON BEHALF OF THE
COMPANY

SIGNED ON BEHALF OF THE
UNION

APPENDIX “A-1”

The following rates apply to employees hired after January 18, 2000.

| Part Time/Full Time | Rate |
|---------------------|-------|
| Start | 8.50 |
| 500 Hours | 8.80 |
| 1000 Hours | 9.30 |
| 2000 Hours | 9.80 |
| 3000 Hours | 11.00 |
| 4000 Hours | 12.15 |
| 5000 Hours | 13.33 |

| Pricer/Marker | Rate |
|---------------|-------|
| Start | 8.30 |
| 500 Hours | 8.50 |
| 1000 Hours | 8.70 |
| 2000 Hours | 9.00 |
| 3000 Hours | 9.40 |
| 4000 Hours | 9.85 |
| 5000 Hours | 10.35 |

| Service Clerks | Rate |
|----------------|------|
| Start | 8.00 |
| 500 Hours | 8.15 |
| 1000 Hours | 8.25 |
| 2000 Hours | 8.35 |
| 3000 Hours | 8.50 |
| | |
| | |

| Security Guard | Rate |
|----------------|-------|
| Start | 8.30 |
| 500 Hours | 8.50 |
| 1000 Hours | 8.70 |
| 2000 Hours | 9.00 |
| 3000 Hours | 9.40 |
| 4000 Hours | 9.85 |
| 5000 Hours | 10.35 |

Service Clerks shall not operate equipment and shall assist regular and part-time employees. The primary function of the service clerk position is yard cleanup, and they may assist regular employees with customer service. Any student completing school or leaving school and having completed 12 months of service shall be eligible to move to the Part Time/Full Time start wage rate only when a Part Time position becomes vacant.

Hiab operator extra \$1.30 per hour above rate classification.

New Hiab Operator extra 25¢ per hour above rate. The Company will endeavour to use the qualified and available employees.

A Chargehand shall receive an extra 30¢ per hour above rate.

The Company and Union agree that the Stockman's function will become part of the Warehouse classification. Furthermore it is agreed that the following tasks are part of the Stockman's function:

- a. Unpacking and pricing all Home Hardware Stores Ltd. And Home Distribution shipments.
- b. Loading of customers in the attached yard.
- c. Moving product to back door for store staff to put away.

APPENDIX "A-2"

The following rates apply to employees hired prior to January 18, 2000.

| Part Time/Full Time | Rate Jun. 1/02 | | Pricer/Marker | Rate Jun. 1/02 |
|----------------------------|-----------------------|--|----------------------|-----------------------|
| Start | 9.14 | | Start | 8.63 |
| 3 months | 9.79 | | 3 months | 8.63 |
| 6 months | 11.36 | | 6 months | 9.30 |
| 12 months | 12.42 | | 12 months | 9.71 |
| 24 months | 14.00 | | 24 months | 10.88 |

| Service Clerks | Rate Jun. 1/02 |
|-----------------------|-----------------------|
| Start | 8.00 |
| 6 months | 8.49 |
| 12 months | 9.03 |
| | |
| | |

| Security Guard | Rate Jun. 1/02 |
|-----------------------|-----------------------|
| Start | 8.42 |
| 3 months | 8.63 |
| 6 months | 9.24 |
| 12 months | 9.71 |
| 24 months | 10.88 |

Service Clerks shall not operate equipment and shall assist regular and part-time employees. The primary function of the service clerk position is yard cleanup, and they may assist regular employees with customer service. Any student completing school or leaving school and having completed 12 months of service shall be eligible to move to the Part Time/Full Time start wage rate only when a Part Time position becomes vacant.

Hiab operator extra \$1.30 per hour above rate classification.

A minimum of one (1) employee shall be posted to a shift that shall be paid the \$1.30 per hour hiab operator rate on a daily basis for eight (8) hours per day, 5 days per week..

New Hiab Operator extra 25¢ per hour above rate. The Company will endeavour to use the qualified and available employees.

A minimum of one (1) employee shall be posted to a shift that shall be paid the 25¢ per hour hiab operator rate on a daily basis for eight (8) hours per day, 5 days per week..

A Chargehand shall receive an extra 30¢ per hour above rate.

The Company and Union agree that the Stockman's function will become part of the Warehouse classification. Furthermore it is agreed that the following tasks are part of the Stockman's function:

- a. Unpacking and pricing all Home Hardware Stores Ltd. And Home Distribution shipments.
- b. Loading of customers in the attached yard.
- c. Moving product to back door for store staff to put away.

APPENDIX “B”
HEALTH AND WELFARE

Section 1

The Company and the Union agree to amend the Health and Welfare Plan to the Prince George Home Building Centre Employees Benefit Plan as follows:

| | | |
|---|----------------------------------|---|
| 1 | Weekly Indemnity | 55% of monthly earnings to a maximum of \$800 |
| 2 | Long Term Disability | 50% of monthly earnings to a maximum of \$3000 |
| 3 | Extended Health Care | No deductible 80% reimbursement Out of Canada - \$25,000 per trip Drug Card |
| 4 | Life Insurance | 1X annual earnings |
| 5 | Accidental Death & Dismemberment | 1X annual earnings |
| 6 | Dental Plan | No deductible 80% reimbursement on Basic 50% reimbursement on Major |
| 7 | B.C. Medical | Unchanged |

Employees hired after January 28, 2000 will be enrolled in the plan as outlined above (Article 6 Section 4).

The Company and the Union agree that current employees Life Insurance and Accidental Death & Dismemberment will remain at three times earnings. Current part-time employees will be eligible to participate in benefits based on the existing qualification criteria.

Section 2

Employees shall be eligible to join the plan after three (3) months of employment and working on an active base of at least thirty (30) hours per week and receiving regular earnings.

Section 3

Any employee on benefits whose hours per week fall below (30) will pay one-hundred percent (100%) of his premiums for up to six (6) months at which time he will be disqualified from

benefits. If an employees hours fall below thirty (30) he may discontinue his benefits and will then re-qualify for them as outlined in Section 2.

Section 4

Any employee who has qualified for benefits on layoff will have the option of paying one-hundred percent (100%) of his premium for up to six (6) months save and except weekly income and Long Term Disability. If he declines his benefits he will then have to re-qualify for them as outlined in Section 2.

Section 5

In all cases employees working less than thirty (30) hours per week will not be eligible for weekly income and long-term disability.

Section 6

1. Employees will be eligible to join the retirement plan after three (3) months of employment and working on an active base at least thirty (30) hours per week and receiving regular earnings.
2. Employees may participate in the Retirement Plan on a voluntary basis. Required contributions to the Company Retirement Plan for eligible employees will be three percent (3%) of annual earnings up to the same maximum used for the Canada Pension Plan contributions and five percent (5%) of any excess. The Company will maintain the R.R.S.P. one percent (1%) of the eligible payroll to the members. The funds are held in each employee's name. The account is kept at London Life or as directed by the consultants of the Home Hardware Franchise Dealer Plan.

APPENDIX “C”

RE: SPECIAL ASSESSMENT FEE

Given that the Union has implemented a policy of charging it's members a special assessment for the Union Industry Advancement Fund and given that it is administratively easier to deduct this special assessment at source, the Company agrees to generate this special assessment deduction as a lump sum calculated on May 31st of each year based on five cents (5¢) for all hours worked.

**LETTER OF UNDERSTANDING #1
BETWEEN
CENTRAL BUILDERS SUPPLY P.G. LIMITED
AND
TEAMSTERS UNION LOCAL 31
RE: SENIOR EMPLOYEES WORK WEEK**

The Company and the Union agree that the eight senior employees in the bargaining unit shall continue to work five days a week, eight hours per day, and shall receive forty regular hours of work per week exclusive of overtime. The normal layoff procedure found within the Collective Agreement will apply to the above if the Company cannot maintain the eight due to lack of business. This Letter of Understanding shall expire upon the termination date of the Agreement or be renewed.

Dated this day of June, 2003

SIGNED ON BEHALF OF THE
COMPANY

SIGNED ON BEHALF OF THE
UNION

**LETTER OF UNDERSTANDING #2
BETWEEN
CENTRAL BUILDERS SUPPLY P.G. LIMITED
AND
TEAMSTERS UNION LOCAL 31
RE: HOURS IN ACCORDANCE WITH SENIORITY**

Article 23 will be interpreted as the Company scheduling part-time employees to blocks of hours on each schedule so that the number of hours worked by the part-time employees will be in accordance with their seniority except where a senior employee does not wish to work the scheduled hours provided. This means that the most senior employee will work the most hours, the next most senior employee the next greatest number and so on.

Dated this day of June, 2003

SIGNED ON BEHALF OF THE
COMPANY

SIGNED ON BEHALF OF THE UNION

**LETTER OF UNDERSTANDING #3
BETWEEN
CENTRAL BUILDERS SUPPLY P.G. LIMITED
AND
TEAMSTERS UNION LOCAL 31
RE: WAGE PROGRESSION**

The Company and the Union agree to the following conditions:

Employees hired prior to January 18, 2000 will continue to move through the current wage progression using the current progression method based on calendar time.

Travis Sache will be moved to the 4000 hour rate and will be considered a full time employee with benefits.

Glenn Cummins, Cliff Halvorson, Rene Roberts, Harvey Small, Calen McBurnie, Ken Miller, Rick Sache will receive a signing bonus of \$500 on June 1, 2003 and \$350 on December 1, 2004 and December 1, 2006.

Employees that are on the payroll now that are not included in the above will receive a signing bonus of \$100 on June 1, 2003 and \$50 on December 1, 2004 and December 1, 2006. Travis Sache will get \$100.00 June 1, 2003 and \$350.00 signing bonus on December 1, 2004 and December 1, 2006 as a signing bonus.

Dated this day of June, 2003

SIGNED ON BEHALF OF THE
COMPANY

SIGNED ON BEHALF OF THE UNION

**LETTER OF UNDERSTANDING #4
BETWEEN
CENTRAL BUILDERS SUPPLY P.G. LIMITED
AND
TEAMSTERS UNION LOCAL 31
RE: SWAMPERS**

The Company and the Union agree that the Company may hire “Swampers” on an incidental basis for drywall packs provided the following conditions are followed:

- A) A Swamper will not be called to work if any bargaining unit member (including new hires) is available and willing to do the work. A bargaining unit member who goes on a drywall carry in will receive his regular rate of pay only.
- B) On small drywall packs, a Swamper will be sent only with a bargaining unit driver, one Swamper per truck. In the case of truckload pack-ins or second story work, a bargaining unit member will transport the product to the site and place it available for a multiple person Swamper crew to carry it into the house.
- C) A Swamper will be paid no less than four (4) hours per call out and shall receive not less than \$8.30 per hour plus a piecework rate of \$3.00 per 1000 square feet of drywall packed.
- D) A Swamper will be paid overtime if applicable at the rate of \$8.30 per hour: Between 8 and 10 hours per day at one and one half (1 ½) times regular rate, this applies to hourly rate only not piecework rate. Over ten (10) hours per day will be paid at double (2X) regular rate, this applies to hourly rate only, not piecework rate.
- E) A Swamper will not perform bargaining unit members work other than drywall packs.
- F) A Swamper will be entitled to a 15 minute break after the first two (2) hours worked, a 30 minute unpaid meal break after the next two (2) hours worked, a second paid 15 minute break after the next two hours worked and a 15 minute paid break for each additional two (2) hours worked.
- G) A Swamper shall be entitled to apply for yard positions as they come available and will be considered on the basis of prior experience and ability, as with any other out of service person.
- H) Every effort shall be made to schedule the Swamper for a drywall pack the day prior to the pack in.
- I) A Swamper will be paid on regular payroll days. A Swamper shall receive four percent (4%) vacation pay and four percent (4%) statutory holiday pay on each pay cheque.

- J) A Swamper shall not be a member of the Union or bargaining unit, nor shall he pay regular dues; he shall however pay a Rand Formula fee of \$25.00 monthly to the Union. The service fee shall be deducted from the Swampers' first cheque each month and remitted to the Union as per the terms of the Collective Agreement.
- K) Swampers shall be offered work in the order in which they were hired.
- L) Swampers shall be notified by the Company if their services are no longer required and the reason why.

The Company or the Union may terminate this Letter of Understanding on thirty (30) days written notice by either party.

Signed this _____ day of June, 2003

**SIGNED ON BEHALF OF THE
COMPANY**

**SIGNED ON BEHALF OF THE
UNION**

Grant Skelly
