

COLLECTIVE AGREEMENT

BETWEEN

CANADA BREAD COMPANY, LIMITED

AND

TEAMSTERS LOCAL UNION No. 213

JULY 6th, 1998 - JULY 5th, 2008

DON McGILL
Secretary-Treasurer

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CANADA BREAD COMPANY, LIMITED

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COLLECTIVE AGREEMENT

THIS AGREEMENT EFFECTIVE THE 6TH DAY OF JULY, 1998.

BETWEEN: **CANADA BREAD COMPANY, LIMITED**
(the "Company")

AND: **TEAMSTERS LOCAL UNION No. 213**
Chartered by the Union,
(the "Union")

ARTICLE 1. RECOGNITION & SCOPE

- 1.01 The Company recognizes the Union as the sole bargaining agent for its Distributors working at or out of the Company (CBCL).
- 1.02 Distributors are defined as those persons, including limited companies, who satisfy the eligibility criteria as determined by the Company and who have executed a standard form Distributors Agreement for the Company (CBCL). Distributors are those persons owning the distribution rights as defined by the Distributor Agreement in owning and operating one (1) truck, but do not include their employees (if any) nor distributors who regularly employ other persons to operate a truck or trucks.
- 1.03 The parties agree that the Distributors, as defined, shall form a separate and distinct unit and must remain members in good standing of the Union.

ARTICLE 2. MANAGEMENT RIGHTS

- 2.01 The Union recognizes and acknowledges that the management of the Company's business resides exclusively in the Company unless expressly restricted by the terms of this Collective Agreement.
- 2.02 This Collective Agreement shall prevail over the individual Distributors Agreement(s) only where expressly stated. The individual Distributors Agreement(s) remain in effect and are not rendered invalid or unenforceable by reason of the operation of this Collective Agreement, and such Distributors Agreement do not form part of this Collective Agreement.

ARTICLE 3. NO INTERRUPTION OF WORK

- 3.01 During the term of this Agreement, the Company will not lock out any Distributors, nor will the Union and or the Distributors cause, direct, or participate in any strike or other collective action which would interfere with service of the efficiency of operations of the Company.
- 3.02 Further, the Union and or any Distributor agrees not to take any steps seeking to invalidate the terms of this Agreement or any Distributors Agreement.

ARTICLE 4. UNION SECURITY AND REPRESENTATION

- 4.01 It shall be the responsibility of each Distributor covered by this Agreement to pay any and all Union dues, initiation fees or other assessments as may be required by the Union from time to time in accordance with the Union's constitution and By-Laws.

ARTICLE 5. DISPUTE RESOLUTION PROCEDURE

- 5.01 It is the mutual desire of the parties hereto that complaints of Distributors shall be addressed as quickly as possible without interference with any work.
- 5.02 A "Complaint" shall be defined for purposes of this Collective Agreement as a complaint regarding the interpretation, application or alleged violation of the terms and provisions of this Collective Agreement and shall be processed as set out below:

Step 1: The Distributor and/or Union shall submit a signed, dated and written statement of such Complaint to the Company no later than five (5) working days from the time the Complaint first arose. The Complaint must set out the nature of any alleged breach of this Collective Agreement, the Article of the Collective Agreement allegedly violated, misapplied or misinterpreted and the remedy sought to resolve the matter, failing which such Complaint shall be deemed to be abandoned. The Company may respond in writing within three (3) working days of the date of receipt of such Complaint, failing which the Complaint may automatically be taken to Step 2 by the Distributor and/or the Union.

Step 2: If the Complaint has not been resolved at Step 1 or if the Distributor has not received a satisfactory response, the Distributor and/or the Union shall request a meeting with local management no later than three (3) working days after the expiry of the time limits for the Company's response as set out in Step 1. If such meeting is requested, local management will conduct such meeting within three (3) working days of the request.

- 5.03 If final settlement of the Complaint is not reached at Step 2, the Distributor and/or the Union shall notify local management in writing, within three (3) working days after the expiry of the time limits for the Company's response set out in Step 2, of its desire to refer such Complaint to arbitration. The Union shall in turn refer the Complaint to arbitration within fifteen (15) working days of such notification. Failure to provide such notification to local management or to refer the Complaint within the specified time limits shall result in the Complaint being deemed to have been abandoned.
- 5.04 Should the Company choose to file a Complaint alleging that the Union has violated, misapplied or misinterpreted this Collective Agreement, the Company shall provide the Union with such Complaint within five (5) working days from the time the difference arose and shall request a meeting with the appropriate Union officers within three (3) working days from the filing of such Complaint. If such Complaint is not resolved at that meeting, the Company shall provide written notice within three (3) working days of the scheduled date of such meeting of its intention to refer the Complaint to arbitration. The Company shall in turn refer the Complaint to arbitration within fifteen (15) working days of such notification. Failure to provide such notification shall result in the Complaint being deemed to have been abandoned.
- 5.05 Time limits specified in this Dispute Resolution Procedure are mandatory. The parties hereto also agree that the time limits specified in the Dispute Resolution Procedure may be extended by mutual agreement, in writing between the Company and the Union.

ARTICLE 6. ARBITRATION

- 6.01 Where a Complaint is referred to arbitration in accordance with the requirements of Article 5, such complaint shall be heard by a single arbitrator unless the parties otherwise agree. It is understood and agreed that the parties will make their selection of such arbitrator based on mutual agreement. If no actual agreement is reached, either party may submit to the arbitration procedure.
- 6.02 An arbitrator shall not have jurisdiction to amend, alter, modify or add to any of the provisions of the Collective Agreement, nor to substitute any new provision in lieu thereof, nor to give any decision inconsistent with the terms and provisions of this Collective Agreement.
- 6.03 Each of the parties hereto will equally share the fees and expenses of the arbitrator. Each party shall pay its own costs otherwise.
- 6.04 Arbitrations shall be heard at a location agreeable to the parties involved.

ARTICLE 7. TERMINATION OF DISTRIBUTOR'S INDIVIDUAL AGREEMENT

7.01 A Distributor whose Distributor's Agreement has been terminated may complain in accordance with Article 6 herein that his Distributor's Agreement was not terminated in accordance with the Individual Distribution Agreement. No right to complain under Article 6 will arise in any instance where written notice in accordance with the Individual Distributor Agreement has been provided to the Distributor.

7.02 The Distributor is entitled to request the presence of one (1) Union representative at any meeting where such Distributor is given written notice of breach of Individual Distributor Agreement. Non-compliance with this entitlement shall not result in the written notice of breach being null and void.

ARTICLE 8. DURATION

8.01 This Agreement except as otherwise expressly stated shall become effective on July 6th, 1998 and shall remain in effect until July 5th, 2008 and shall continue in force from year to year thereafter, unless not more than ninety (90) days and not less than thirty (30) days before the end of any yearly period, either party furnishes the other with written notice of termination or proposed revision of this Collective Agreement. Such Notice shall be addressed to the Company's place of business and to the Union at 490 East Broadway, Vancouver, B.C. V5T 1X3. A Notice under the agreement shall not be considered a notice to terminate any Distributor's agreement.

AGREED TO this 6th day of July, 1998.

ON BEHALF OF THE COMPANY

ON BEHALF OF THE UNION

