

COLLECTIVE AGREEMENT

BETWEEN

CANPLAS INDUSTRIES LTD.

AND

TEAMSTERS LOCAL UNION No. 213

March 1st, 2005 - February 29th, 2008

**DON MCGILL
Secretary-Treasurer**

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OF THE FIRST PART

AND: **TEAMSTERS LOCAL UNION No. 213,**
affiliated with the International
Brotherhood of Teamsters,
of the City of Vancouver,
Province of British Columbia;

(hereinafter referred to as the "Union")

OF THE SECOND PART

ARTICLE 1 - RECOGNITION

- 1.01 The Company recognizes the Union as the sole collective bargaining agent of all of its employees defined in Section 1.02 for the purpose of conducting collective negotiations regarding rates of pay, hours of work and all other conditions of employment, in conformity with the Labour Code of British Columbia.
- 1.02 The words "employee" or "employees" whenever used in this Agreement shall mean respectively an employee or employees of the Company at its plant on Annacis Island, British Columbia, included in the group of employees specified in the decision of the British Columbia Labour Relations Board dated November 22, 1966, whereby the Union was certified to represent all employees of the Company save and except sales and office personnel and those excluded by the Labour Code of British Columbia.
- 1.03 The Company will not direct a supervisor to perform work for the purpose of depriving a bargaining unit employee of his regular work. Notwithstanding the foregoing a supervisor may perform such work of instruction, experimentation and demonstration or where there is an emergency.

ARTICLE 2 - DURATION OF AGREEMENT

- 2.01 This Agreement shall be in full force and effect from and including March 1st 2005, to and including February 28th, 2008, and shall continue in full force and effect from year to year thereafter, subject to the right of either party to this Agreement within four (4) months immediately preceding the expiry date, or immediately preceding the anniversary date in any year thereafter, by written notice to the other party, require the other party to commence collective bargaining with a view to the conclusion of a renewal or revision of the collective agreement, or a new collective agreement.

- 2.02 Should either party give written notice to the other party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike and such strike has been implemented, or the Company shall give notice of lockout and such lockout has been implemented or the parties shall conclude a renewal or revision of the Agreement or a new Collective Agreement.
- 2.03 It is mutually agreed that the operation of sub-sections 2 and 3 of Section 50 of the British Columbia Labour Relations Code is specifically excluded from operation in this Agreement.

ARTICLE 3 - UNION SECURITY

- 3.01 The Company recognizes that present employees belonging to the Union will continue to do so as a condition of employment and all new employees within the Bargaining Unit shall become members of the Union upon commencement of employment.
- 3.02 Each employee shall sign an assignment of wages to the Union, authorizing the Company to deduct from his wages and pay over to the Union's Secretary-Treasurer, by the tenth (10th) day of the month following, his monthly dues, initiation fees and assessments (excluding fines) levied in accordance with the Union's By-Laws. Providing there is financial responsibility by the employee.
- 3.03 The Union shall each month mail to the Company a checkoff form, in duplicate, setting out the name of each employee in the Union and the amounts of dues, etc. they owe. The Company shall delete any names from such lists of employees who have terminated since the previous list and shall also add the names of any new employees.
- 3.04 The Company shall give the Union an opportunity to refer suitable applicants for employment. However, the Union does recognize the Employer's right to hire from wherever he chooses.
- 3.05 Copies of the Agreement shall be provided by the Company and each employee shall be furnished with a copy. The Union shall be furnished sufficient copies to meet its needs.

ARTICLE 4 - MANAGEMENT

- 4.01 The Union agrees that the Company has the right:
- (a) Generally, to manage the enterprise, locate, extend, curtail, or cease operations and to determine the numbers and classifications of

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employees required for any and all operations, the kinds and locations of machines and the tools to be used and the schedules of production;

- (b) To make and alter, from time to time, rules and regulations to be observed by the employees on the job and on Company property; to hire, classify, transfer, promote and to discharge, demote, lay-off, suspend or discipline employees for proper cause provided, however, that if any employee believes that he has been discharged, demoted, laid-off, suspended, or disciplined without proper cause or that any other exercise of the foregoing rights in conflict with any provisions of this Agreement, he may have the matter dealt with under the Grievance Procedure.

ARTICLE 5 - UNION ACTIVITIES OF EMPLOYEES AND LEAVE OF ABSENCE

- 5.01 The Company may, on written request from the Union, grant a one (1) year's leave-of-absence during his term of office to not more than one (1) employee who is employed as an Officer of the Union. Such leave may be renewed by the Company at the request of the Union.

No employee who acts within the scope of the above paragraph shall lose his job or be discriminated against for so acting.

- 5.02 The Company may grant leave-of-absence which must be written and signed by an authorized Company official.

- 5.03 When hereafter an employee is absent on leave-of-absence or otherwise for a period in excess of thirty (30) days, except in case of disabling accident or sickness, such excess period shall not be counted and shall be excluded in computing seniority.

- 5.04 An employee on a leave-of-absence which extends beyond thirty (30) days will be required to pay the full cost, employee and Company shares, of the benefits outlined in Article 24 - Health and Welfare, subsections (a), (c) and (d).

- 5.05 An employee on leave-of-absence which extends beyond thirty (30) days will not be covered by Non-occupational sickness and Accident Weekly Indemnity Insurance as outlined in Article 24 - Health and Welfare, subsection (b).

- 5.06 In the event of the death of a spouse, mother, father, children, sister, brother, mother and father-in-law, sisters and brothers-in-law, grandparents, and step-parents, the employee shall be allowed time off work with pay for the purpose of arranging for or attending the funeral, as follows. The time to be paid for will be a maximum of three (3) consecutive working days from the day of death through the day after the funeral, inclusive.

For the purpose of this Agreement the definition of spouse will include a man or woman not married to each other who lived together as husband and wife for a period of not less than two (2) years.

Payment will be made on the basis of the employee's hourly wage rate for the employee's regularly scheduled shift of 8 hours per day, exclusive of overtime and other forms of premium pay, for up to three days absence. Payment will only apply to a day on which the employee would otherwise have worked a regular shift. No extra pay allowance will be granted for multiple or simultaneous deaths occurring within any three day period.

- 5.07 If, because of the distance involved, the employee does not attend the funeral of a member of his immediate family, as defined in 5.06 above, then one day's paid absence from work will be granted on the day of the funeral.
- 5.08 The Company will pay an employee who serves as a juror, or is subpoenaed as a witness by the Crown, the difference between eight (8) hours times such employee's basic hourly rate of pay and the amount of jury or witness pay received for each day he served as a juror or witness and that he would otherwise have normally worked.

ARTICLE 6 - SHOP STEWARD

- 6.01 The Union shall from time to time notify the Company in writing of the names of employees who are serving as Stewards and they shall be recognized as such by the Company only on receipt of such notice. There shall not be more than three (3) Stewards and an employee, to be a Steward, must have completed a minimum of six (6) months service with the Company.
- 6.02 The Union acknowledges that Stewards, like other employees, have regular duties to perform on behalf of the Company, and any of these shall report to his foreman and request permission to leave his working place to investigate or attempt to settle a grievance or to attend a meeting with representatives of the Company, as provided in the Agreement during working hours. Such permission will not be unduly denied.
- 6.03 The Company will advise the Union within twenty-four (24) hours of the lay-off or discharge of a Steward.

ARTICLE 7 - WORK CLOTHES

- 7.01 Work gloves, coveralls and aprons will be provided where needed and other necessary protective devices, except safety shoes, will be provided by the Company at no cost to the employees. Upon completion of thirty (30) days service with the Company, an allowance of up to one hundred and twenty-

five dollars (\$125.00) per year towards the cost of CSA approved safety shoes will be paid.

7.02 The Company agrees to provide one (1) jacket type smock per week per man in the Warehouse and Quality Control Departments. Hopper Attendants to be supplied with three (3) pair of coveralls per week per man.

ARTICLE 8 - UNION NOTICES

8.01 The Company shall provide one (1) bulletin board for Union notices in the lunch room.

The following items will be posted on the notice board:

1. A copy of this Agreement.
2. A valid seniority list to be revised every six (6) months and a copy of this seniority list to be forwarded to the Union with employees' basic wage rate included on list.
3. Copies of the Employer's welfare plan with details as to when employees are eligible.

8.02 Notices which the Union wishes to have posted on the bulletin board shall be submitted to the Company for posting.

ARTICLE 9 - CONFLICTING AGREEMENT

9.01 The Company agrees not to enter into any agreement or a contract with employees covered by this Agreement, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement or any Statute of the Province of British Columbia or Canada. Any such agreement will be null and void.

9.02 Management agrees that before effecting any wage rate, other than those set out in this Agreement, it shall first discuss same with the Union Agent.

ARTICLE 10 - NO CESSATION OF WORK

10.01 The Company shall not cause or direct any lockout of employees during the life of this Agreement, and neither the Union nor any representative of the Union, nor any employee shall in any way authorize, encourage or participate in any strike, walk-out, suspension, or slow-down of work.

ARTICLE 11 - GRIEVANCE PROCEDURE

11.01 It is agreed that an employee, assisted by a Steward if he so desires, will endeavour to settle any complaint or dispute with his Supervisor before proceeding with the Grievance Procedure.

- 11.02 It is agreed that the settlement of any grievance shall not conflict with the provisions of this Agreement. Such settlement shall be binding on the Company, the Union and the employee(s) concerned, but it shall not be construed as a precedent in respect to any other grievance.
- 11.03 Should any difference as to the meaning or alleged violation of the provision of this Agreement arise between the Company and any employee, then the Grievance Procedure as set forth in this Agreement is to be followed.
- 11.04 When two (2) or more employees have a similar grievance respecting the meaning or alleged violation of this Agreement this shall be a group grievance and shall be presented to the Supervisor or Supervisors concerned by not more than two (2) of the group.

STAGE ONE

- 11.05 The employee, assisted if he so desires by a Steward, states his grievance in writing to his Supervisor within seven (7) days of the time said grievance originated. If within forty-eight (48) hours from the time when such representations were made to the Supervisor, a decision satisfactory to the employee is not given, then the matter shall be put in writing on a Grievance Form and submitted at Stage Two.

STAGE TWO

- 11.06 A Steward may, by notice in writing, to be given within five (5) days after the decision was given or should have been given in Stage One, request a meeting to discuss such grievance. The Management Representative shall notify the Steward of the time and place at which such meeting will take place. Such meeting shall be held not later than seven (7) days after such request has been received by the Management Representative. The Management Representative will give a decision in writing within seven (7) days after the meeting has been held. The Management Representative will not be called upon to meet more than two (2) Stewards at any one time. If the Company or the Union so requests employee(s) involved shall be present.
- 11.07 Other officials or representatives of the Company may be present when the grievance is being dealt with at any Stage if the Company so desires. A representative of the Teamsters' Union Local 213 may be present at any stage. If the grievance is not satisfactorily disposed of the matter may then be referred to arbitration as hereinafter provided.
- 11.08 In the event that the designated member of Management is not available for any reason to deal with a grievance, it shall be dealt with by another official of the Company who shall be designated and vested with equal authority by the Company for this purpose.

- 11.09 Saturdays, Sundays and paid General Holidays shall not be counted in determining the time within which any action is to be taken in each of the two stages of the Grievance Procedure or under the Articles dealing with Arbitration and Discharge Cases.
- 11.10 Any and all time limits fixed by this Article and the Articles dealing with Arbitration and Discharge Cases for the taking of action by either party or by an employee may at any time be extended by mutual agreement between the Company and the Union.
- 11.11 The time limits fixed in this Article and the Articles dealing with Arbitration and Discharge Cases shall be observed or the matter shall be deemed to have been settled or abandoned, except as set out in section 11.10 above.
- 11.12 If there is any grievance directly between the Union and the Company respecting the interpretation or alleged violation of this Agreement, one party may, instead of following the Grievance Procedure set forth in the Agreement, submit such grievance in writing to the other party. Within seven (7) days, there shall be an opportunity of verbal discussion between the Union's Grievance Committee and representatives selected by the Company for that purpose. Failing settlement of said grievance, the written answer of the party who received said grievance must be given within seven (7) days of the said meeting.

ARBITRATION PROCEDURE

- 11.13 Should there be any grievance concerning the meaning or alleged violation of this Agreement which has not been satisfactorily settled under the foregoing Grievance Procedure the matter may then be referred to arbitration as hereinafter provided. Notice of reference to arbitration shall be given in writing by one party to the other within fourteen (14) days after the decision of the Management Representative at Stage Two (Article 11.06) has been or should have been given or the decision provided for in Article 11.12 has been or should have been given.
- 11.14 In any case in which a Board of Arbitration shall be required under this Agreement, the Union and the Company shall each appoint one arbitrator and the two arbitrators so appointed shall appoint a third who shall act as Chairman. Each party shall notify the other in writing of the name of its arbitrator within five (5) days from the date of receipt of notice of arbitration. Should the parties mutually agree, a single arbitrator may be used in place of the panel of three.
- 11.15 In the event of the failure of the two arbitrators to agree upon a Chairman, he shall be appointed by the Minister of Labour of the Province of British Columbia. The said Arbitration Board shall forthwith sit, hear witnesses and arguments of the parties and make its award, if possible, within fifteen (15) days from the day the Chairman is named, or within such longer period as

the parties may agree to. The decision of the majority of the Board shall be final and binding on all parties.

- 11.16 Arbitrations shall be heard at such place as the parties shall mutually agree upon in writing.
- 11.17 In any arbitration, the written submissions of the Union made at Stage One (Article 11.05) or Stage Two (Article 11.06) and the decision of the Company at Stage Two (Article 11.06) or under Article 11.12 shall be presented to the arbitrators and the award of the arbitrators shall be confined to determining the issues therein set out.
- 11.18 Each party shall pay the expenses of its arbitrator and the costs of preparation. The expenses of the third arbitrator shall be borne equally by the Union and the Company.
- 11.19 The Arbitration Board shall not have any power nor is it authorized to alter, modify, add to, or amend any part of this Collective Agreement.
- 11.20 The provisions of Section 96 of the Industrial Relations Act of British Columbia is hereby excluded, except by mutual consent of the parties.

SUSPENSION AND DISCHARGE CASES

- 11.21 If an employee is suspended or discharged from his employment after the date hereof and believes that his suspension or discharge is without just and sufficient cause, he may have the matter dealt with under the Grievance Procedure. Any such matter may be presented at Stage Two of the Grievance Procedure and within five (5) days after written notice of such suspension or discharge has been given.
- 11.22 If it should be finally decided that the suspension or discharge was without just and sufficient cause following the provisions of this Agreement such employee shall be reinstated and shall receive full compensation for time lost after such suspension or discharge, calculated at his basic hourly rate of pay and on the basis of his regular work week and work days, less the amount the employee has earned in outside employment since his suspension or discharge.
- 11.23 Upon such reinstatement, there shall be deemed to have been no break in the employee's continuous service by reason of such discharge.
- 11.24 An employee will be given a copy of any warning notice or memorandum pertaining to corrective or disciplinary measures which is placed in his file. A warning notice or memorandum as above which has been in an employee's personal file for fifteen (15) months will not be used against him in the

administration of discipline, provided he has had a discipline-free record within that fifteen (15) month period. All files will be cleared of any memorandum prior to November 30, 1979, subject to each employee having a fifteen (15) month free period.

ARTICLE 12 - JOB POSTING AND PROMOTION

- 12.01 In the event of a job vacancy, or a new job is created, the Company shall post a notice on the bulletin board indicating same within seventy-two (72) hours of occurrence and giving details of the job, rate of pay, etc. Employees desiring job shall then apply in writing within forty-eight (48) hours of such posting, excluding weekends, except that employees on vacation or on leave of absence due to sickness, accident or other reason at such time shall have the privilege of applying within forty-eight (48) hours of return or thirty (30) days of such posting, whichever expires first.
- 12.02 In making a promotion (except to a position the occupant of which is not classified as an employee) the Company shall consider the following two (2) factors in determining which employee shall be promoted:
- (a) the seniority of each employee concerned, and
 - (b) the requirements and the efficiency of operations and the ability, knowledge, training, skill and physical condition to do the work of each employee concerned.
- 12.03 When factor (b) above is to all intents and purposes equal as between two (2) or more employees, then, except as hereinafter provided, the employee having the greater or greatest seniority will receive the promotion.
- 12.04 The Company will post the names of the successful candidate(s) within ten (10) working days of the posting.
- 12.05 Any employee who is promoted shall be allowed a reasonable period of trial of up to ninety (90) days. The length of this period to be determined by the Company. If found unsatisfactory shall be given the opportunity of going back to his former position without loss of seniority.

ARTICLE 13 - TECHNOLOGICAL CHANGE

- 13.01 If the Company proposes the introduction of equipment in its operations requiring specialized training, the Company agrees to give first opportunity to employees then on the payroll through the Job Posting procedures of this Agreement to operate this equipment and/or train to operate the equipment, provided the applicant qualifies according to Article 12, Subsection .02.

- 13.02 The Company agrees where possible to notify the Union no less than three (3) months in advance of the introduction of any new equipment.
- 13.03 The Company agrees to assist the Union and Canada Manpower in order to arrange for training of employees whose jobs no longer exist as a result of automation, but whose seniority entitles them to continued employment. Such employees shall have the choice of taking the training provided or of accepting a layoff.
- 13.04 If, as a result of a technological change, an employee with five (5) or more years of service loses his employment with the Company and provided he is eligible for benefits under this program, he will be entitled, at the time of termination, to severance pay. The amount of this pay will be five dollars (\$5.00) for each complete month of service with the Company since the date of his last hiring.

ARTICLE 14 - ANNUAL VACATIONS

- 14.01 An employee with less than one (1) year of continuous service as of May 31st shall be entitled to a vacation of one (1) day for each month of continuous service up to a maximum of ten (10) days, with pay equal to four percent (4%) of his earnings during the year ended such May 31st.
- 14.02 An employee with one (1) year or more of continuous service as of May 31st shall be entitled to a vacation of two (2) weeks, with pay equal to four percent (4%) of his earnings during the year ended such May 31st, or to eighty (80) hours at his basic hourly rate as of May 31st, whichever is greater.
- 14.03 An employee with three (3) years or more of continuous service as of May 31st shall be entitled to a vacation of three (3) weeks, with pay equal to six percent (6%) of his earnings during the year ended such May 31st, or to one hundred and twenty (120) hours of his basic hourly rate as of May 31st, whichever is greater.
- 14.04 An employee with ten (10) years or more of continuous service as of May 31st shall be entitled to a vacation of four (4) weeks, with pay equal to eight percent (8%) of his earnings during the year ended May 31st, or to one hundred and sixty (160) hours at his basic hourly rate as of May 31st, whichever is greater.
- 14.05 An employee with fifteen (15) years or more of continuous service as of May 31st shall be entitled to a vacation of five (5) weeks, with pay equal to ten percent (10%) of his earnings during the year ended such May 31st, or to two hundred (200) hours at his basic hourly rate as of May 31st, whichever is greater.

- 14.06 An employee with twenty-five (25) years or more of continuous service as of May 31st shall be entitled to a vacation of six (6) weeks, with pay equal to twelve percent (12%) of his earnings during the year ended such May 31st, or to two hundred and forty (240) hours at his basic hourly rate as of May 31st, whichever is greater.
- 14.07 When a paid holiday occurs during an employee's vacation, he shall be granted, subject to the requirements of operations, one (1) additional day of paid vacation or a day's pay in the amount of eight (8) times his basic hourly rate.
- 14.08 An employee leaving the service of the Company shall be entitled, if he has not already received it, to the vacation pay to which he became entitled on June 1st, immediately preceding and to an indemnity of four percent (4%), six percent (6%), eight percent (8%), ten percent (10%), or twelve percent (12%), whichever is the case, of his earnings since such June 1st.
- 14.09 Subject to the requirements of operations and the employee's length of service, the Company shall meet the wishes of the employees as far as possible in setting vacation dates. Vacations taken between October 1st and May 31st may be taken in one (1) unbroken period and the employee shall have the sole right to decide whether his vacation shall be in one period or split. However, if the employee chooses to have his vacation between June 1st and September 30th he may take only two (2) consecutive weeks of such vacation until such time that all employees have had a chance at some vacations in this prime vacation period.

PART TIME EMPLOYEES

- 14.10 A part time employee with less than one (1) year of continuous service as of May 31st shall be entitled to a vacation of one (1) day for each month of continuous service up to a maximum of ten (10) days, with pay equal to four percent (4%) of his earnings during the year ended such May 31st.
- 14.11 A part time employee with one (1) year or more of continuous service as of May 31st shall be entitled to a vacation of two (2) weeks, with pay equal to four percent (4%) of his earnings during the year ended such May 31st.
- 14.12 A part time employee with three (3) years or more of continuous service as of May 31st shall be entitled to a vacation of three (3) weeks, with pay equal to six percent (6%) of his earnings during the year ended such May 31st.

- 14.13 A part time employee with eleven (11) years or more of continuous service as of May 31st shall be entitled to a vacation of four (4) weeks, with pay equal to eight percent (8%) of his earnings during the year ended such May 31st.
- 14.14 A part time employee with fifteen (15) years or more of continuous service as of May 31st shall be entitled to a vacation of five (5) weeks, with pay equal to ten percent (10%) of his earnings during the year ended such May 31st.
- 14.15 A part time employee with twenty-five (25) years or more of continuous service as of May 31st shall be entitled to a vacation of six (6) weeks, with pay equal to twelve percent (12%) of his earnings during the year ended such May 31st.
- 14.16 When a paid holiday occurs during a part time employee's vacation he shall be granted one (1) additional day of vacation.

ARTICLE 15 - GENERAL HOLIDAYS

- 15.01 It is agreed by the Company that all employees shall be entitled to the following ten (10) holidays:

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

Each employee shall be entitled to, and receive, an eleventh (11th) floating holiday with pay at his current rate. This floating holiday will be observed at a time mutually agreed to by each employee and the Employer. The employee will advise the Company ten (10) working days before and the Employer will advise within two (2) days of the request. If during the life of this Agreement either the Government of Canada or British Columbia declares any day other than those listed above as an eleventh (11th) holiday, such declared holiday shall replace the floating holiday described above. If an employee retires, terminates or resigns before receiving the floating holiday he shall be paid a day's pay in addition to all other monies to which they are entitled.

- 15.02 When any such holiday falls on a Saturday or a Sunday, the immediately following Monday shall be considered the holiday. Under no circumstances will the holiday be more than one twenty-four (24) hour period.
- 15.03 An employee who is not required to work on a holiday shall be paid for eight (8) hours at his basic hourly rate, except that he shall not be paid if:
- (a) he has been in the employ of the Company for less than fifteen (15) days during the thirty (30) days immediately prior to the Holiday,

- (b) he failed to work his last full scheduled work days immediately preceding and immediately following the Holiday.

However, payment for such Holiday will nevertheless be made if the employee was absent from work the day immediately preceding or the day immediately following, but not both days, because of verified illness.

An employee who is absent from work for a total of no more than four (4) days which fall wholly within the period extending from two (2) days before and two (2) days after a General Holiday, due solely to death in the immediate family, or Jury Duty, shall be paid for that General Holiday.

15.04

Subject to the qualification provisions of .03, a part time employee who is not required to work on a general holiday shall be paid the amount of his average daily earnings for the preceding week worked.

ARTICLE 16 - SENIORITY

- 16.01 The "seniority" of an individual employed by the Company means the length of his continuous service at the Company's Annacis Island Plant since the date of his last hiring by the Company, except as expressly provided for herein.
- 16.02 Seniority of an employee shall be completely lost if he:
- (a) quits, or
 - (b) is discharged for proper cause, or
 - (c) is absent from work for more than five (5) consecutive working days without furnishing an explanation satisfactory to the Company for such absence, or
 - (d) after a lay-off, fails to report for work for five (5) working days after being recalled by telephone and/or registered letter, or
 - (e) is laid off by the Company for a period of more than:
 - (i) four (4) months where the employee has less than one (1) year seniority,
 - (ii) one (1) year where the employee has one (1) or more years of seniority,
 - (iii) two (2) years where the employee has two (2) or more years of seniority.
- 16.03 If an employee loses his seniority under (c) or (d) above, but is nevertheless permitted to resume work at the Company's Annacis Island Plant, he shall be considered last hired on the date he so resumes work.
- 16.04 The Company shall prepare and post semi-annually on the bulletin board a list showing the date of last entry into the Company's service for each employee at the Company's Annacis Island Plant showing any periods of time to be deducted because of unauthorized absence. An employee may make a complaint as to the correctness of the list as it concerns him during a period of two (2) weeks following the posting of such list on which his name first appears. The Company will send to the Union every six (6) months a copy of the above mentioned list.

ARTICLE 17 - LAY OFF AND RE-HIRE

- 17.01 In any case of reduction in force, the Company shall consider the following two (2) factors in determining which employee or employees shall be laid off:
- (a) the seniority of each employee concerned, and

- (b) the requirements and the efficiency of operations and the ability, knowledge, training, skill, and physical condition to do the work of each employee concerned.

17.02 When factor (b) is to all intents and purposes equal as between two (2) or more employees, then the employee having the lesser or least seniority will be the first laid off.

17.03 An individual on lay-off shall be required to inform the Company every sixty (60) days following such lay-off of his availability for work and keep the Company informed of any change of address that may occur during such lay-off.

17.04 For the period of time for which an employee retains seniority from the date of lay-off for lack of work as provided for in Article 16, sub-section .02, he shall have the preferential rights for rehire in accordance with the following provisions:

Those more recently laid off shall, to the extent of the numbers of persons at any one time required by the Company, be notified by registered mail from the Company stating the jobs available and the proposed time of hiring. The persons to whom such notices are sent and who report ready for work shall, if they are qualified and physically able to fill the jobs available, be re-hired in the inverse order to that in which they were laid-off. The Company shall not be required, however, to re-hire at any time such a person who shall have failed to report for re-hiring in accordance with and at the time stated in such notice sent to him, as per Article 16, Section 16.02, sub-section (d).

17.05 No employee whose name appears on the seniority list will be laid off so long as a temporary employee continues in the employ of the Company. The Company will not hire a temporary employee as long as an individual with re-hiring rights is eligible and available for re-hiring.

ARTICLE 18 - PROBATION

18.01 An employee shall be regarded as probationary until he has worked thirty (30) shifts of eight (8) hours each at which time he shall be entitled to the seniority from the first (1st) day on which said probationary period was calculated.

18.02 A probationary employee may take advantage of the Grievance Procedure except in the case where his employment has been terminated. Such termination may be reviewed by a representative of the Teamsters Union, Local 213.

ARTICLE 19 - HOURS OF WORK AND OVERTIME

- 19.01 The Company does not guarantee to provide work for any employee.
- 19.02 The standard work day shall be eight (8) consecutive hours in any twenty-four (24) hour period. Shifts will normally start at 7:00 a.m., 3:00 p.m. and 11:00 p.m. However, it is recognized that because of the requirements of the work, some employees may be required to start work at times other than those specified above, but no more than two (2) hours before and no more than two (2) hours later. A shift starting from 10:00 p.m. on Sunday shall be considered to be in the Monday work day.
- 19.03 The standard work week shall be forty (40) hours and the Company agrees to use its best endeavours to place as many employees as practicable on a Monday to Friday work week. When a work week is scheduled for other than Monday to Friday, the employees on that work week shall receive, for all hours worked within the week, ten cents (10¢) per hour in addition to their basic hourly rate, plus any applicable shift differential. Overtime rates shall not apply to this work week differential premium.
- 19.04 Eight (8) hours work at his proper working place will constitute a work day for each employee. Each employee not working on continuous operations will be allowed one-half ($\frac{1}{2}$) hour for lunch, on his own time, to commence no earlier than three and one-half ($3\frac{1}{2}$) hours after shift start up and end no later than three (3) hours before shift ends. An employee working on continuous operations will be allowed one-half ($\frac{1}{2}$) hour for lunch on Company time. Continuous operations positions are defined as per following: Production Chargehands, Hopper Attendant, Operator "B", Packer, Operator "C", and present arrangements for Quality Control shall continue.
- 19.05 Employees may, for what they consider a legitimate reason, refuse to work overtime. However, if insufficient volunteers are available, those employees in those classifications required to work, who do not have legitimate reasons for not working, must work such overtime.
- 19.06 Time and one-half ($\frac{1}{2}$) shall be paid for any time worked in excess of eight (8) hours in one (1) day. Double time shall be paid for any time worked in excess of ten (10) hours in one (1) day.
- 19.07 All work performed on the sixth (6th) day of an employee's scheduled work week shall be at the rate of time and one-half ($\frac{1}{2}$) the employee's basic hourly rate of pay for the first four (4) hours and at double time thereafter.
- 19.08 Double time shall be paid for all work performed on the seventh (7th) day of an employee's scheduled work week and on General Holidays as provided for herein.

- 19.09 All overtime shall be broken down into six (6) minute units, based on one-tenth (1/10th) of the applicable hourly rate times the appropriate overtime rate.
- 19.10 An employee who is called out for emergency work shall be paid three (3) hours' pay at double time without being required to work the full three (3) hour period. If such employee is entitled to payment at overtime rates as provided for in this Article for any or all of the time actually worked, and such payment is greater than the pay for three (3) hours as set forth, he shall receive the larger amount.
- 19.11 An employee reporting on his regular shift who has not been notified that there will be no work available for him shall be guaranteed a minimum of four (4) hours work at his straight time rate. The Company may, however, assign such an employee to whatever work is available during these four (4) hours. The payment provided herein shall not be required where Acts of God and conditions beyond the control of the Company prevent the giving of notice to employees not to report.
- 19.12 Overtime will not be paid more than once for the same hours worked.
- 19.13 An employee required to work more than two (2) hours overtime shall, at his own request, be given one-half (½) hour time off without pay to eat his meal. At the option of the employee, he shall have a meal provided for him by the Company, or shall receive five dollars (\$5.00) meal allowance.
- 19.14 Where shift work is in operation, it is agreed that all employees in such job classifications involved shall be rotated on each of the shifts every two (2) week period.
- 19.15 A shift differential shall be paid on the following basis:
- (a) 2nd shift: (afternoon) an additional twenty-five cents (25¢) to the basic hourly wage rate of an employee.
 - (b) 3rd shift: (night) an additional thirty-two cents (32¢) to the basic hourly wage rate of an employee.
- 19.16 The Company agrees to continue its present practice concerning coffee breaks, which is defined as two (2) ten (10) minute breaks per eight (8) hour shift.

ARTICLE 20 - COMPENSATION COVERAGE

- 20.01 When an employee is injured at work and goes on Compensation, he or she shall, when the Compensation Board and/or the attending physician signify

that the employee is ready to return to work, be returned to the payroll at his or her previous job and rate of pay.

- 20.02 If in the opinion of the Company the employee is unable to do the job the employee held at the time of injury, the Company will try to place the employee in a job which said employee can do, and the employee is to receive the basic rate of pay applicable to his or her new classification.

ARTICLE 21 - SANITARY FACILITIES, ETC.

- 21.01 The Company agrees to maintain clean, sanitary washrooms, having hot and cold running water and waterless hand cleanser and towels in sufficient quantity, with toilet facilities. Employees shall observe the simple rules of cleanliness and good housekeeping in these facilities. The Company further agrees to provide lockers of suitable size for the protection of employees' clothes and personal belongings.

ARTICLE 22 - SAFETY AND HEALTH

- 22.01 A Committee composed of a maximum of two (2) Company representatives and a minimum of two (2) employees selected by the Union shall hold a meeting once a month. The functions of this Committee shall be to advise the Company on the promotion of accident prevention. This Committee supplements the Company's accident prevention programme which is conducted for all employees and the Committee will not, in any way, replace or detract from the carrying out of that programme.
- 22.02 In the event of an employee becoming ill during his shift, the employee shall report directly to the Shift Foreman stating his illness. Permission to see a doctor or go home will be granted by the Shift Foreman and shall be so entered into a record book. A doctor's certificate may be requested by the Company.
- 22.03 If an employee suffers from an allergy or a recurring illness, the employee shall furnish a medical letter to that effect, and such letter shall be kept on file in the office.
- 22.04 The Company agrees to pay an annual incentive of \$100.00 to chargehands for successfully completing the St. John's Basic First Aid Course. This amount will be paid twelve (12) months after completion of the course and yearly thereafter for a valid certificate. The total cost of the course is to be borne by the Company but is to be attended on employee's own time.

ARTICLE 23 - BONDING

- 23.01 If, at any time, the Company requires an employee hereunder to be bonded, it is agreed that the Company shall then request the employee to fill in an application to a recognized bonding firm selected by the Company. It is further agreed that the cost of such bonding shall be paid by the Company. A copy of the proposed bonding form will be forwarded to the Union.

ARTICLE 24 - HEALTH AND WELFARE

- 24.01 Effective March 1st, 1984, the Company will arrange and make available to employees group benefit plans as follows:

- (a) Life insurance and accidental death and dismemberment coverage shall be two times annual salary (2x earnings) effective from the first (1st) day of the month following completion of three (3) months employment.

Annual salary is defined as 2080 hours x employee's hourly rate of pay.

- (b) Non-occupational Sickness and Accident Weekly Indemnity Insurance in the amount of sixty-six and two-thirds percent (66 2/3%) of an employee's earnings, based on his regular forty (40) hour work week, to a maximum benefit equal to the weekly claim allowed under E.I. Benefits to commence with the first day of accident and out patient surgery and the fourth (4th) day of sickness for a maximum of twenty-six (26) weeks. Employees will qualify for this group insurance on the first (1st) day of the second calendar month immediately following the date of employment. Effective January 1, 1995, 1996 and 1997 the maximum benefit shall be increased to an amount equal to the maximum weekly claim allowed under E.I.

- (c) Medical and Surgical Coverage as provided under the British Columbia Overall Medical Services Plan and the Extended Health Benefits Plan provided by the carrier, Medical Services Association (M.S.A.). Employee will qualify on the first (1st) day of the first calendar month immediately following the date of employment. Plan to provide Vision care for glasses or contact lenses up to two hundred dollars (\$200.00) every 24 months per person.

- (d) Dental Plan as per attached. The Plan shall pay for the following percentages of claims:

An employee will be eligible to participate under the Plan from the first day of the month next following the date the employee completes twelve (12) months of active employment.

100% payment of claims under M.S.A. Dental Plan "A".

50% payment of claims under M.S.A. Dental Plan "B".

Dental insurance reimbursement will be to a maximum of \$1,250.00 per calendar year on combined claims under M.S.A. Dental Plans A & B.

- (e) Long Term Disability Benefits will be paid for non-occupational disabilities to a maximum of sixty-six and two-thirds percent (66 2/3%) of the monthly earnings to a maximum benefit of \$1,700.00 per month. Payments will commence upon expiration of the Weekly Indemnity Insurance.

24.02 Premium costs required for (a) above will be paid 100% by the Company. The premium cost for (e) will be shared 75% by the Company and 25% by the employee.

24.03 Employees who have been covered by our Health & Welfare program and are laid off, their benefits will continue for the balance of the current month. Upon call back, benefits will begin at the first of the next calendar month providing they are still employed on the last working day of the previous month.

ARTICLE 25 - SICK PAY

25.01 The Company shall pay a perfect attendance award (tax free) in the amount of three hundred dollars (\$300.00) per calendar year to each employee. The award will decrease by \$100.00 for each day absent. A half-day absence counts as a full day. The amount to be paid at the end of the calendar year by separate cheque.

ARTICLE 26 - ARTICLE HEADINGS

26.01 The Article Headings shall be used for purposes of reference only and may not be used as an aid in the interpretation of this Agreement.

ARTICLE 27 - MEDICAL EXAMINATIONS

27.01 Any medical examination requested by the Company shall be promptly complied with by all employees, provided however, that the Company shall pay for all examinations. If an employee takes a Company requested medical examination during his normal working hours, he shall be paid for the time involved and thus not lose any pay as a result of his taking a medical examination. The Company reserves the right to select its own medical examiner or physician and the Union may, if in its opinion it thinks an injustice has been done an employee, have said employee re-examined at the Union's expense.

- 27.02 If, following a Company requested medical examination, any employee is deemed to be physically incapable of carrying out his regularly assigned duties, the following procedure shall be followed:
- (i) The Company shall notify the Union of the medical findings in respect to the employee. Should the Union or the employee disagree with said findings, the employee at his own expense shall have the right to be examined by his personal physician.
 - (ii) Where there is no agreement between the Company appointed physician and the employee's physician on the condition of the employee, the two (2) physicians shall select a medical consultant to examine the employee with respect to the dispute.
 - (iii) The findings of the consultant shall be final and binding upon all parties.
 - (iv) The remuneration of the consultant shall be borne equally by the Company and the Union.
 - (v) Should the consultant deem the employee to be capable of carrying on his assigned duties, then the employee shall not suffer any loss of earnings caused by his having been removed from or temporarily suspended from his regularly assigned duties.

ARTICLE 28 - CLASSIFICATIONS AND WAGE RATES, ETC.

- 28.01 The schedule of classifications and hourly rates of pay attached hereto as Schedule "A" shall be the minimum in effect throughout the life of this Agreement. The times and methods of payment now in effect shall be maintained during the life of this Agreement.
- 28.02 When an employee meets with an accident at work he or she shall be paid a full day's wages for the day of the accident.
- 28.03 If an employee is required by the Workers' Compensation Board to take further treatments as a result of an injury sustained at work for the Company, he shall be paid for such time off in a manner that will ensure him a minimum of eight (8) hours' pay for that day and any other day or days he is also required to fill such commitment or requirements. The employee must return to work if sufficient work time is available following completion of treatment.
- 28.04 The Employer shall indicate on each Employee's T-4 slip the total amount of Union Dues deducted and submitted on behalf of that employee.

ARTICLE 29 - GENDER

29.01 Wherever the use of the male gender is used herein, it shall also apply to the female gender wherever applicable.

ARTICLE 30 - TOOLS

30.01 All basic tools and equipment required by employees to properly perform the functions of their job shall be furnished by the Employer and shall be his property at all times. The Company to replace such tools that become worn out or break on the job.

ARTICLE 31 - TEMPORARY EMPLOYEES

31.01 The Company shall have the right to hire employees for a period not exceeding four (4) months to perform work of a seasonal or temporary nature. Prior to such hiring, the Steward shall be notified of the specific terms of such employment, and such employees shall have no seniority under this Agreement.

31.02 In the event that a temporary employee is transferred to the regular work force, his continuous service at the Company's Annacis Island Plant shall date from his last hiring by the Company.

ARTICLE 32 - NOTICE

32.01 Any notice in writing which either party desires to give to the other shall be given by mail, addressed as follows:

To the Company:

The Manager
Canplas Industries Ltd.
940 Cliveden Avenue
Annacis Industrial Estate
New Westminster, B.C. V3M 5R5

To the Union:

Secretary-Treasurer
Teamsters Local Union No. 213
490 East Broadway
Vancouver, B.C. V5T 1X3

32.02 Any notice so mailed shall be deemed as given as of the next business day after the date of mailing.

ARTICLE 33 - RRSP ALLOWANCE

33.01 The Company shall add 1.5% of gross pay to each employee's pay cheque with the intent that the employee deposit the allowance in a personal RRSP.

ARTICLE 34 - SEVERANCE PAY

34.01 Employees with one (1) or more years of service shall, on termination by the Company or as soon as possible thereafter, receive a lump sum payment equal to thirty (30) hours pay at the employee's basic hourly rate for each full year of service with the Company.

34.02 The above severance pay provisions shall not apply and no payment shall be made:

- (i) To any employee who leaves the employ of the Company for any reason prior to being terminated by the Company; or
- (ii) To any employee whose employment is terminated by the Company at any time for cause.

34.03 Severance pay will not be applicable in the event of layoff of an employee unless the layoff without recall exceeds an employee's recall rights.

IN WITNESS WHEREOF the Party of the First Part has hereunto affixed its signature(s) by its Officers duly authorized therefor, and the Party of the Second Part has hereunto affixed its signature(s) and seal by its Officers duly authorized therefor.

DATED AT Vancouver, British Columbia, this day of , 2005.

PARTY OF THE FIRST PART

PARTY OF THE SECOND PART

SCHEDULE "A"

RATES PER HOUR

CLASSIFICATION	EFFECTIVE MARCH 1/05	EFFECTIVE MARCH 1/06	EFFECTIVE MARCH 1/07
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PRODUCTIONS DEPARTMENT

Chargehand	\$21.78	\$22.28	\$22.78
Set Up Man "A"	\$20.20	\$20.70	\$21.20
Set Up Man "B"	\$19.15	\$19.65	\$20.15
Operator "A"	\$18.59	\$19.09	\$19.59
Hopper Attendant	\$18.59	\$19.09	\$19.59
Packer	\$18.59	\$19.09	\$19.59
Operator "B" - start	\$17.19	\$17.69	\$18.19
- after 13 weeks	\$18.39	\$18.89	\$19.39
Operator "C" - start	\$15.32	\$15.82	\$16.32
- after 13 weeks	\$16.59	\$17.09	\$17.59
Operator "D" (2 nd Op.)	\$16.75	\$17.25	\$17.75
Lead Hand (2 nd Op.)	\$19.51	\$20.01	\$20.51
Lead Hand (2 nd Op/Lathe)	\$20.02	\$20.52	\$21.02
Lathe Operator	\$18.63	\$19.13	\$19.63
Mold Machinist			
- start	\$19.96	\$20.46	\$20.96
- after 13 weeks	\$20.24	\$20.74	\$21.24
- after 26 weeks	\$21.04	\$21.54	\$22.04
Mold Maintenance			
- start	\$19.89	\$20.39	\$20.89
- after 26 weeks	\$20.20	\$20.70	\$21.20

Quality Control Inspector			
- start	\$18.71	\$19.21	\$19.71
- after 26 weeks	\$19.05	\$19.55	\$20.05

CLASSIFICATION	EFFECTIVE MARCH 1/05	EFFECTIVE MARCH 1/06	EFFECTIVE MARCH 1/07
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MAINTENANCE DEPARTMENT

Chargehand	\$22.30	\$22.80	\$23.30
Mechanic "A"	\$20.84	\$21.34	\$21.84
Mechanic "B" - start	\$19.96	\$20.46	\$20.96
- after 26 weeks	\$20.45	\$20.95	\$21.45
Helper	\$18.65	\$19.15	\$19.65

WAREHOUSE DEPARTMENT

Chargehand	\$21.78	\$22.28	\$22.78
Lead Hand	\$18.59	\$19.09	\$19.59
Warehouse			
- start	\$17.08	\$17.58	\$18.08
- after 13 weeks	\$18.40	\$18.90	\$19.40

SHIFT DIFFERENCES

- Afternoon	.25¢	.25¢	.25¢
- Graveyard	.32¢	.32¢	.32¢

STABILITY INCENTIVE

- 12 months	.10¢	.10¢	.10¢
- 18 months	.15¢	.15¢	.15¢
- 24 months	.20¢	.20¢	.20¢
- 36 months	.25¢	.25¢	.25¢
- 48 months	.30¢	.30¢	.30¢

Above stability is cents per hour over the above quoted rates.

The Employer agrees that the Wage rates effective as of March 1st, 2005 shall be paid retroactively to each person from that date for all hours worked subsequent to February 28th, 2005.

M.S.A. DENTAL CARE PLAN

PLAN "A" BASIC SERVICES

ELIGIBILITY

To be eligible for coverage you must be actively employed on a full-time basis, in receipt of normal earnings and be working at least 30 hours per week at your Employer's usual place of business.

You are eligible to participate under the Plan from the first day of the month next following the date you complete twelve (12) months of active employment.

Your coverage will take effect as of the date you became eligible to join the Plan and have completed formal application to join.

BENEFITS

1. DIAGNOSTIC SERVICES:

All necessary procedures to assist the dentist in evaluating the existing conditions to determine the required dental treatment, including:

Oral Examinations - usually twice a year but in unusual circumstances another examination will be allowed.

X-rays - limited to the equivalent of one full mouth series per year (Complete mouth X-rays will be covered once in any three year period)

Consultations

2. PREVENTIVE SERVICES:

All necessary procedures to prevent the occurrence of oral disease, including:

Cleaning and scaling
Topical application of fluoride
Space maintainers

3. SURGICAL SERVICES:

All necessary procedures for extractions and other surgical procedures normally performed by a dentist.

4. RESTORATIVE SERVICES:

All necessary procedures for filling teeth with amalgam, synthetic porcelain and stainless steel crowns. Gold inlays or onlays will be paid when there are three or more surfaces to be treated. If less than three surfaces are treated, M.S.A. will pay the amalgam equivalent. Gold foil will be provided only in cases of repair to pre-existing gold restorations.

5. PROSTHETIC REPAIRS:

All necessary procedures required to repair or reline fixed or removable appliances. Repairs to complete upper and/or lower dentures may be performed by either a licensed Dentist or a registered member of the Public Denturists Society of British Columbia.

6. ENDODONTICS:

All necessary procedures required for pulpal therapy and root canal filling.

7. PERIODONTICS:

Those basic procedures necessary for the treatment of tissues supporting the teeth.

EMERGENCY DENTAL CARE ANYWHERE IN THE WORLD

In an emergency, if you require dental care while you are travelling or on vacation outside British Columbia, you are entitled to the services of a duly qualified Dentist and will be reimbursed up to the amount that would have been paid had the service been rendered in British Columbia.

Plan "B" will cover the following:

BENEFITS

1. Crown and bridges - the replacement of crown and bridges will be limited to once in every five year period.
2. Partial and/or complete dentures but not more often than once in every five (5) years. (Dentures lost, broken or stolen will not be replaced.) Services for complete upper and/or lower dentures may be performed by either a licensed Dentist or a registered member of the Public Denturists Society of British Columbia.

SERVICES NOT COVERED

- (a) Congenital malformations.
- (b) Cosmetic surgery of dentistry for purely cosmetic reasons.
- (c) Services for treatment in process on the effective date of coverage.
- (d) Orthodontics.
- (e) Charges for broken appointments.
- (f) Services which are provided by the Overall Medical Services Plan of British Columbia, the Workers' Compensation Board, etc.
- (g) Third party liability.

- (h) Drugs and general anaesthetic services.

MONTHLY PREMIUM SCHEDULE

Monthly Premium Schedule 1991 on, to be paid one hundred percent (100%) by the Employer. Plan A Basic Services 100% payment of claims. 50% payment of claims for Plan B will be covered.

LETTER OF INTENT

**BETWEEN: CANPLAS INDUSTRIES LTD.
(New Westminster Plant)**

AND: TEAMSTERS LOCAL UNION No. 213

1. Heritage Day

Should at any time during the period of this contract either the Government of Canada or B.C. declare Heritage Day as an official holiday, it is the intent of the Company to recognize this as an additional holiday on the said date referred to by the government.

2. Shop Steward Training

One Shop Steward shall be allowed time off work, with pay, for one (1) day in each calendar year for the purpose of attending a labour relations seminar conducted by the Union or approved by the Union, subject to the following conditions:

- a) that the Union give at least one month's written notice to the Company designating the Shop Steward who will attend such labour relations seminar;
- b) a day with pay above to be interpreted as: eight (8) hours at the employee's basic rate of pay for his classification.

3. Weekly Indemnity Insurance

It is understood and agreed that the weekly indemnity benefit level of 66 2/3% means 66 2/3% the amount arrived at by multiplying an employee's basic hourly rate by 40 hours to a maximum benefit equal to the weekly claim allowed under E.I. The amount of weekly indemnity established will therefore vary upwards or downwards as the employee's basic hourly rate changes.

In no case, however, will the level of weekly indemnity benefit for the balance of 1981 be less than what is payable under the Unemployment Insurance Commission

