

CARPET AND RESILIENT
FLOOR COVERING
COLLECTIVE AGREEMENT

BY AND BETWEEN

L&M GROSS HOLDINGS LTD.
(KNOWN AS CJV CARPET ONE)

AND

Carpenters Union Local 1346

DATED June 01, 2003 to May 31, 2006

CLAUSE 1 - OBJECT

1.01 The objects of this Agreement are to: stabilize the floor covering Industry; provide fair and reasonable working conditions and job security for Dependent Contractors in the Industry; promote harmonious employment relationships between Employers and Dependent Contractors; provide a mutually agreed method of resolving disputes and grievances arising out of the terms and conditions of this Agreement; prevent strikes and lockouts; enable the skills of both Employers and Dependent Contractors to operate to the end that waste and avoidable and unnecessary expense and delays are prevented; promote good public relations.

CLAUSE 2 -DURATION OF AGREEMENT

2.01 This Agreement shall be for the period from and including June 1, 2003 to and including May 31, 2006 and from year to year thereafter subject to the right of either party to the Agreement within four (4) months immediately preceding the date of expiry of this Agreement which is February 2006 or immediately preceding the last day of April in any year thereafter, by written notice, to require the other party to the Agreement to commence collective bargaining.

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 strikes, or the Employer locks out, or the parties shall conclude- a renewal or revision of the Agreement, or a new Collective Agreement.

CLAUSE 3 - RECOGNITION AND NEGOTIATIONS

3.01 The Employer or anyone authorized to act on its behalf recognizes the Union as the sole collective bargaining agency for its FLOORLAYERS classified and covered by this Agreement and hereby consents and agrees to negotiate with the Union, Business Agent or anyone authorized to act on behalf of the Union, in any and all matters affecting the relationship between the parties to this Agreement, looking forward to a peaceful and amicable settlement to any differences that may arise between them. No Business Agent will be an Employee of the Employer, or any of his competitors.

3.02 No Other Agreement

No Dependent Contractor shall be required or permitted to make any written or verbal agreement with the Employer or his representative, which may conflict with the terms of this Collective Agreement, without the written consent of the Union.

3.03 No Dependent Contractor shall be permitted any Private Contracts outside of the Union Rates without the written consent of the Union and Employer.

CLAUSE 4 - RIGHTS OF EMPLOYER

4.01 For the purpose of the application of this Agreement, the "Employer" shall be the individual Flooring Company named in the preamble to this Agreement.

The Union recognizes the rights of the Employer to operate and manage the Flooring Company, and to make and alter from time to time rules and regulations to be observed by Dependent Contractors; such rules and regulations shall not be contrary to any provisions of this Agreement.

The Employer shall always have the right to hire, assign, discipline and discharge Dependent Contractors for proper cause, and such right shall not be exercised in a manner inconsistent with the provisions of this Agreement.

CLAUSE 5 - QUALIFICATIONS AND REGULATIONS OF EMPLOYERS

5.01 It is understood and agreed that any Employer signing this Agreement that supplies installations for carpet, resilient and related floor coverings will have such material installed by Company Contractors and must meet all the qualifications and Regulations contained herein. Should the Employer subcontract the installation to another Employer, then the subcontractor must be signatory to this Agreement and meet all the qualifications and conditions contained herein.

5.02 The Employer must be registered with:

a) Workers' Compensation Board Registration No. 213104-141

5.03 The Dependent Contractor must register with Workman's Compensation Board where required by W.C.B. rules and regulation.

CLAUSE 6 - UNION SECURITY AND HIRING PROCEDURE

6.01 No Contractor, except in the case of willful damage or negligence, shall be responsible for any damage or replacement of property occurring while performing work on behalf of the Employer; i.e., water damage, caused by accidentally damaging

water or heating pipes; fire or smoke damage caused through the use of volatile materials; damage caused by accepted procedures for regulating heat controls or making use of available power outlets or panels; vibration damage caused through the use of sanding machines or other power driven equipment; damage caused by disconnection and/or connection of appliances and fixtures; third party damage or theft of company equipment and/or material on the job site or being transported directly to and from work or job to job while on the Employer's behalf.

6.02 The Business Representative of the Union shall be admitted at all times to the premises of the Employer to conduct the legitimate business of the Union. The Business Representative of the Union may, by appointment, inspect the Contractors random invoices and/or random work orders of the Employer. Should the records be found to be in error the Employer shall make the necessary corrections.

6.03 Every Contractor and Apprentice/Helper must be a member of the Union and shall maintain his membership in good standing of the Union as a condition of his employment. Every new Contractor and or Apprentice/Helper whose employment commences hereafter shall within thirty (30) days after the commencement of his employment, apply for and maintain his membership in the Union as a condition of his employment.

CLAUSE 7 - CHECK OFF

7.01 The Employer agrees to accept and honour the check off Union fees and dues pursuant to the provisions contained in the Labour Relations Code of British Columbia. The Union shall provide check off authorization cards to the Employer. Said Union fees and dues shall be deducted from the last pay of each month and forwarded to the Financial Secretary's address as the Union may designate from time to time. Said fees and dues must be in the office of the Financial Secretary not later than the tenth (10) day of the following month, accompanied by a list of all Contractors from whom the deductions have been made.

7.02 The Employer agrees to deduct an amount designated by the Union for a Union Health and Welfare Plan. Payment shall be sent to the Union on the same basis as Union dues.

CLAUSE 8 - THE EMPLOYER SHALL ACQUAINT NEW EMPLOYEES

8.01 The Employer agrees to acquaint all new Contractors with the fact that an Agreement between the parties is in effect and with the conditions of employment set out in Clause 6 and 7 dealing with Union Security and Dues Checkoff.

New Contractors shall be presented with a copy of the Agreement by the Employer and with the name and address of the Shop steward on commencement of employment.

CLAUSE 9 - SENIORITY

9.01 Definition

Seniority is length of service with the Employer and shall date from the original date of commencing steady work.

The Employer shall maintain a seniority list showing the commencement date of each employee's seniority. An up-to-date seniority list shall be sent to the Union and posted on all bulletin boards in April of each year. The Employer shall be notified within thirty (30) days of any errors.

Seniority shall operate on a bargaining unit-wide basis within each Employers Business only, provided the Senior Dependent Contractor has the required knowledge, skills and ability to do the work required.

9.02 Probation Period

All new contractors shall be on probation for a period of (45) forty-five worked days, and shall have no seniority rights until they have successfully completed the probationary period. Upon completion of the (45) forty-five worked days, seniority shall be dated from original date of hire.

9.03 Seniority During Absence

If a Dependent Contractor is absent from work because of sickness, accident, layoffs, or leave of absence approved by the Employer, he shall not loose seniority rights.

9.04 Retention of Seniority Rights

In the event that the Employer shall merge, amalgamate or combine any of its operations or functions with another Employer, the Employer agrees to the retention of seniority rights for all contractors coming within the new bargaining unit of the successor Employer.

9.05 Loss Of Seniority

A contractor shall lose his seniority if;

- (a) He quits
- (b) Is discharged for just and reasonable cause.
- (c) He is absent from work for (5) five consecutive work days without a valid reason.
- (d) He is laid off and not recalled to work for a period of (12) twelve months.

CLAUSE 10 - LAYOFF, AND RECALL

10.01 Both parties recognize that job security shall increase in proportion to length of service. Therefore, in the event of a layoff, reduction of work and recall, the governing principally shall be seniority, knowledge, skills, the ability to do the work required, and further the parties recognize occasional work assignments by customer preference shall not be considered a violation of this agreement.

CLAUSE 11 - LABOUR MANAGEMENT NEGOTIATIONS

11.01 Agreement Printing

The cost of printing the collective agreement shall be equally shared by both parties at a mutually agreed cost.

CLAUSE 12 - PAYMENT OF RATES

12.01 Payment for this contract period as per "Schedule A" agreed to and attached to this Agreement. The Employer shall pay each Contractor covered by this Agreement, every two (2) weeks all completed work orders to that day completed in a satisfactory manor, not more than five (5) working days prior to the date of payment. If a General Holiday falls on the regular payday, payment of wages shall be made on the regular working day preceding the General Holiday.

12.02 Payment of rates shall be made during working hours.

12.03 In the event a Dependent Contractor is terminated for any reason, the Employer shall pay such Contractor all moneys due, within five (5) working days of receipt of invoice provided all work is completed in a satisfactory manner.

12.04 Payroll Failures

Where there have been instances of payroll failures by the Employer, Principals or Directors, to meet payroll requirements, the Union shall have the right to require the payment of wages and other payroll requirements be by cash or certified cheque

CLAUSE 13 - ACCIDENT PREVENTION

13.01 It is understood and agreed that the parties to the Agreement shall, at all times, comply with the Accident Prevention Regulations of the Workers' Compensation Act of British Columbia. The Union will endeavour to give thorough instructions to its members in all standard safety precautions.

13.02 It shall not be considered a violation of this Agreement should a Dependent Contractor refuse to work in conditions and/or use equipment that do not meet Workers Compensation Board prescribed safety standards and/or regulations.

CLAUSE 14 - GRIEVANCE PROCEDURE

14.01 "Grievance" means any difference by the persons bound by this Agreement concerning its interpretation, application, operation or any alleged violation thereof, including discharge for cause alleged to be unjust by the Union; and "party" means one (1) of the parties to this Agreement.

14.02 No grievance will be entertained by either party unless instituted by the aggrieved party within thirty (30) days of its occurrence, except that a grievance arising out of alleged unjust discharge must be instituted within fifteen (15) days of its occurrence. (The above time limits do not apply to rate payment claims.)

14.03 The Union and Employer mutually agree that when a grievance arises, coming under the terms of this Agreement, it shall be taken up in the manner as set out below. All grievances shall be finally and conclusively settled.

14.04 The Shop Steward shall first discuss the grievance with the Employer or Employer Representative and if they agree, their decision shall be final. The Union Business Representative will only enter the Grievance Procedure upon a request by either Party.

14.05 Should the Union Business Representative and the Employer Representative fail to settle the difference conclusively within five (5) calendar days or such longer time as may be agreed upon by the parties, then the difference shall be submitted to a single arbitrator selected from the following or as mutually agreed:

- i) Stephen Kelleher
- ii) John Kinzie
- iii) Roberta Blasina
- iv) Colin Taylor
- v) Don Munroe

14.06 The Single Arbitrator Board shall sit, hear the parties, settle the terms of the question to be arbitrated and make its award within twenty five (25) days from the date of appointment, provided that the time may be extended by agreement of the Parties.

14.07 The award of the Single Arbitrator shall be final and binding upon the parties. The Single Arbitrator shall deliver its award to each of the parties and they shall implement it forthwith.

CLAUSE 15 - LEAVE OF ABSENCE

15.01 Leave of Union Officers

The Employer shall grant leave without pay to the President, Vice-President or Secretary-Treasurer or any Union appointed official to carry out necessary Union business. The Union agrees to give three (3) days notice for such leave. Shall not exceed five (5) days unless by mutual agreement. Union to indicate the Approximate length of leave required.

CLAUSE 16 - SAVINGS CLAUSE

16.01 Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any judgment or order of a court of competent jurisdiction, such invalidation of such

Part or portion of this agreement shall not invalidate the remaining portions hereof, and such remaining portions shall continue in full force and effect.

16.02 In the event that any Clause 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 Labour Relation Board Mediation Division.

CLAUSE 17 – FILING OF AGREEMENT

17:01 A copy of this agreement shall be filed with the Labour Relation Board.

Signed on behalf of

L&M Gross Holding Ltd. (C.J.V. Carpet One)

Signed on behalf of:

Carpenters Union Local 1346

Signed this _____ Day of _____ 2003.

L & M Gross Holdings Ltd.
(Known as CJV Carpet One)
and
Carpenters Union Local 1346

SCHEDULE A

Term of Agreement

Mileage

In town deliveries - \$25.00 flat rate

Travel within 30 kilometers - minimum \$10.00 to Falkland, Armstrong, Lumby, Enderby
(Plus \$1.25 per km over 30 km)

Travel over 30 kilometers from shop - \$1.25 per loaded kilometer. Eg. Falkland 45 km
= \$10.00 + 15 x \$1.25 = \$38.75

Signs on Trucks

Will be paid as per the existing practice for each store.

Trades Qualification Journeymen

Effective June 1, 2003 any non-ticketed floor layer, through the Trades Qualification Program of British Columbia, will have nine months to take and pass the examination for a Journeyman Floorcovering Installer. Failure to attain that standing will result in a five percent (5%) rate reduction. If employee fails to be ticketed by March 31, 2004, his rate will be reduced to ninety (90%) of contract rates.

This provision shall not apply to any non-ticketed journeyman who has worked five (5) Years or more in the trade as a floor layer.

Rates

Effective on all sales made on or after

Carpet

| | |
|-----------------------------------|---------------|
| Carpet over pad _____ | 4.25 per yard |
| Carpet glue down _____ | 4.00 per yard |
| Heavy Berber (40 oz) _____ | 5.25 per yard |
| On concrete (extra) _____ | .35 per yard |
| Turf _____ | 4.75 per yard |
| Carpet over existing pad _____ | 3.75 per yard |
| Minimum Carpet Installation _____ | 75.00 |

Carpet Stairs

| | |
|---|------------------|
| Carpet on pad or glue down _____ | 2.00 each stair |
| Open one end _____ | 5.00 each stair |
| Open two ends _____ | 7.00 each stair |
| Open one end spindles _____ | 10.00 each stair |
| Open two end spindles _____ | 13.00 each stair |
| Pies _____ | 5.00 each stair |
| Full Wrap (closed ends) _____ | 15.00 each stair |
| Stringers (one side) _____ | 20.00 |
| Stringers (two sides) _____ | 40.00 |
| Spiral Stairs (Including removal) _____ | 20.00 each stair |

Carpet Extras

| | |
|---|---------------------------------|
| Border (over pad single seam) _____ | 2.00 per lin. ft. |
| Border (glue down single seam) _____ | 1.50 per lin. ft. |
| Carpet Base (shop supplies capping) _____ | .75 per lin. ft. |
| Carpet Base edge bound & tow kick _____ | .50 per lin. ft. |
| Taylor edge _____ | 1.00 per lin. ft. |
| Remove old carpet, use existing pad _____ | 0.25 per yard |
| Remove carpet and pad _____ | 1.25 per yard |
| Remove old pad and staples _____ | 0.75 per yard |
| Remove existing from site (after removal) _____ | 0.25 per yard (must be returned |

rolled tight)

Remove jute glued down on wood _____ 1.15 per yard

Remove jute glued down on concrete _____ 1.15 per yard

Remove rubberback from wood _____ 3.50 per yard

Remove rubberback from concrete _____ 3.00 per yard

Vacuum _____ 0.25 per sq. yard (shop supply)

Vinyls

Minimum Kitchen _____ 150.00

Minimum Bathroom _____ 100.00

(Yardage plus extras - which ever is higher)

Candide & Cushion Floor _____ 5.25 per yard

Vinyl back linos _____ 5.25 per yard

Hard Surfaces

(Corlon, Des. Sol,

A gauge. Designer II,

Gold etc _____ 6.75 per yard

Vinyl Composition Tile _____ .60 per sq. ft.

Over 500 sq. ft. _____ .45 per sq. ft. (500-2000 sq. ft.)

Over 2001 sq. ft _____ 40 per sq. ft.

Rubber &/or Pure Vinyl Tile. _____ .75 per sq. ft.

Vinyl Extras

Stairs (nosing supplied by shop) _____ 4.50 each

Stairs (heavy vinyl as above) _____ 6.00 each

Pies (shop supplies nosing) _____ 6.00 each

Flashcoving

(shop supplies fillet strips & capping) _____ 4.00 per lin. ft.

Hot Welding

(shop supplies bead & head gun) _____ 1.00 per lin. ft.

Cove base 2 1/2", 4", 6" _____ .50 lin. ft.

Rises

(shop supplies adhesives) _____ .75 per lin. ft.

Rubber Stringers (each side) _____ 3.75 side

Toe Kicks

Kitchen _____ 20.00

| | |
|--|-------------------|
| Bath_____ | 10.00 |
| Stair Treds up to 4 feet (shop supplies adhesive)_____ | 2.50 per lin. ft. |
| Floor Prep Linos | |
| Removal inter flex_____ | 2.00 per yard |
| Removal cushion floors (wood)_____ | 5.00 per yard |
| Removal cushion floors (concrete)_____ | 3.00 per yard |
| Resheet 4x8 (shop supplies sheets)_____ | 18.00 per sheet |
| Full float old vinyl S88 leveler (shop supplies material)._____ | 2.00 per yard |
| R & R Baseboards (no guarantees)_____ | .40 per lin. ft. |

Note: All linojobs must have an industry accredited subfloor (e.g. structure wood, K-3 or U-lay) or there will be an additional charge of \$1.00 per yard for extra prep and no guarantees. This includes all new construction.

Furniture Moving

| | |
|------------------------------------|------------------|
| Move Furniture (large pieces)_____ | 7.00 each |
| (no guarantees) | |
| Move Appliances_____ | 15.00 each |
| (no guarantees) | |
| Toilets_____ | 40.00 each |
| (no guarantees) | |
| Metal Hand Rails _____ | .25 per lin. ft. |

Hourly Charges

| | |
|------------------------------------|-------|
| Minimum Charge Service Call_____ | 50.00 |
| Per Hour Per Journeyman_____ | 30.00 |
| (shop supplies material) | |
| Installer & Helper/Apprentice_____ | 45.00 |
| (shop supplies material) | |

Hardwoods

| | |
|--|------------------|
| Parquet (installer supplies glue)_____ | 2.00 per sq. ft. |
| Plank Flooring | |
| Under 60 sq. ft._____ | 2.50 per sq. ft. |
| (shop supplies adhesive) | |
| 60 or 2000 sq. ft_____ | 2.00 per sq. ft. |
| (shop supplies adhesive) | |

Note 1: Store supplies seam sealers

Note 2: Installer will charge back metal @ _____ .50 lin. ft.

Note 3: Large or commercial jobs are defined as 300 sq. yds or more except for single residential which shall be 400 sq. yds. Rates will be 15% below Schedule A except V/C tile or hardwood.

Note 4: No changes to be made to itemized invoice (as per rate schedules) without prior approval of the employee. A Shop Steward will be present in the discussions. No changes to be made to shop work orders without prior approval of the employer.

Note 5: Notwithstanding the provisions in Clause 3:01, 3:02, and 3:03 and any other that may apply, it is recognized that the Local Union may in conjunction with the employer determine on a job by job basis, if special dispensation is required to become competitive, and should the necessity arise, may by mutual agreement in writing, amend or delete terms and conditions of the Agreement for the duration of the job. All other terms and conditions shall remain in force.

Please note that the new labour rates come into effect June 1, 2003 on all new bids from that date onward. Any job bid prior to May 31, 2003 will remain at the old rates.

L & M Gross Holdings Ltd.
(Known as CJV Carpet One)
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SCHEDULE A

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This provision shall not apply to any non-ticketed journeyman who has worked five (5) Years or more in the trade as a floor layer.

Note 1: Installers will be required to repair faulty workmanship within a reasonable time. Failure to comply will allow the employer to take appropriate action that is consistent with the terms of this Agreement. Store supplies seam sealers.

Note 2: Contractors are to supply all installation material to complete work orders other than as provided in "SCHEDULE A" (e.g. glues, tapes, staples, standard metals, smoothedge, silicone, patching compounds, blades, all hand and power tools, etc.). Standard metals (i.e. pinned, pinless nap-loc, and top metal only) may be charged back to the shop at .50¢ per ft. per job. (T & E caps and oilier specialty moldings not in normal use will be provided by shop). Installers will charge back metal at .50¢ lin. Ft.

Note 3: Large or Commercial jobs are defined as 300 sq. yards of floorlaying or more, except for single residential which shall be 400 sq. yards or more. Successful bids of sales of 300 sq. yards for commercial or 400 sq. yards for single residential, shall be paid for at not less than 15% below rates listed in "SCHEDULE A" except as where otherwise specified in "SCHEDULE A".
(E.g. Hardwood, V.C. Tile)

Note 4: No changes to be made to itemized invoice (as per rate schedules) without prior approval of the employee. A Shop Steward will be present in the discussions. No changes to be made to shop work orders without prior approval of the employer.

Note 5: Notwithstanding the provisions in Clause 3:01, 3:02, and 3:03 and any other that may apply, it is recognized that the Local Union may in conjunction with the employer determine on a job by job basis, if special dispensation is required to become competitive, and should the necessity arise, may by mutual agreement in writing, amend or delete terms and conditions of the Agreement for the duration of the job. All other terms and conditions shall remain in force.

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