

COLLECTIVE AGREEMENT

**Hobart Food Equipment Group Canada
(A Division of ITW Canada)
Delta, British Columbia**

EFFECTIVE: April 1, 2007 - March 31, 2010

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AGREEMENT

THIS AGREEMENT ENTERED INTO THIS 29th DAY OF MAY, 2007

BETWEEN:

HOBART FOOD EQUIPMENT GROUP CANADA
(A Division of ITW Canada)
(Hereinafter called the "Company")

AND:

LOCAL UNION 258 OF THE
INTERNATIONAL BROTHERHOOD OF ELECTRICAL
WORKERS
(Hereinafter called the "Union")

BASIC PRINCIPLES

The general principles of this Agreement are as follows:

1. To set forth the hours of work, rates of pay, including safe work practices and/or conditions to be observed by the Company and the Union.
2. To provide orderly and harmonious procedures between the Company and the Union.
3. To secure a prompt and fair disposition of grievances.
4. To prevent interruption of work.
5. To promote the efficient operation of the Company's business.

ARTICLE 1 - EFFECTIVE DATE, TERMINATION, AMENDMENTS AND SUBSTITUTIONS

Article 1.01 - Effective Date and Termination

This Agreement shall be in full force and effect upon ratification by the parties to and including March 31, 2010, 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 March 31, 2010 or immediately preceding the anniversary date in any year thereafter by written notice to the other party, to 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.

Article 1.02 – Labour Code

The operation of Section 50 (2) and (3) of the Labour Relations Code is hereby excluded.

Article 1.03 - Legislation Changes, Amendments and Substitutions

Should any provision of this Agreement be declared illegal by any court of competent jurisdiction such provision shall immediately become null and void, leaving the remaining of the Agreement in full force and effect and the parties shall thereupon seek to negotiate substitute provisions which are in conformity with the applicable laws.

Article 1.04 - New Classifications

In the event the Company introduces or the Union considers the Company has introduced a new classification of work, the Company agrees to notify the Union that such new classification has been introduced and agrees to negotiate with the Union the appropriate wage rate for such new classification. If the parties are unable to agree upon such wage rate both parties agree to submit the question of establishing such wage rate to a Board of Arbitration. The Board shall decide such question with a view of fixing a wage rate which will compare equitably with the wage rates currently in effect for the other classifications of employees of the Company. The decisions of the Board shall be final and binding upon the parties for the remainder of the term of this Agreement. Any new or amended wage rates shall be retroactive to the date of the introduction of such new classification.

Article 1.05 - Amendments

Any of the conditions in this Agreement may be amended at any time if both parties agree such amendment is desirable.

Article 1.06

No employee shall suffer a reduction of wages or less favourable conditions as a result of this Agreement.

ARTICLE 2 - UNION RECOGNITION AND WORK JURISDICTION - COMPANY AND UNION RELATIONS

Article 2.01 - Union Recognition - Certification

This Agreement shall cover all employees employed by the employer coming under the jurisdiction of the Union as specified in the certification dated August 27, 1991.

Article 2.02 - Union Recognition - Membership

- (a) The Company agrees that all employees coming within the jurisdiction of the Union, as a condition of employment shall apply for membership in the Union within thirty (30) days from the date of hire and shall sign dues check-off cards and shall become members in good standing thereof within sixty (60) days from the date of hire.
- (b) All employees hereinafter described under this Article shall remain members in good standing thereof throughout the life of this Agreement as a condition of employment, providing, however, that the Union shall not request the Company to discriminate against any employee for non-membership in the Union if such membership is not available to the employee on the same terms and conditions generally applicable to other members.

Article 2.03 - Management Rights

- (a) The Union acknowledges that the management and the operation of, and the direction and promotion of the working forces are vested exclusively in the Company, subject to the terms of this Agreement.
- (b) Without limiting paragraph (a) above, the Company shall have the right to select its employees, hire in accordance with the terms of this Collective Agreement, layoff, classify new employees, transfer, promote, demote or discipline them, provided that a claim of discrimination against any employee, or misinterpretation of this Agreement, may be subject to a grievance and dealt with as hereinafter provided.

Article 2.04 - New Employees

The Company agrees to notify the Union and the Shop Steward promptly on the engagement of any employee and also to refer to the Union such employee prior to his/her commencing work.

Article 2.05 - Initiation Fees and Union Dues Check-off

- (a) The Company agrees to honour a written assignment of wages for Union dues and initiation fees from an employee in favour of the Union unless revoked by the employee.
- (b) The Company agrees to remit the fees and dues deducted under the above assignment to the Financial Secretary of Local Union 258 normally within fifteen (15) days, but not later than thirty (30) days from the pay day when deductions are made.

Article 2.06 - Strike, Lockouts and Legal Picket Lines

- (a) There shall be no lockout or strike as long as this Agreement continues to operate.
- (b) It is agreed that no part of this Agreement is to be interpreted as requiring members of the Union to work behind a recognized legal picket line where strike, lockout or other conditions detrimental to the interests of the Local Union shall prevail.

Article 2.07 - Union Representative

The Union representative may, with permission from the Company, have access to that portion of the Company's premises where Union members are employed. Such permission shall not be unreasonably withheld.

Article 2.08 - Bulletin Board

At least one (1) bulletin board shall be maintained for the posting of rules and regulations of the Company and Union notices to employees represented by the Union. A copy of such notices signed by an authorized representative of the Union (Chief Shop Steward) or Union representative shall be presented to the Company for their information and approval before posting.

Article 2.09 - No Discrimination

No Shop Steward, committee or employee shall be discriminated against, intimidated or jeopardized in standing or suffer any loss of employment on account of membership in or legitimate activities on behalf of the Union. The employees and the Union will not engage in any Union activity on the premises during working hours without permission of the Company, such permission not to be unreasonably withheld.

Article 2.10 - Technological Change

With due regard to the seniority provisions of this Agreement, the Company will give technologically displaced employees preferential consideration to be trained in new skills for other jobs that may be required of employees in the bargaining unit, provided such employees have the requisite qualifications and experience for such training.

In the event it becomes necessary during the life of the existing Collective Agreement, dated April 1, 2007 between Hobart Food Equipment Group Canada and Local Union 258 of the International Brotherhood of Electrical Workers, to entirely and permanently close down operations in the Lower Mainland of B.C., the Company agrees to meet with the Union to negotiate a severance package.

ARTICLE 3 - SHOP STEWARDS

Article 3.01

The Company will recognize Shop Stewards and the Chief Shop Steward, who shall be selected in accordance with Union rules and regulations as the representative of the employees in the respective groups or departments for which they are chosen and hereby recognizes that the power of appointment and removal thereof is solely vested in the Union. The number of Stewards will be consistent with the need but will not normally exceed one (1) Steward for every fifteen (15) employees. There shall be one (1) alternate Shop Steward to act on behalf of the Union in the case of an absence by the Chief Shop Steward.

Article 3.02

The Union will advise the Company of the identity of all Stewards and will also give notice of any new appointment or removal thereof. The Union agrees that such notice will be in writing and made in a timely fashion.

Article 3.03

Stewards shall report to their immediate supervisors and request permission to leave the job before leaving work to conduct Union Business which shall consist solely of the investigation of complaints that may lead to grievances, or to handle adjustment thereof, or to attend at any meeting with a representative of the Company or such other Union Business as may be authorized by the Company during work hours.

Article 3.04

The Company shall allow Stewards to conduct said Union Business within their regularly established working hours and within their assigned areas of representation, unless such action would seriously interfere with operations and, in such instances, the supervisor shall make arrangements for the Steward to leave the job as soon thereafter as operations will permit.

Article 3.05

The Chief Shop Steward shall be given senior seniority in the Union if qualified to do the work. If the Chief Shop Steward is absent from work for a period of more than four weeks, the Assistant Chief Shop Steward shall be given senior seniority when acting in the capacity of Chief Shop Steward, if qualified to do the work.

ARTICLE 4 - GRIEVANCE PROCEDURE AND ARBITRATION

Article 4.01 - Preamble

The following is the procedure which shall be used to adjust and settle all matters of complaints, disputes, grievances or controversies pertaining to the interpretation, application, operation or any alleged violation of this Agreement and any matter which may arise between the Company and the Union. It is mutually agreed by both parties that it is the spirit and intent to adjust complaints and grievances as quickly as possible, and it is generally understood that an employee has no grievance until he/she has first given to his/her foreman or supervisor an opportunity to adjust the complaint. If the complaint is not adjusted to the satisfaction of the employee within a period of two (2) working days or such longer period as may be mutually agreed upon, it may be processed in accordance with the following grievance steps.

Article 4.02 - Grievance Steps

Step No. 1

In the event of a grievance, the employee may approach his or her Shop Steward or the Chief Shop Steward to discuss the grievance.

Step No. 2

The Shop Steward then discusses the grievance with the Chief Shop Steward who will present the grievance in writing to the appropriate Department official. The Department official will give an answer in writing to the Chief Shop Steward within three (3) working days.

Step No. 3

Failing settlement, the Chief Shop Steward refers the grievance to the Union Business Manager or representative who will take the matter up in writing with the appropriate Company official within five (5) working days of the answer of the Department official.

Step No. 4

Failing settlement at this level within fifteen (15) working days or a mutually agreed upon extension, the matter in dispute will be handled in accordance with Article 4.05 of this Agreement.

Article 4.03 - Employee Rates

The Company shall pay employees at their regular rates for Union business conducted during their regular business hours, on the Company's premises. The Company will continue its practice that up to two (2) employees will not lose any regular pay for time spent in collective bargaining meetings with the Company.

Article 4.04 - Discharge, Suspension or Other Action of Discipline

- (a) If an employee believes he or she has been unjustly discharged or suspended, the matter will be taken up as a special grievance under Article 4.02 of this Agreement. Any such grievance shall be referred to the manager within five (5) working days after the employee has been

advised that he or she has been discharged or suspended and the matter shall be disposed of within seven (7) working days of the time the manager received notice of the grievance, except where a case is taken to Arbitration.

- (b) In cases of grievance for discharge, suspension, or other actions of discipline, such grievance may be settled by the Arbitration Board by confirming the Company's decision in discharging, suspending or disciplining the employee, or by reinstating the employee with full or partial compensation for time lost or by any other arrangement which is just and equitable.
- (c) The Chief Shop Steward will be given a copy of any written disciplinary memos or notes that are placed on an employee's file.
- (d) In any formal interview dealing with disciplinary measures, the employee shall be accompanied by his/her Shop Steward.
- (e) An employee shall be entitled to review his/her personnel file in the presence of the manager upon reasonable notice to the Company once in each contract year.

Article 4.05 - Arbitration Procedure

Any questions of interpretation or any dispute arising out of this Agreement which cannot be settled by the Union and the Company shall be determined by Arbitration under the terms of the Labour Relations Code and in the following manner.

- (a) Either party may notify the other in writing by registered mail of questions to be arbitrated, and also the name and address of its chosen representative on the Arbitration Board.
- (b) Within five (5) days after receipt by the party of the notice, it shall appoint an Arbitrator and give notice in writing of such appointment and the name and address of such appointee.
- (c) If the two Arbitrators appointed by the parties fail to agree on a Chairman within five (5) days, they shall forthwith request the Honourable Minister of Labour to appoint a Chairman.
- (d) The decision of the Arbitration Board shall be by majority vote and shall be final and binding upon both parties.
- (e) Each party shall bear the costs of its own Arbitrator and one-half the cost of the Chairman.
- (f) The Company and the Union reserve the right to use Section 87 of the Labour Relations Code.

Article 4.06 - Jurisdiction Disputes

All disputes arising as to matter of jurisdiction shall be referred to the International President of the Union, or his designate.

Article 4.07 - Classification Adjustments

In the event that an employee is transferred to a job within another classification or is performing the work of another classification as outlined in Appendix "A", such employee may raise the matter as a grievance.

ARTICLE 5 - SENIORITY

Article 5.01 - Definition of Seniority

Seniority is an employee's length of service within the bargaining unit. Seniority lists will be kept up to date by the Company and will be made available to the Union.

Article 5.02 - Classification Seniority

Classification seniority, defined as length of service in the bargaining unit applied to the classification currently held by the employee, shall be the deciding factor in layoffs and recall from layoff. Layoff shall be within a classification by seniority. An employee shall have the right to displace a less senior employee in a previously-held classification, provided the employee has the requisite qualification as evaluated by the Company to do the work performed by the person being displaced.

Recall shall be by seniority within a classification. The most senior laid off employee shall have priority for recall to his/her classification when a vacancy occurs.

Article 5.03 - Probationary Period

After an employee has an accumulated period of service of ninety (90) days with the Company he/she shall be granted seniority which shall date retroactively to the date he/she entered the employ of the Company. During this ninety (90) calendar day period, employees shall be on a probationary period.

Article 5.04 - Maintain and/or Accumulate Seniority

An employee shall maintain and/or accumulate his or her seniority under the following conditions:

- (a) During a layoff an employee shall maintain and accumulate seniority for a definite period as follows:
 - i An employee with less than five (5) years' service shall maintain and accumulate seniority for a period not to exceed twelve (12) months;
 - ii An employee with five (5) or more years' service shall maintain and accumulate seniority for a period not to exceed twenty-four (24) months.

(b) Accident and Sickness

During an absence due to accident or sickness, an employee shall maintain and accumulate seniority for a period not to exceed thirty-six (36) months. Upon return from such absence, the employee shall return to the position held prior to his or her absence, or to one of equal rating, providing he or she is capable of performing former duties and provided the Company has received an acceptable reason for and/or authorized the absence. It shall be the duty of each employee to notify the Company of the reason for absence, to furnish evidence to support the absence and to keep the Company informed of the anticipated date of return to duty.

It is the Company's policy that doctors' certificates are not required in most cases of illness or accident and that the doctor's response on the weekly indemnity form is usually sufficient. In cases of lengthy illness or absence, or repeated absenteeism, the Company will request a medical letter. If the doctor charges a fee for letters requested by the Company pursuant to this clause, the Company will reimburse the employee.

- (c) Employees shall be eligible for maternity and parental leave in accordance with the Employment Standards Act. Employees on leave shall maintain and accumulate their seniority rights and will be entitled to return to work, provided their seniority is greater than those employed within their classification.

(d) Leave of Absence

The Company recognizes that employees are from time to time entitled to leave of absence without pay. Such leave may be granted upon application after consideration is given to the following factors.

- i Reason for the request.
- ii Seniority of the employee.
- iii Work requirement of the Company.
- iv Sufficient notice by the employee.
- v Duration of leave.
- vi Number of and reasons for previous leaves of absence, e.g., obviously leave of absence for genuine compassionate reasons will be given priority. Leave of absence for extended vacations will normally be granted to senior employees, provided it does not interfere with regular vacations of other employees and is applied for at the time of determining the general vacation schedule.
A leave of absence should be requested and approved in writing except in emergency situations.

During authorized leave of absence, an employee shall maintain and accumulate seniority.

- (e) During an absence due to transfer to a position outside the jurisdiction of the Union,

an employee shall maintain and accumulate seniority up to a maximum of ninety (90) days.

Article 5.05 - Notice of Layoff

In the event of a layoff due to lack of work, employees with less than five (5) years' seniority will be given five (5) working days' notice. Employees with more than five (5) years' seniority will be given ten (10) working days' notice of layoff. If the required notice is not given, the appropriate number of days' pay will be paid in lieu thereof except in cases of fire, flood, electrical failure or similar conditions beyond the control of the Company.

If a layoff exceeds the limits set in Article 5.04 (a), the employee will be terminated and paid severance pay in accordance with the formula in Section 42 of the Employment Standards Act; however, months of layoff will not count for the purpose of determining length of service.

Article 5.06 - Termination of Seniority

An employee's name shall be removed from the Company's list of employees and his/her seniority terminated by:

- (a) Voluntary quitting of job;
- (b) Exceeding authorized leave of absence, unless failure to return to work is unavoidable;
- (c) Discharge for just cause;
- (d) Failure to report for work within five (5) working days and signify intention to return to work within three (3) working days after notification by registered letter to return to work unless failure is proved to be unavoidable; and
- (e) When layoff exceeds the limits set out in Article 5.04 (a).

Article 5.07 - Transfer within Bargaining Unit

- (a) All transfers will be made on a trial basis or on a temporary basis and the employee will retain his/her seniority in the classification from which he/she was transferred during the trial or temporary period.
- (b) A trial or a temporary transfer resulting from a job posting under Article 5.08 will become permanent after sixty (60) calendar days unless previously made permanent by a written notice to the employee. At the time a trial or a temporary transfer is made permanent, the employee's seniority shall be transferred.
- (c) If an employee is assigned to work in a classification at a rate superior to his/her current regular rate, he/she shall be paid from the start of his/her assignment at the minimum of the higher grade classification or his/her current regular rate, whichever is the greater. If the

employee is assigned to work in a classification at a superior rate for six (6) or more hours, he/she shall be paid for the full day at the higher rate.

On returning to his/her regular job, the employee shall revert to his/her former rate. If an employee is temporarily assigned to work in a classification at a rate inferior to his/her current regular rate, he/she shall maintain his/her current rate and progression.

Temporary assignments of one week or more in a higher-paid classification will be paid at the rate of the higher pay level equivalent to the substitute employee's length of service.

- (d) In the event an employee is transferred to a job within another classification and fails to qualify on the job or upon return from a temporary transfer or leave of absence, the employee will be returned to the job held prior to the transfer or leave of absence, or a similar job if the prior job held by the employee no longer exists.
- (e) The principle of returning an employee to his/her previous job, as outlined above in this section, will not apply when the reason for the initial transfer was because of unsatisfactory work performed in the original job.
- (f) A trial or temporary transfer other than one referred to in Article 5.07 (b) shall be for a maximum of ninety (90) days.
- (g) In the event the Company transfers an employee to another classification, the Company will ensure that adequate training is provided prior to the transfer.

Article 5.08 - Promotions - Job Vacancies

Should there be a job vacancy within the bargaining unit, it shall be posted for a period of five (5) working days to allow interested employees the opportunity to apply.

The job shall be awarded on the basis of seniority provided there is no marked difference in skill and ability.

The Company's policy is to give preference to suitable applicants from within the bargaining unit.

Article 5.09 - Leave of Absence - Union

- (a) The Company, upon receiving four (4) weeks' notice in writing from the Business Manager or designate of the Union, agrees to grant leave of absence without pay to not more than one (1) employee for full-time service with the Union. Such leave of absence is not to exceed thirty-seven (37) months at a time, unless there is a mutual agreement to an extension.
- (b) The Company, upon receiving two (2) weeks' notice in writing from the Business Manager or designate of the Union, agrees to grant leave of absence without pay to Union Stewards or

representatives of the members for the purpose of attending to Union Business. Such leaves of absence shall not exceed two (2) weeks' duration, nor shall they exceed one (1) member at any one time unless otherwise mutually agreed.

Article 5.10 - Temporary Employees

If the Company hires a temporary employee to replace a bargaining unit member for a specified period, such as long-term illness or leave of absence, the employee does not accumulate seniority or benefits under this Agreement and will be terminated when the regular employee returns to work. The temporary employee and the Chief Shop Steward will be informed in writing at time of hiring that the vacancy is temporary.

Article 5.11 - Severance Pay

In the event it becomes necessary during the life of the existing Collective Agreement, dated April 1, 2007 between Hobart Food Equipment Group Canada and Local Union 258 of the International Brotherhood of Electrical Workers, to entirely and permanently close down operations in the Lower Mainland of B.C., the Company agrees to meet with the Union to negotiate a severance package.

ARTICLE 6 - HEALTH, WELFARE AND SAFETY

Article 6.01 - Safety Rules

The Company shall make adequate provisions for the safety and health of the employees during the hours of employment. It is agreed that in the matter of safety practices, the existing rules and regulations of the province of British Columbia shall govern.

Article 6.02 - Company Rules

- (a) It is agreed by both parties that as a condition of employment the rules and regulations of the Company, as posted on the notice board, will be strictly obeyed and that failure to do so shall be cause of discipline, including discharge providing such rules do not contravene the spirit and intent of this Agreement.
- (b) The Company agrees that prior to any change in the Company's rules, the Union will be notified.

Article 6.03 - Safety Practice Committee

It is agreed that there shall be a Safety Committee of not more than four (4) persons, two (2) of whom shall represent the management of the Company and two (2) of whom shall represent the bargaining unit employees. The Safety Committee shall meet quarterly to consider all matters pertaining to safety and health of the bargaining unit employees.

A copy of the Safety Practice Committee's Minutes to be posted on the Notice Board.

The bargaining unit employees on the Committee shall submit to the Company a list in writing of those matters they intend to raise for discussion at any regular committee meeting at least one (1) day before such meeting is scheduled except in the case of an emergency.

Article 6.04 - Violence in the Workplace

It is agreed that the Safety Committee will assist the company in assessing employee risk for workplace violence. The committee will make recommendations to assist the company in developing effective policies and procedures to minimize employee risk.

It is agreed that an earthquake response program will be developed, including adequate training.

The company agrees that before implementing changes to the violence or earthquake provisions that such changes would first be discussed with the Safety Committee.

Article 6.05 - On-The-Job-Injury

- (a) If any employee is injured to such an extent that he/she is obliged to cease work, his or her wages will continue for the balance of the day on which he or she is injured.
- (b) The Company shall furnish adequate emergency transportation to and from the nearest suitable doctor or hospital for any employee injured or who has become seriously ill while on the Company's premises or while performing Company business.

Article 6.06 - Health and Welfare

The Company agrees to provide Hobart employees with the following benefit package upon completion of their probationary period. (This Plan will be financed as indicated excluding the taxable benefit portion.)

Medical Service Plan of B.C.	
Employee - Nil	Company - 100%
Extended Health Care Benefit (Prescription Drug Cards to be issued to all employees.)	
Employee - Nil	Company - 100%

The following is an informal summary of the main features of your Group benefit program. All rights under this program shall be governed by the provisions of the Administrative Services Agreement, the Master Policy and by applicable laws.

Dental Plan	
Deductible \$50.00 per individual, \$100.00 per family per calendar year.	
Basic expenses -	90%
Minor restorative -	80%
Major restorative -	50%

- \$1,200. combined maximum for the calendar year of 2007.

- \$1,250. combined maximum for the calendar year of 2008
- \$1,300. combined maximum for the calendar year of 2009.

Orthodontics - 50% \$1,350. lifetime maximum
B.C. Fee Schedule minus one (1) year.
Employee - Nil Company - 100%

Vision Care

Effective April 1, 2007, employees who require glasses are eligible to receive one hundred and ten dollars (\$110.00), increased to one hundred and twenty dollars (\$120.00) April 1, 2008 and to one-hundred and thirty dollars (\$130.00) April 1, 2009 from the Company towards purchase of prescription eye wear that is W.C.B. approved. The employee may combine the first and second year's contribution towards the purchase of prescription eyewear that is W.C.B. approved and any amount not used may be carried over and added to the third year's contribution.

Life insurance, accidental death and dismemberment insurance, weekly accident and sickness insurance and major medical coverages will continue with the premiums remaining at their current level of approximately 20% employee and Company approximately 80%.

Major Medical:

The deductible for Major Medical is \$35.00 per individual; \$70.00 per family.

The lifetime maximum will be as follows:
2007 \$50,000

Para Practitioners:

Chiropractor, Osteopath and Podiatrist, increase combined annual expense to \$225.00, \$250.00 and \$300.00 in years I, II, and III respectively.

Acupuncturist, Speech Therapist, Psychologist and Physiotherapist, set per type of practitioner annual maximums to \$225.00, \$250.00 and \$300.00 in years I, II and III respectively.

Life Insurance

Equal to basic annual earnings round to the next higher \$2,000.

Accidental Death and Dismemberment – Effective April 1, 2007 – \$25,000
Effective April 1, 2008 – \$30,000 Effective April 1, 2009 – \$35,000

Weekly Accident and Sickness Insurance

Hourly employees: benefit equal to 66.67% of weekly earnings (to the E.I. maximum).

Benefits to begin on the fourth day of accident, and/or sickness.
Twenty-six (26) week duration based on seven (7) day week.

Salaried employees: benefit equal to 66.67% of weekly earnings (to the E.I. maximum). Benefits to begin on the fifteenth (15) day, twenty-six (26) week duration based on seven (7) day week.

Long Term Disability

50% of earnings to maximum of \$1,800.00 effective April 1, 2007; \$1,900.00 effective April 1, 2008 and \$2,000.00 effective April 1, 2009.

Premium: Employee - 100%

Pension

Defined Contribution Plan:

Effective April 1, 2007, the company will contribute three percent (3%) of an employee's earnings, including bonuses, commissions, overtime payments, shift premiums and any other remunerations paid to the employee by Hobart.

Effective April 1, 2008, the contribution by Hobart will increase to three and one-quarter percent (3.25%).

Effective April 1, 2009, the contribution by Hobart will increase to three and three-quarters percent (3.75%).

Employees may have voluntary contributions deducted from their pay cheques and forwarded to the carrier of the Pension Plan.

Article 6.07 - Bereavement Leave

In case of a death in the family of any employee, the Company will grant to the employee three (3) days of absence with pay at the employee's regular hourly rate of pay. Family shall mean Spouse, Common-Law Spouse, Father, Mother, Legal Guardian, Son, Daughter, Brother, Sister, Father-in-Law, Mother-in-Law, Grandfather and Grandmother.

Additional unpaid leave will be granted where circumstances require that the employee be absent from work for more than three (3) days.

An employee called upon to act as a pall bearer for a deceased co-worker will be allowed one (1) day off with pay to enable them to perform their duties.

If any bereavement falls on a scheduled vacation day(s), such vacation will be rescheduled on mutual agreement with the above entitlement.

Article 6.08 - First Aid Agreement

Where the designated First Aid Attendant is from the bargaining unit, he/she shall be paid in addition to his/her regular wage.

\$0.50 per hour for Level I
\$0.60 per hour for Level II
\$0.75 per hour for Level III

Article 6.09 - Jury Duty Pay

An employee who is called for jury duty or who is subpoenaed as a witness will receive for each day of absence the difference between pay lost and the amount of the fee received, providing that the employee furnishes the Company with a receipt signed by the proper court officer showing the amount of the fees received.

It is agreed that should there be three (3) or more hours remaining of the regular work day, said employee(s) shall return to work.

Article 6.10

All salaried employees shall receive ten (10) days sick leave per year.

It shall be the duty of each employee to notify the Company of the reason for absence, to furnish evidence to support the absence and to keep the Company informed of the anticipated date of return to duty.

Article 6.11 - Harassment Free Workplace

The company and the Union recognize the social, ethical and legal responsibility for eliminating harassment in the workplace. Both parties are committed to provide a work environment where all employees are treated with respect and dignity by management, fellow employees and customers.

In accordance with the B.C. Human Rights Act all employees must be free from discrimination on the basis of race, colour, ancestry, place of origin, religious/political belief, marital status, family status, age, physical or mental disability, sex and sexual orientation.

Any act of harassment will not be tolerated in the workplace and may result in a requirement for education and/or discipline.

ARTICLE 7 - HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS

Article 7.01 - Work Day

(a) Salaried workers' hours of work shall be eight (8) hours between 8:00 a.m. and 5:00 p.m. as a work day.

- (b) Hourly paid workers will work in three shifts which shall be:

Shift # 1 Forty (40) hours in a five (5) day period. Monday to Friday, 8 hours per day, 8:00 am to 4:30 p.m.

Shift #2 Forty (40) hours in a four (4) day period. Wednesday to Saturday, 10 hours per day, 8:00 a.m. to 6:30 p.m.

Shift #3 Forty (40) hours in a four (4) day period. Monday to Thursday, 10 hours per day, 8:00 a.m. to 6:30 p.m.

The parties agree that Letter of Understanding No. 4 shall be renewed and nothing in this clause shall diminish its intent.

- (c) Hourly-paid workers may be assigned a shift which commences no earlier than 7:00 am and which terminates no later than midnight.

Article 7.02 - Work Shift

- (a) The Company agrees that shift assignments will be made on the basis of seniority provided that the employees so assigned have the requisite qualifications as evaluated by the Company to do the work.
- (b) The Company agrees that major shift changes will not be implemented prior to discussing same with the Union, and upon the provision of forty-five (45) day's notice.
- (c) Major shift changes may be made more frequently than forty-five (45) days if mutually agreed upon by the parties involved.

Article 7.03 - Overtime

- (a) Salaried

The rate of pay for overtime shall be time and one-half for the first two (2) hours worked before or after the regular work shift, during the regular work week and for the first two (2) hours on the sixth (6th) day. All additional time including Sundays and Statutory Holidays shall be at the double-time rate.

- (b) Hourly – Team C

The rate of pay for overtime shall be time and one-half for the first two (2) hours worked before or after the regular work shift, during the regular work week, and for the first two (2) hours on the sixth (6th) day. All additional time including Sundays and Statutory Holidays shall be at the double-time rate.

- (c) Hourly – Team A/B – 10 Hour Shifts

The rate of pay for overtime shall be double time for all hours worked in addition to the regularly scheduled hours on a regular schedule. An employee required to work on their scheduled days off would receive time and one-half for the first two (2) hours and double time for all additional hours. Double time will be paid for all hours worked on a Statutory Holiday.

Article 7.04 - Minimum Overtime Rates

- (a) Employees shall receive a minimum of one-half (0.5) hour's pay at the overtime rates if notified to work overtime.
- (b) Employees shall receive a minimum of two (2) hours' pay at the overtime rate if called to work from their homes.
- (c) Employees shall receive one (1) full working day's notification if required to work overtime. In case of emergency this overtime notification may be waived.

Article 7.05 - Supper Money

When an employee is required to work more than two (2) hours of overtime following the regular shift, twelve dollars (\$12.00) supper money shall be provided when the employee provides the company with a receipt.

Article 7.06 - Rest Period

The Company agrees to grant all employees covered by this Agreement, two (2), ten (10) minute rest periods each day, one in the morning and one in the afternoon, at a time specified by the Company. Employees called upon to work overtime shall be granted a coffee break every two (2) hours while overtime lasts.

Article 7.07 - Wash-Up Time

All employees shall receive a three (3) minute wash-up time prior to their mid-day lunch break.

Article 7.08 - Travelling Allowance

Employees travelling out of town on Company business shall receive travel pay at straight-time for the first eleven (11) hours and regular overtime rates thereafter. Employees will receive five dollars (\$5.00) for miscellaneous expenses without the submission of receipts.

Article 7.09 - Annual Holidays

The Company shall adhere to the principles of paid vacation each year in accordance with the

following:

- (a) An employee with less than twelve (12) months' service with the Company shall be entitled to vacation pay in accordance with the provisions of the British Columbia Employment Standards Act.
- (b) Two (2) weeks after one (1) year at four (4) percent of gross pay.
- (c) Three (3) weeks after three (3) years at six percent (6%) of gross pay.
- (d) Four (4) weeks after twelve (12) years at eight percent (8%) of gross pay.
- (e) Five (5) weeks after twenty-three (23) years at ten percent (10%) of gross pay.

Payment for vacation will be based on service completed between July 1 and June 30 of following year.

Employees who are off work as a result of on-the-job injury covered by the Workers' Compensation Board will be credited for the appropriate per centum of what the regular earnings would have been for the period of absence.

No employee shall be permitted to accept extra pay in lieu of actual vacation time off. Vacation periods are non-cumulative.

Article 7.10 - Paid Statutory Holidays

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

One (1) extra day to be arranged between the Company and employee. To be eligible to receive the one (1) extra day described above, the employee must have completed six (6) months' service with the Company.

If no work is performed on the general holidays enumerated in Article 7.10 (a), salaried employees shall receive straight-time pay for eight (8) hours and hourly employees shall receive straight time pay for ten (10) hours.

When one of the aforementioned paid holidays occur during the period when an employee is taking his or her annual holidays, he or she shall receive an extra day's holiday, in accordance with provisions of the Agreement.

Article 7.11 - Payment of Wages

Wages shall be paid by direct deposit every Thursday before noon, covering earnings for the work period ending on the previous week, Saturday.

Article 7.12 - Safety Shoes

The Company will contribute one-hundred and ten dollars (\$110.00) per contract year towards the purchase of C.S.A. or W.C.B. approved safety shoes for employees required by W.C.B. regulations to wear them.

These amounts may be carried over for two (2) years and added together.

Article 7.13

The Company agrees to provide smocks, shirts and pants for general duty and stockroom attendant.

Article 7.14

The Company agrees to replace or repair employees' personal tools when they have been damaged or stolen while the employees are performing their duties.

To be eligible the employee must have provided the Company with a list of personal tools showing quantity, manufacturer, and description. Such list must be verified by the Service Manager.

Any claims under the theft provision must result in proven forcible entry documented with the police. Claims of theft are subject to a maximum of \$1,250. and a \$30. deductible.

ARTICLE 8 - AGREEMENT SIGNATURES

IN WITNESS WHEREOF the parties have hereunto affixed their hands and seals through their respective officers.

SIGNED BY THE COMPANY:
HOBART FOOD EQUIPMENT GROUP
CANADA (A Division of ITW Canada)

SIGNED BY THE UNION
LOCAL UNION 258 OF THE IBEW

DOUGLAS S. McKAY
Business Manager and
Financial Secretary

Date

Date

LETTER OF UNDERSTANDING NO. 1

RE: Uniforms

This will confirm the Company's policy that Service Technicians are encouraged to wear uniforms, but this is not mandatory.

The Company will pay the full cost of uniforms. Replacements, where necessary, will be provided by the Company.

The employee is responsible for cleaning and maintenance.

Dated this day of 2007.

SIGNED BY THE COMPANY:
HOBART FOOD EQUIPMENT GROUP
CANADA (A Division of ITW Canada)

SIGNED BY THE UNION:
LOCAL UNION 258 OF THE IBEW

DOUGLAS S. McKAY
Business Manager and
Financial Secretary

LETTER OF UNDERSTANDING NO. 2

To qualify for Weekly Indemnity payments, the employees must have a doctor complete the necessary form for adjudication by the insurance company. In cases of lengthy illness or absence or repeated absenteeism, the Company may request a medical letter. If the doctor charges a fee for letters requested by the Company pursuant to this clause, the Company will reimburse the employee.

Dated this day of 2007.

SIGNED BY THE COMPANY:
HOBART FOOD EQUIPMENT GROUP
CANADA (A Division of ITW Canada)

SIGNED BY THE UNION:
LOCAL UNION 258 OF THE IBEW

DOUGLAS S. McKAY
Business Manager and
Financial Secretary

LETTER OF UNDERSTANDING NO. 3

RE: Banking of Overtime

This Letter of Understanding will automatically expire on March 31, 2010 unless the Company, in its sole discretion, agrees to extend it.

1. Equivalent time off in lieu of payment will be taken at a time mutually agreed upon by the Company and the employee.
2. An employee must elect to have his/her overtime hours banked under these provisions on or before June 1 of each year for the term of the Collective Agreement. Employees who do not elect will not be eligible for inclusion in this banking provision.
3. Employees who elect to have these banking provisions applied to them cannot opt out during the term of the Collective Agreement.
4. In the event that banked overtime has not been used up through equivalent time off prior to March 31 of each contract year, the remaining monies will be paid in the next pay period at the applicable rate of pay in force at the time the overtime was worked.
5. The maximum number of shifts that may be banked during each contract year is three (3). When the applicable maximum of shifts has been banked, any additional overtime worked will be paid and may not be taken as time off.

Dated this day of 2007.

SIGNED BY THE COMPANY:
HOBART FOOD EQUIPMENT GROUP
CANADA (A Division of ITW Canada)

SIGNED BY THE UNION:
LOCAL UNION 258 OF THE IBEW

DOUGLAS S. McKAY
Business Manager and
Financial Secretary

LETTER OF UNDERSTANDING NO. 4

RE: Shift Schedule

The company will provide the employees concerned with their requirements for coverage. The employees concerned will draw up the shift schedule to ensure that regular and adequate relief will be provided. In the event they are unable to do so the employer will draw up the schedule.

Dated this day of 2007.

SIGNED BY THE COMPANY:
HOBART FOOD EQUIPMENT GROUP
CANADA (A Division of ITW Canada)

SIGNED BY THE UNION
LOCAL UNION 258 OF THE IBEW

DOUGLAS S. McKAY
Business Manager and
Financial Secretary

SCHEDULE "A"
WAGE RATES AND JOB CLASSIFICATIONS
SERVICE TECHNICIAN SCHEDULE

- LEVEL I Training and service of one product line, either Cooking Equipment, Automatic Scale Products or Commercial Food and Dishwasher Machines.
- LEVEL II After twelve (12) months' service, a Technician will be given the opportunity to receive training on a second product line which he or she has not serviced during his service at Level I.
- LEVEL III After twenty-four (24) months' service, a Technician will be given the opportunity to receive training in a third product line which he or she has not serviced during his or her service at Level II.

	<u>LEVEL I</u>			<u>LEVEL II</u>			<u>LEVEL III</u>		
	<u>APR.1</u> <u>2007</u> (3%)	<u>APR.1</u> <u>2008</u> (3.25%)	<u>APR.1</u> <u>2009</u> (3.5%)	<u>APR.1</u> <u>2007</u> (3%)	<u>APR.1</u> <u>2008</u> (3.25%)	<u>APR.1</u> <u>2009</u> (3.5%)	<u>APR.1</u> <u>2007</u> (3%)	<u>APR.1</u> <u>2008</u> (3.25%)	<u>APR.1</u> <u>2009</u> (3.5%)
Start	14.60	15.07	15.60	-	-	-	-	-	-
3 Months	17.48	18.05	18.68	-	-	-	-	-	-
6 Months	17.98	18.57	19.22	18.78	19.39	20.07	-	-	-
12 Months	18.49	19.09	19.76	19.10	19.72	20.41	20.28	20.94	21.67
18 Months	19.02	19.64	20.33	19.59	20.23	20.94	20.78	21.45	22.20
24 Months	19.52	20.15	20.86	20.09	20.74	21.46	21.07	21.76	22.52
30 Months	19.79	20.43	21.14	20.41	21.08	21.82	21.43	22.13	22.90
36 Months	20.11	20.76	21.49	20.75	21.42	22.17	21.75	22.46	23.24
42 Months	20.47	21.13	21.87	21.06	21.75	22.51	22.08	22.80	23.60
48 Months	20.76	21.44	22.19	21.43	22.13	22.91	23.92	24.69	25.56
60 Months	-	-	-	-	-	-	24.99	25.80	26.70

It is the responsibility of the employer to ensure that all employees receive adequate training on all product lines.

SENIOR SERVICE TECHNICIAN

	<u>JUNE 12, 2007</u>	<u>APRIL 1, 2008</u>	<u>APRIL 1, 2009</u>
Premium of Gas Licences	\$0.90	\$0.95	\$1.00
First Shift	Regular Pay	Regular Pay	Regular Pay
Second Shift	\$1.00/hr.	\$1.00/hr.	\$1.00/hr.

ON CALL:

The late shift premium will only be paid for shifts commencing on or after 11:00 am.

Team A/B - \$1.75 per hour.

Team C - \$1.18 per hour - on call weekdays – Monday to Thursday only.

One (1) employee on the second shift will be assigned to be on call. This position will rotate with each crew.

GENERAL DUTY

	<u>APRIL 1, 2007</u>	<u>APRIL 1, 2008</u>	<u>APRIL 1, 2009</u>
	3%	3.25%	3.5%
Start	\$11.95	\$ 12.34	\$12.77
6 Months	\$12.82	\$13.24	\$13.70
12 Months	\$13.69	\$14.13	\$14.63
15 Months	\$14.12	\$14.58	\$15.09
18 Months	\$16.61	\$17.15	\$17.75
21 Months	\$16.97	\$17.53	\$18.14
24 Months	\$17.62	\$18.20	\$18.83

If the position is part time, a twelve percent (12%) payment shall be made in lieu of benefits. In the event it becomes a full-time position, all normal benefits will be provided consistent with full-time provisions.

The twelve percent (12%) in lieu payment includes four percent (4%) vacation pay.

Statutory Holiday pay will be made in accordance with the Employment Standards Act.

Duties shall include general maintenance, shop and warehouse clean-up and assisting Stock Room Attendants.

In the event a Stock Room Attendant is absent for an extended period (sickness, vacation, etc.), the General Duty Person will perform all functions. During such periods, the General Duty Person shall be compensated in accordance with the Stock Attendant's pay schedule.

CLERICAL SCHEDULE

	<u>APRIL 1, 2007</u>	<u>APRIL 1, 2008</u>	<u>APRIL 1, 2009</u>
<u>CLERK I</u>	3%	3.25%	3.5%
Start	\$2104.17	\$2172.55	\$2248.59
6 Months	\$2586.41	\$2670.47	\$2763.94
12 Months	\$2675.12	\$2762.06	\$2858.73

After 18 months worked - may be eligible for promotion to:

CLERK II

Start	\$2349.81	\$2426.18	\$2511.10
6 Months	\$2813.20	\$2904.63	\$3006.29
12 Months	\$2948.08	\$3043.89	\$3150.42
18 Months	\$3077.73	\$3177.76	\$3288.98
24 Months	\$3205.15	\$3309.32	\$3425.15

Further promotion may be attained if, after completing a number of job assignments, a clerk is deemed competent in two or more areas of this business and capable of directing others in their various duties.

SENIOR CLERK/STOCK ROOM ATTENDANT

Start	\$3219.85	\$3324.50	\$3440.85
6 Months	\$3528.16	\$3642.83	\$3770.33
12 Months	\$3671.46	\$3790.78	\$3923.46

STOCKROOM ATTENDANT: Duties shall include warehousing parts, counter sales, and when required duties normally performed by General Duty Personnel.