

Collective Agreement

Between

Vita Mills Inc.

And

United Steelworkers, Local 1-1937

June 11, 2009 – June 10, 2011

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THIS AGREEMENT entered into the 29th day of June, 2009

BETWEEN:

Vita Mills Inc.
(hereinafter known as the “Company”)

AND:

United Steelworkers, Local 1-1937
(hereinafter known as the “Union”)

CLAUSE 1 - PURPOSE OF AGREEMENT

Purpose

The purpose of this Agreement is to maintain a harmonious relationship between the Company and its Employees, to provide an amicable and equitable method of settling grievances or differences which might possibly arise, and to maintain efficiency of operations, mutually satisfactory working conditions, hours of work and fair wages for all Employees who are subject to the provisions of this Agreement. The Company and the Union agree to cooperate fully in the advancement of these conditions.

CLAUSE 2 - MANAGEMENT

2.1 Management Rights

The parties hereto agree that the management of the plant and the direction of the working forces are vested exclusively in the Company, and the Union shall not abridge these rights.

CLAUSE 3 - UNION RECOGNITION AND SECURITY

3.1 Union Recognition

The Company recognizes the Union, herein referred to as the bargaining agency or union, for all of its employees in the bargaining unit, including indentured apprentices in accordance with the Labour Relations Code of BC.

3.2 Wage Assignment

- (a) The Company shall require all new employees at time of hiring to execute an assignment of wages form (Schedule "A"), in duplicate and the completed forms are to be forwarded to the Union not later than fifteen (15) calendar days following the date of hiring. The required forms are to be supplied by the Union.
- (b) This assignment in the case of employees already members of the Union shall be effective immediately, and for those employees not previous members of the Union, it shall become effective thirty (30) calendar days from the date of execution.
- (c) The local Union shall notify the Company by letter of the amount of back dues owed by new employees and copies of such letter should be furnished to the employee and the Plant Committee.
- (d) The Company shall remit the dues deducted pursuant to such assignment (until and unless said assignment is revoked by the employee), to the Local Union named therein not less often than once each month, with a written statement of names of the employees for whom the deductions were made and the amount of each deduction.

3.3 Social Insurance Numbers

- (a) The Company shall furnish the Union with the Social Insurance number of each employee on its payroll on the first occasion when dues are forwarded to the Union after the execution of this agreement or after the employee enters the employment of the Company, whichever date last occurs.

3.4 Maintenance of Membership

- (a) Any employee who is a member in good standing, or is reinstated as a member of the Union shall, as a condition of continued employment, maintain such membership in good standing throughout the term of this Agreement.
- (b) Any employee who fails to maintain his membership in the Union as prescribed herein by reason of refusal to pay dues and assignments shall be subject to discharge after seven (7) days written notice to the Company of the employee's refusal to maintain his membership.
- (c) Any employee who applies to join the Union pursuant to the provisions herein and whose application is rejected by the Union shall not be subject to discharge from employment.
- (d) When additional employees are required the Union will be notified and the Union may refer suitable workers to the Company. Laid-off members of the Union from other operations shall be given due consideration.

3.5 Contractors, Sub-contractors or Transfers of work

- (a) Work normally performed by bargaining unit employees shall not be contracted, subcontracted out or transferred within or outside of the Company's divisions except where justified by special circumstances.
- (b) In the case of any dispute with respect to the interpretation, application or alleged violation of this clause, the parties shall meet to discuss ways and means of minimizing or eliminating any negative impact on the employment of Vita Mills, Delta Division employees.
- (c) Either party may refer the dispute to an Umpire who shall determine the dispute on an expedited basis.
- (d) The umpire will be assisted by a nominee from each Party
- (e) The Umpire's decision will be final and binding.

3.6 Access to Operations

Official Union Representatives shall obtain access to the Company's operations for the purpose of this Agreement by permission which shall be granted by the Company on request and subject to such reasonable terms and conditions as may be laid down by the Company.

CLAUSE 4 - WAGE RATES

4.1 Rate of Pay

Wages shall be paid in accordance with the classification in Schedule "B" attached to and forming part of this Agreement, and shall not be reopened during the term of this Agreement except as in clause 4.2.

4.2 New Classifications

Whenever job conditions change due to the installation of new machinery, which may necessitate the establishment of a new classification in the wage schedule, or when job descriptions significantly change, both parties to this Agreement will meet and negotiate the classification and wage rate to be paid to the employee so affected. If the Company and the Union are unable to agree upon a rate of pay for a new classification the matter shall be subject to the Grievance and Arbitration Procedures contained in this Agreement.

4.3 Temporary Transfer

- (a) Where the Company temporarily assigns an employee to perform work in a classification paying lower rates than his/her own, the payment shall be in his/her own classification.
- (b) Where an employee chooses to work temporarily in a classification paying lower rates than the employee's classified rate, the employee shall be paid at the lower rate.

4.4 New Employees

The Company will clearly state to a new employee the wage rate and classification on which he or she is hired.

4.5 Industrial Accidents

An employee suffering an injury at work and who is required to leave the plant due to the extent of an injury will be paid the Employee's classified hourly regular rate of pay to the end of the shift on the day of the injury.

CLAUSE 5 - HOURS OF WORK AND OVERTIME

5.1 Hours of Work

The regular hours of work shall be eight (8) hours per day, forty (40) hours per week, in accordance with the following:

- (i) The day shift shall be eight and one-half (8 ½) hours in duration, with a one-half (½) hour unpaid lunch period, for which employees will receive eight (8) hours pay.
- (ii) The afternoon shift shall be eight (8) hours in duration with a one-half (½) hour paid lunch period, for which the employee will receive eight (8) hours pay.
- (iii) The night shift shall be seven and one-half (7½) hours in duration with a one-half (½) hour paid lunch period, for which the employee will receive eight (8) hours pay.

The foregoing provisions shall not be construed as a guarantee to any employee any number of hours of work per day or per week.

5.2 Rest Breaks

All employees shall receive one (1) fifteen (15) minute rest period during the first half of the work shift and one (1) fifteen (15) minute rest period during the second half of the work shift.

5.3 Shift Rotation

The working force of the AM (day) shift, PM (afternoon) shift and Night Shift (graveyard) shift shall rotate as mutually agreed.

5.4 Minimum Daily Pay

An employee who reports to work at the employee's regular starting time and who commences work, or who is called in at other than the assigned regular starting time, will be paid for not less than four (4) hours at the employee's regular rate of pay. This provision shall not apply to Acts of God or interruption of services beyond the control of the Company. In such cases a minimum of two (2) hours shall be paid or actual hours worked whichever is greater.

An employee who reports to work at the employee's regular starting time and who is advised that no work is available, and who does not commence work, will be paid two (2) hours at the employee's regular rate of pay.

5.5 Overtime Rates

All hours worked in excess of the regular hours of work per day or per week shall be considered as overtime hours and paid in accordance with the following:

- (a) time and one half shall be paid for all hours worked in excess of the regular hours per day and in excess of the regular hours per week, except as provided in sub-section (b) below; and
- (b) double time shall be paid for all hours worked in excess of three (3) hours of overtime per day and in excess of eight (8) hours above the normal regular hours per week.
- (c) employees who have not completed the regular scheduled hours per week shall not be entitled to overtime rates of pay on scheduled days off until such time as they have worked the required regular hours per week.
- (d) For purpose of this clause, a statutory Holiday shall be considered an eight (8) hour shift worked.

5.6 Overtime Distribution

All overtime must be authorized in advance by the Company and shall be distributed between competent employees in an equitable manner on a rotational basis. An agreed system shall be implemented to effectively monitor the distribution of overtime. (see L.O.U. # 2 for reference)

CLAUSE 6 - STATUTORY HOLIDAYS

6.1 Recognized Holidays

The following days shall be recognized as Statutory Holidays and an employee shall be paid eight (8) hours at the employee's regular straight time hourly rate:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance day
Canada Day	Christmas Day
BC Day	Boxing Day

6.2 Observance of Holidays

Where a Statutory holiday falls on a Saturday or Sunday, the Holiday may be observed on the preceding Friday or the following Monday as mutually agreed between the Company and the Plant Committee. The Company and the Plant Committee may also mutually agree to change the day on which any other Statutory Holiday is observed

6.3 Entitlement to Statutory Holiday Pay

An employee shall be entitled to receive pay for the Statutory Holidays referred to in this clause in accordance with the following;

- (a) the employee must have been on the payroll thirty (30) calendar days and have worked fifteen (15) of the thirty (30) calendar days immediately preceding the holiday, unless the individual was sick or injured, and
- (b) the employee must have worked on his/her last scheduled work day before the statutory holiday and his/her first regular scheduled work day after the statutory holiday, unless their absence is due to injury, illness, compensable occupational injury or is otherwise authorized by the Employer, provided that the two (2) days fall within a sixty (60) calendar day period.
- (c) in the event of sickness or injury, with respect to application of sub-sections (a) and (b) above, the employee provides a medical certificate if required by the Company.

6.4 Working on Statutory Holidays

An employee required to work on a Statutory Holiday shall be paid time and one-half (1½), or double-time if applicable, for all regular hours worked on such shift. Hours worked in excess of the normal shift shall be paid at the rate of double-time. In addition, if entitled, the employee shall be paid for the Statutory Holiday.

6.5 Annual Vacations

An employee shall be paid for any Statutory Holidays occurring during a period of approved annual vacation covered by the terms of this Agreement, or the employee may request an additional day off with pay in conjunction with such vacation in lieu of the Holiday.

CLAUSE 7 - ANNUAL VACATIONS WITH PAY

7.1 Vacation Year

For the purposes of this Agreement the vacation entitlement and pay shall be based on a calendar year, January 1st to December 31st.

7.2 Vacation Entitlement

- (a) An employee shall be eligible for vacation entitlement and pay on the employee's anniversary date of service in each calendar year in accordance with the following;

<u>Service</u>	<u>Entitlement</u>	<u>Vacation Pay</u>
less than one (1) Year	one (1) day for each completed month of service to a maximum of ten (10) days	4% of gross wages earned

one (1) year or more	two (2) weeks	4% of gross wages earned
four (4) years or more	three (3) weeks	6% of gross wages earned
ten (10) years or more	four (4) weeks	8% of gross wages earned
sixteen (16) years	five (5) weeks	10% of gross wages earned
twenty-two years or more	six (6) weeks	12% of gross wages earned

- (b) In determining “Gross Wages” for the purpose of calculating vacation pay only, such wages shall be adjusted on an annual basis to include the regular earnings an employee would have received during period of absence due to certified sickness, non- occupational injury, an absence where an employee is in receipt of Worker’s Compensation benefits, in any twelve (12) month period. Periods of layoff shall also be included to a maximum of three (3) months in any twelve (12) month period.

7.3 Payment of Vacation Pay

- (a) Accrued vacation pay may be included in the pay immediately preceding scheduled vacation time. For this to occur, a written request must be submitted at least two (2) weeks before the scheduled vacation begins, otherwise, such requested vacation pay will be included in the next pay period.
- (b) There shall be no vacation entitlement or pay carried over from one (1) year to the next unless approved by the Company. All employees must take a minimum of ten (10) days of allowable vacation entitlement. An employee with four (4) years or more of service must take a minimum of fifteen (15) days of allowable vacation entitlement.
- (c) The Company shall pay all accrued vacation pay, less any vacation pay received, no later than January 15th in the year following the year of entitlement.

7.4 Vacation Allotment

It is understood and agreed that the Company in granting vacation entitlement shall do so on the basis of seniority in accordance with operational requirements. The Company agrees to make its best effort to accommodate an Employee’s requested vacation period.

7.5 Termination of Employment

An employee whose employment is terminated shall receive vacation pay at the appropriate percentage of gross wages earned during the period of entitlement in accordance with the employee’s years of service.

CLAUSE 8 - TECHNOLOGICAL CHANGES

8.1 Labour Relations Act

: The following shall apply in the case of Technological Change:

(a) An employee transferred to a lower rated job because of technological changes shall receive the rate of the former job held for a period of twenty (20) weeks. At the conclusion of the twenty (20) week period the employee will be paid the rate of the job performed. However during the twenty (20) week period the Employee will have the option of terminating employment and accepting severance pay.

(b) On application of (a) above, if an Employee is transferred to a lower rated job, in conjunction with the provisions of Clause 12 – Seniority, such employee shall retain the rate of the former job held for a period of twenty (20) weeks. At the conclusion of the twenty (20) week period the employee will be paid the rate for the job performed. An employee covered by this provision is not entitled to severance pay.

CLAUSE 9 - SAFETY PROGRAM

9.1 Occupation Health and Safety Act

The Company agrees to make reasonable provisions for safety and health of its employees during the hours of employment.

9.2 Safety Department of Union

The Company will cooperate in furthering the safety and accident prevention program of the United Steelworkers Canada, and may at times request the assistance of their Safety Department.

9.3 Notification of Injury

An employee suffering an injury while in the employ of the Company must report as soon as possible to the supervisor (or in the supervisor's absence the lead hand) and at all times to the First Aid Attendant.

9.4 First Aid Certification and Premiums

Level 2 First Aid Certification is the standard requirement for First Aid attendants. There shall be one Level 2 or higher, certified First Aid Attendant per shift except on clean-up when Level 1 shall be sufficient.

- (a) There shall be six (6) designated employees with a Level 2 or higher First Aid Certificate. The list of qualified Level 2 or higher certificate holders will be ranked by seniority and the top six (6) individuals will be the designated Level 2 or higher First Aid Attendants. The list will be updated once a year on the anniversary date of the Collective Agreement.
- (b) The senior designated individual on shift that holds a Level 2 or higher First Aid Certificate shall receive a total premium of eighty cents (\$0.80) per hour, non-pyramiding.
- (c) The next most senior individual on shift that holds a Level 2 or higher First Aid Certificate, shall receive a total premium of fifty-five (\$0.55) per hour, non-pyramiding. The designated back-up employee shall not maintain employment over a senior laid-off employee.
- (d) In addition to (a) above, six (6) additional individuals holding a valid First Aid Certificate (1,2,or 3) shall receive a premium of twenty-five cents (\$0.25) per hour.

- (e) The Company is obligated to have at least one certified Level 2 or higher, First Aid Attendant on shift at all times except on clean-up when Level 1 is deemed sufficient. During a layoff, senior employees who obtain a Level 2 or higher First Aid Certificate may bump a junior designated First Aid attendant.

9.5 First Aid Course

The Company will pay the cost of the First Aid course and Certificates renewals, including wages lost in attending such courses or Certificate renewals, to designated employees. To be eligible for such payment the employee must receive prior written approval from the Company. If the employee doesn't successfully complete the course all subsequent costs of attaining the First aid Certificate will be the responsibility of the employee.

The Company will cooperate in adjusting the shift schedule of an employee who is enrolled in an approved First aid Course.

9.6 Safety Equipment

- (a) Safety shoes are mandatory for all employees. The Company will reimburse one hundred percent (100%) of the cost, up to a maximum reimbursement of **(\$150.00)**, once per calendar year, upon presentation of a receipt, to be paid out on the next payroll. New employees will be reimbursed retroactively after being employed for six (6) months.
- (b) The Company will provide any other safety equipment required by its own Safety Policy, or by the Worker's Compensation Board. The Company will replace these articles as required when they are presented worn or damaged by an employee, at no cost to the employee.

CLAUSE 10 - GROUP INSURANCE PROGRAM

10.1 Medical Service Plan of BC (MSP)

The Company will pay one hundred percent (100%) of the premium cost to provide the Medical Service Plan of BC for all employees who have completed the probationary period and who work a minimum of two hundred and sixty (260) hours per calendar quarter (average twenty [20] hours per week). In such case, the coverage shall commence at the beginning of the next calendar month.

10.2 Insurance Benefits

- (a) The Company will provide additional benefits as outlined in Schedule "C" for all employees who have completed their probationary period as provided for in this Agreement and provided the employee makes for enrollment and meets all requirements of the Insurer, in such case, the coverage shall commence at the beginning of the next month. For complete details, or for clarification of coverage, reference must be made to the Group Insurance Plan Coverage Guide, or to the carrier.

- (b) Premiums for these additional benefits, as agreed from time to time, shall be paid for jointly by the Company and by the employees. Effective June 11, 2007 the Company will pay eighty percent (80%) of the premium cost of these benefits and the employee shall pay twenty percent (20%). As the employees pay a portion of the premium amount(s) of the insurance benefits provided in Schedule "C" the Company will discuss with the Union throughout the process regarding proposed changing of a Carrier(s) for said benefits and/or the premium rate(s) for same, including sharing information regarding costs and other pertinent details.

CLAUSE 11 – GROUP REGISTERED RETIREMENT SAVINGS PLAN

Effective June 11, 2006 a Group Registered Retirement Savings Plan (RRSP) shall be established and maintained in accordance with the following:

- (a) A regular employee is eligible to become a member and participate in the plan at the beginning of the month following completion of one (1) consecutive year's service as a regular employee with the Company.
- (b) The Company will match, on a one-for-one basis, a member's voluntary contribution to a maximum Company contribution of ten cents (\$0.10) for each hour worked by the member.

(i) Effective June 11, 2010 the foregoing sentence will be replaced with the following:

The Company will match, on a one-for-one basis, a member's voluntary contribution to a maximum Company contribution of forty cents (**\$0.40**) for each hour worked by the member.

- (c) Contributions by a member must be in increments of five cents (\$0.05) per hour worked. In addition to the member's contributions in (b) foregoing, the member may make unmatched voluntary contributions.
- (d) All voluntary contributions as provided for in (b) and/or (c) foregoing must be made in accordance with the following:
 - (i) the member must continue these contributions for thirteen (13) consecutive pay periods and must give the Company a minimum of fourteen (14) days written notice of intent to cease such contributions; in such case, contributions will be stopped at the end of the pay period in effect at the expiration of the notice: and
 - (ii) a member who has previously ceased such contributions has one opportunity to recommence his/her voluntary contributions to the RRSP, after providing the Company a minimum of fourteen (14) days written notice of same. Should said member again cease his/her voluntary contributions he/she can not again recommence voluntary contributions.
- (e) It is understood these funds are 'locked in' during the term of the member's employment with the Company.
- (f) The Company and the Union shall meet to finalize the details of the plan by May 31, 2006.

CLAUSE 12 - LEAVE OF ABSENCE

12.1 Compassionate/Personal Leave

The Company shall grant an employee leave of absence for compassionate or personal reasons or for an education or training course or extended vacation purposes, conditional on the following terms:

- (a) the employee must apply in writing at least four (4) weeks in advance unless the grounds for such application could not reasonably be foreseen; and
- (b) the employee shall be required to disclose the grounds for application; and
- (c) that no more than two (2) employees are on leave at the same time; and
- (d) that the employee requesting such leave has completed at least one (1) year of service with the Company; and
- (e) the company shall grant such leave where a bona fide reason is advanced by the applicant, or may postpone leave for educational or training purposes where a suitable replacement is not available; and
- (f) no leave shall be granted to an employee for more than six (6) months in any twenty-four (24) month period, and
- (g) In the event the employee has special circumstances the Company will make its best effort to accommodate a Leave Of Absence which falls outside the above conditions, and
- (h) in no case shall a leave of absence be granted for the purpose of allowing an employee to work elsewhere or venture into a personal business, and
- (i) the Company shall provide the Plant Committee with a copy of all approved Leaves of Absence.

12.2 Union Leave

Where an employee is selected by the Union to represent the Union at conventions, negotiations, or other valid Union Business, and reasonable notice is given, the Company shall grant leave of absence.

12.3 Leave For Personal Injury or Illness

The Company will grant leave of absence to employees suffering injury or illness for the term of this Agreement, subject to the employee providing a medical certificate if requested by the Company.

12.4 Seniority Status

It is understood that leave of absence granted by the Company and sick leave will not affect an employee's seniority.

12.5 Bereavement Leave

- (a) When death occurs to a member of a regular employee's immediate family, the employee will be granted an appropriate leave with pay and compensated at the employee's regular straight-time hourly rate of pay, for the regular work schedule for a maximum of three (3) days. This time shall be taken at the time of death to attend the funeral and/or to allow for bereavement.
- (b) Immediate family shall be defined as the employee's spouse, mother, father, brothers, sister, sons, daughters, mother-in-law, father-in-law, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, stepchildren, step-parents, grandparents, grandparents-in-law, and grandchildren.
- (c) Employee's who are on leave of absence, sick leave, or laid-off, shall not be eligible to receive bereavement leave.

12.6 Jury Duty

- (a) Any regular full-time employee who is required to perform jury duty, including Coroner's jury duty, or who is required to appear as a Crown Witness or Coroner's Witness on a day on which the employee would normally have worked will be reimbursed by the Company for the difference between the pay received for the said jury or witness duty and the employee's regular straight-time hourly rate of pay for regularly scheduled hours of work. It is understood that such reimbursement shall not be for hours in excess of eight (8) per day or forty (40) per week, less pay received for the said jury or witness duty. The employee will be required to furnish proof of jury or witness service and jury or witness duty pay received.
- (b) Hours paid for under the provisions of this section will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holidays, but will not be counted as hours worked for the purpose of computing overtime.

12.7 Sick Leave

The Company shall provide each employee with paid sick leave for regular assigned shifts in accordance with the following:

Effective June 11th, 2007 - a maximum of five (5) days per contract year

To be eligible for the above sick leave an employee must have worked a minimum of fifteen hundred (1,500) hours in the preceding contract year.

Employees will be able to bank their paid sick leave to a maximum of fifteen (15) days. Untaken paid sick leave will be paid out to employees who retire from the Company or in the event of the plant permanently closing..

CLAUSE 13 – SENIORITY

13.1 Probation Period

The Company recognizes the principle of seniority, competency considered, after the employee has worked three hundred and sixty (360) hours of work or has been employed for one hundred twenty (120) days, whichever comes first.

13.2 Seniority Lists

There shall be three (3) groups and three (3) separate seniority lists:

- i) Regular employee list
- ii) Part-time Employees
- iii) Casual Employee List

Employees are listed in their groups and shall have seniority only within their group

The Union shall be provided a copy of the list upon its request. The Company will advise the Union of changes to the lists as they occur.

The lists will show the name and seniority date for each employee who has completed their probationary period.

For Casual and/or Part Time Employees the application of Clause 7 is excluded and Vacations and pay therefore shall be based on the provisions of the Employment Standards Act of British Columbia. In the case of the transfer of a Part Time Employee to the status of a Regular Employee, the employee's vacation entitlement will be based on his/her date of hire as a Part-Time Employee.

The use of a Part Time employee will not result in the lay-off of a Regular Employee and the use of a Casual Employee will not result in the lay-off of a Part-Time Employee.

The application of Clause 10 is excluded from a Part-Time Employee(s) and/or a Casual Employee(s). A Part-Time Employee who works a minimum of two hundred and sixty hours (260) in a calendar year quarter will be reimbursed the cost of his/her and dependent family Medical Services Plan premiums for that same quarter.

A Part-Time Employee(s) shall be available for work the same as a Regular Employee(s).

Upon the completion of nine hundred and twenty (920) hours work in a calendar year, a Part-Time Employee shall become a Regular Employee and be transferred onto the Regular Employee Seniority List with his/her seniority date being the date of transfer.

13.3 Casual Employees

The following applies to Casual Employees

- (a) they shall receive the regular hourly rate of pay for the work performed, and
- (b) shall be paid overtime rate of pay in accordance with this Agreement, and
- (c) The Casual Employees Seniority List shall be used for 'call in' purposes only. It is understood that Casual Employees will be called for available work in order of their hire date and they must be available for 'call in' to work. Said employee who is not available for 'call in' three (3) times in a ninety (90) consecutive day period shall have their employment terminated. The seniority

retention of a Casual Employee shall be six (6) consecutive months, upon the expiration of which their employment shall be terminated. When hiring a Casual Employee, the Company shall give first opportunity to those unemployed members of the Union who have applied for a casual position, such application to remain active for six (6) months.

13.4 Loss of Seniority – Regular Employees and Part-Time Employees

Regular Employees and/or Part Time Employees hired prior to June 11, 2006 shall have seniority retention of twenty-four (24) months from the date of lay-off.

The seniority of a regular employee(s) and/or part-time employee(s) shall be forfeited and the employee's employment terminated upon the employee being laid-off for:

- i) six (6) months, if the employee has less than one (1) year's seniority at the time of lay-off: or
- ii) twelve (12) months, if the employee has one (1) or more year's seniority at the time of lay-off, plus an additional month for each additional year of service, to a maximum of twelve (12) additional months.

13.5 Temporary Layoff

When a job reduction occurs for five (5) days or less, the incumbent affected shall displace the junior employee on shift that day.

13.6 Layoff

When a job reduction occurs for more than five (5) days, the incumbent may apply their seniority and competency to bump into a position occupied by a junior employee holding a posted position working outside the classification of Extruder Operator.

Those employees who lose their position as a result of bumping are considered in motion and may in turn apply their seniority and competency to bump a junior employee holding a posted position working outside the classification of Extruder Operator.

The Extruder Operator Incumbent may be bumped only if the employee in motion is senior and has no place to go.

Incumbents and all employees affected by subsequent bumping shall retain priority to their original job, and shall return to their original job if it becomes available within one (1) year.

13.7 Permanent Layoff

If the Company knows that a position(s) are going to be eliminated then Clause 12.6, Layoff language shall apply.

13.8 Layoff Requirements

In the event of a layoff, the Company will layoff probationary employees first, then part-time employees, then casual employees, and then regular employees. When laying-off employees it shall be done in reverse order of their date of hire. This provision shall apply subject to the remaining jobs being filled by competent employees.

13.9 Notice of Layoffs

The Company shall provide all employees with a minimum of twenty-four hours (24) notice in the event a layoff is necessary. To reduce the possibility of grievances arising over layoffs, where seniority is concerned, Management shall notify the Plant Committee prior to the layoff, the names of those employees to be laid-off.

13.10 Recall

- (a) Laid off employees shall be recalled in order of seniority in accordance with the provisions of 13.8 of this clause.
- (b) Except as provided in 13.3 herein, employees laid-off pursuant to this clause who cannot be contacted and who have been notified of recall by registered letter to the employees last known address, and who have failed to return to work within ten (10) days of delivery of the notice of return, shall be deemed to have voluntarily terminated employment and forfeited the right to recall and seniority.
- (c) No new employees will be hired until the former regular employees who have an active application on file with the Company in accordance with the following and are competent and available have been rehired:

Upon expiration of a laid-off regular employee's seniority retention the Company shall send the former employee a registered letter advising him/her of same; said letter to be copied to the Union. The letter will also advise the former employee that if he/she desires to apply for the preferential consideration for hire, the Company must receive written notification of same within sixty (60) days of the expiration of the former employee's seniority. Said notification shall remain in effect for six (6) months upon the former employee providing written notification of same to the Company prior to the expiration of the initial six (6) month period. The former employee must keep the Company advised in writing of his/her current address and telephone information.

- (d) A copy of any notice of recall by registered letter to an employee shall be sent to the Local Union and the Plant Committee.
- (e) It shall be the responsibility of all employees to notify the Company immediately of any change of address and/or telephone number.

CLAUSE 14 – JOB POSTING

Vacancies

An incumbent employee is an employee currently holding a posted position.

- (a) Vacancies above those at the general work level shall be posted for a period of not less than two (2) working days except when otherwise agreed, and shall include the job title, rate of pay, and the shift for which the vacancy applies. Incumbents retain priority to their posted shift.
- (b) Employees on an authorized leave of absence or on vacation who wish to apply for an upcoming posting must notify the Company in writing within five (5) working days of the start of the leave. Employees absent due to sickness or injury, shall be entitled to apply in writing within two (2) working days of their return to work. Notwithstanding the above, employees must return to work within eight (8) weeks of the original posting.
- (c) The job posting, except for the Extruder Operator, will be awarded to the senior applicant and the training will be provided if required.
- (d) The Extruder Operator position may only be filled by the senior competent back-up as reflected in Appendix "B" of the Collective Agreement.
- (e) Should the successful applicant for a posted vacancy be unsatisfactory or the employee determines the job is not suitable, within a period of fourteen (14) working days, the employee shall be returned to the former position held and the vacancy may be filled without further posting. In addition, the Company shall have the right to require all other employees, who changed jobs as a result of the job posting, to revert to their former jobs held. In filling such a vacancy without further postings the Company will consider the other original applicants for the vacancy.

14.2 Temporary Vacancies

A back-up employee is a competent employee who temporarily fills a posted position vacated by the incumbent.

When the temporary vacancy occurs, the senior most competent back-up, for the open vacancy, will be given the opportunity to fill the position. The competent back-ups are those employees listed in Appendix "B" of this Collective Agreement or an individual who has been trained through a training posting procedure.

14.3 Preference to Regular Employees

It is recognized by both parties to this Agreement that an employee may reasonable expect to progress to a higher classification while in the service of the Company. The Company also agrees, where an employee is showing satisfactory progress, it shall make every effort to assist such employee in advancing. To this end, where a vacancy exists in a higher classification, an employee who is in a lower classification and has the qualifications to advance to the position vacant shall receive preference before a new employee is hired.

14.4 Job Training

Job Training shall be conducted in accordance with Letter of Understanding # 5

CLAUSE 15 – PLANT & SAFETY COMMITTEE

15.1 Plant Committee

- (a) A standing committee of Union members shall be maintained in the plant and shall be known as the Plant Committee.
- (b) The Plant Committee shall cooperate at all times with the company in the furtherance of safety measures. The Committee shall discuss with the Company grievances or problems which may occur from time to time.
- (c) The Company agrees that there shall be no discrimination against an employee for the reason that the employee has been selected to be a member of the Plant Committee. (see letter attached to back of contract)

CLAUSE 16- EDUCATION TRUST FUND

The Company shall pay three cents (\$0.03) for every hour worked per employee into the Local Union Education fund provided the Union continues to be party to the “Protocol Agreement” between the parties (see last page of contract.

CLAUSE 17 - ADJUSTMENTS OF GRIEVANCE

17.1 Grievance Procedure

The Company and the Union mutually agree that, when a grievance arises in the plant coming under the terms of this Agreement, it shall be taken up in the manner set out below:

Step One

The individual employee involved shall first take up the matter with the supervisor/leadhand directly in charge of the work within fourteen (14) calendar days of the date that the employee first became aware that he/she may have cause to file a grievance.

Step Two

If the question is not satisfactorily settled in this way, the same individual, with the Plant Committee shall take up the problem with the senior Company Representative at the plant. A statement in writing of the grievance, together with a statement in writing by the senior Company Representative at the plant, shall be exchanged by the parties concerned..

Step Three

If the problem is not then satisfactorily solved, it shall be referred to the Union and the Management.

Step Four

If a satisfactory settlement is not reached, it shall be dealt with by arbitration or other suitable means mutually agreed between the parties.

17.2 Time Limits

All grievances shall be advanced to the next step of the procedure within fourteen (14) calendar days after completion of the preceding step.

If either party fails to comply with the time limits referred to above, then the matter may be referred to Arbitration in accordance with the provisions of this Agreement.

The parties agree that the time limits referred to in this section may be extended by mutual agreement.

CLAUSE 18 - ARBITRATION

18.1 Referral to Arbitration

In case of a dispute arising under this Agreement, which the parties are unable to settle, as set out in Clause 15 of this Agreement, the matter shall be determined by arbitration in the following manner:

- (a) Either Party may notify the other Party and the Arbitrator, in writing by registered mail, of the question or questions to be arbitrated.
- (b) After receiving such notice and statement the Arbitrator and the other Party shall within three (3) working days acknowledge receipt of the question or questions to be arbitrated.
- (c) No one shall serve as an Arbitrator who;
 - (i) either directly or indirectly has any interest in the subject of the arbitration, or
 - (ii) has participated in the grievance procedure preceding the arbitration, or
 - (iii) is, or has been, within a period of six (6) months, preceding the initiation of arbitration proceedings, been employed by any Local Union of IWA-Canada or the Company.
- (d) The decision of the arbitrator shall be final and binding on all Parties.

18.2 Cost of Arbitration

The Union and the Company shall bear in equal proportions the expenses and allowances, including stenographic, secretarial expense, and rent connected with the Arbitrator's duties under the terms of this Agreement.

CLAUSE 19 - PAY DAYS

Regular Pay Day

The regular pay day shall be every second (2nd) Thursday, unless unforeseen circumstances dictate otherwise.

Payroll Errors

Any errors in payroll earnings which are ten dollars (\$10.00) or greater shall be corrected within forty-eight hours. Errors in payroll earnings which are less than ten dollars (\$10.00) will be corrected on the employee's next payroll period.

CLAUSE 20 - PERMANENT PLANT CLOSURE

20.1 Notice to Employees

The Company agrees that employees affected by a permanent plant closure shall be given sixty (60) days notice of closure, if such closure is within the control of the Company.

20.2 Severance Pay

- (a) Severance pay will be paid to employees who lose their employment through no fault of their own. Severance pay equal to two (2) weeks pay for each year of service for the first ten (10) years and thereafter one (1) week of pay for each year of service.
- (b) Where the plant is relocated within a twenty-five (25) mile radius within the province of British Columbia and the employees involved are not terminated as a result of the plant relocation, they shall not be entitled to severance under the Clause.

CLAUSE 21 - NO STRIKES OR LOCKOUT

21.1 No Strikes or Lockout

In consideration of the orderly procedure established by this Agreement for the settling of disputes and the handling of grievances and in compliance with the Labour Relations Act of British Columbia, the parties hereto agree there shall be no strike or lockout during the term of this Agreement.

In the event of an illegal job action during the term of this Agreement the Union will instruct its members and Officers who may be involved to cease such activity and comply with the terms of this Agreement.

CLAUSE 22 - DURATION OF AGREEMENT

Term of Agreement

The Parties hereto mutually agree that this Agreement shall be effective from and after the 11th day of June, 2009 to midnight the 10th day of June, 2011 and thereafter from year to year unless written notice of contrary intention is given by either Party within four (4) months immediately preceding the date of expiry. The notice required there under shall be validly and sufficiently

served at the Head Office of the Company or at the Local Office upon the Local Officers of the Union, within four (4) months immediately preceding the 11th day of June, 2011

If no agreement is reached at the expiration of this Agreement and negotiation are continued, this Agreement shall remain in force up to the time an Agreement is reached or until negotiations are discontinued by either Party.

22.2 Exclusions – Labour Relations Code of BC

The parties hereto agree to exclude the operation of Sections 50 (2) and 50 (3) of the Labour Relations Code of British Columbia, or any subsequent equivalent legislative provisions.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement by affixing their signatures hereto this _____ day of _____, 2011.

VITA MILLS INC.

Steelworkers Local 1-1937

SCHEDULE "A"
CHECK-OFF AUTHORIZATION
FOR UNITED STEELWORKERS CANADA

PLEASE PRINT

COMPANY _____ Local Union No. 1-1937
DIVISION _____ STARTING DATE _____

Date _____, 20____ Name of Employer _____

Employee Name _____ Phone No. _____
Please Print

Address _____ Postal Code _____

Social Insurance No. _____ Are you a member of Steelworkers-Canada? _____

In what operation were you last employed? _____

_____ Local Union _____

I hereby authorize and instruct you to deduct from my wages and remit to Local the following in payment of the amounts set out below:

1. Union Initiation Fees in the amount of \$ _____
2. Union Back Dues in the amount of \$ _____
3. Union Dues per month, commencing _____, 20____, in the amount of \$ _____
4. Union Assessments in the amount and at the time stated in the notice received by you from the Local Union designated above.

APPLICATION FOR MEMBERSHIP

I hereby request and accept membership in Steelworkers-Canada, Local _____, and agree to abide by the constitution and by-laws of the organization. In the case of misstatement of qualifications for membership I agree to forfeit all rights and privileges and monies paid.

Signature of Applicant _____ Clock No. _____

Dated: _____, 20____

SCHEDULE “B”

WAGE SCHEDULE (New)

The following sets out the established hourly rates of pay that shall apply during the term of this Agreement.

GROUP	CLASSIFICATION	HOURLY RATES – EFFECTIVE DATE		
		June 11, 08 current	June 11, 09 2 %	June 11, 10 2. %
1. Maintenance				
-	Certified Tradesperson, with a minimum of two (2) years apprenticeship or equivalent in an additional trade, with a qualified BC or Interprovincial Ticket	\$25.78	\$26.30	\$26.82
-	Certified Tradesperson with a BC or Interprovincial Ticket.	\$24.75	\$25.25	\$25.75
-	Uncertified Qualified Tradesperson with a Ticket from another Province of Canada or recognized equivalent.	\$24.23	\$24.71	\$25.21
	Apprentice			
	- 4 th year or equivalent	\$23.70	\$24.17	\$24.66
	- 3 rd year or equivalent	\$21.91	\$22.35	\$22.80
	- 2 nd year or equivalent	\$20.63	\$21.04	\$21.46
	- 1 st year or equivalent	\$19.34	\$19.73	\$20.12
2.	Extruder Operator	\$19.75	\$20.14	\$20.55
3.	Packaging Technician	\$19.23	\$19.61	\$20.01
4.	Shipper / Quality Control	\$17.75	\$18.11	\$18.47
5.	Dumper / Skidder /Sanitation Muesli head batcher	\$17.54	\$17.89	\$18.25
6.	Packager	\$17.02	\$17.36	\$17.71
	Training Rates - 6 - 12 months - 95%	\$16.17	\$16.49	\$16.82
	- 0 - 6 months - 90%	\$15.32	\$15.63	\$15.94

Note: Leadhand Rate:

An employee appointed as a Lead Hand shall receive eighty cents (\$0.80) per hour above the employee’s classified established rate of pay.

Tool Allowance – amend to provide that a Maintenance Employee(s) required to supply his/her own tools shall be provided an annual tool allowance of two hundred dollars (\$200.00) each contract year, commencing June 11, 2006

SCHEDULE "C"

EMPLOYEE BENEFIT PROGRAM

1. Life Insurance and Accidental
Death and Dismemberment Insurance

Principal Sum \$75,000
effective June 11, 2010 - increase to a new total amount of \$80,000.00

2. Dependent Life Insurance Spouse \$5,000
 Child \$2,500

3. Long Term Disability 66.66% of monthly earnings to a maximum monthly benefit of
 \$3,000 or 85% of pretax earnings less deductible sources of
 income.

Elimination Period: 120 days

Maximum Benefit: to age 65

4. Extended Health

Annual Deductible: Nil

Covered Prescription Drugs: 80% of the first \$1,000 and 100% thereafter of covered charges

Vision Care: \$200 in any two (2) consecutive calendar years; \$86.00 maximum
 in any 2 consecutive calendar years for an eye examination

Other significant benefits include: Paramedical Benefits, Private Nursing, Semi-Private Hospital
 accommodation, Hearing Aids, Emergency worldwide medical
 assistance, Chiropractor, Psychologist, Naturopath,
 Physiotherapist, Orthotics- see plan documents for details, as well
 as other benefits provided.

5. Dental

Type A; Basic Services 80%

Type B; Major Restorative 50%

\$1500.00 combined maximum per calendar year for Type A & B

Type C; Orthodontics 50% coverage for dependent children: \$1500.00 lifetime maximum

Deductible: Nil

LETTER OF UNDERSTANDING # 1
Between

VITA MILLS INC.
And

UNITED STEELWORKERS CANADA, LOCAL 1-1937

PROTOCOL AGREEMENT

The plant committee, Local union and the Company commit to the following meeting/discussion process:

1. the following rules must be followed for meetings and/or discussions (any interactions between the parties), as the case may be.
2. a) When the rules are not followed, the meeting will come to an immediate end and the following business day a date for a new meeting/discussion will be established. The party who believes a rule(s) is not being followed will advise the other party prior to the end of the meeting.

b) The matter will not be discussed again until the second meeting/discussion, which must be within seven (7) days.

c)When a meeting/discussion has been brought to such an immediate end, written notice of same, including an explanation, shall be forwarded by the party ending the meeting to Alfonso Crescenzo and Gary Wong (or mutually agreed upon replacements)
3. a) If two (2) meetings/discussions are brought to such immediate end, a representative of the Local Union and a representative of senior management will attend the next meeting/discussion as observers and to counsel their respective party.

b). The senior management representative or the representative of the local Union may call a meeting between them if either of them has a concern regarding the ongoing effectiveness of the process.
- 4; If after 3. foregoing either party remains dissatisfied with the effectiveness of the process of the meeting/discussion Alfonso Crescenzo and Darrel Wong (or mutually agreed upon replacements) will attend the next meeting/discussion to assist the parties resolve the meeting/discussion process based on the rules.

It is understood the provisions of this letter do not affect the Company's right to discipline nor the Employee's right to grieve.

This letter can be terminated by either party by providing written notice of same to the other party.

Meeting/Discussion Rules

Focus on the Topic- Not the Person
Do not interrupt- Raise your hand-One person to talk at a time- Be patient.
Facts Only-Not personal interest-Separate the people from the issue
No Cat Fighting
Be honest
Keep your integrity
Be Professional-do not Harangue
Be a good listener- Understand what the other person is saying
If you have a question/comment, raise your hand
Everybody is entitled to their opinion- No discrimination
We treat each other with respect- we may disagree,but we do so with respect
Be positive

Every Problem has a Solution

Meeting Specifics

Be on Time
Keep within the agenda- to be forwarded to the other party a minimum of 3 business days prior, unless otherwise mutually agreed.

Signed this 8th day of May, 2006 on behalf of:

VITA MILLS INC.

Steelworkers-CANADA, LOCAL1- 1937

SIGNED_____

SIGNED_____

LETTER OF UNDERSTANDING #2

Between

VITA MILLS INC.

And

UNITED STEELWORKERS-CANADA, LOCAL 1- 1937

OVERTIME DISTRIBUTION

The following confirms the agreement between the parties with respect to the distribution of overtime.

The Company will with consultation with the Plant Committee Chairperson, to distribute overtime as equitable as is reasonably possible on the basis of seniority and ability to perform the work available.

In order to accomplish such equitable distribution of overtime the Company shall:

- (a) post all scheduled overtime in the plant on a weekly basis, and
- (b) post an overtime request form (Tuesday at 9:00 am, prior to the weekend in which overtime is required) listing each regular employee's name.

Employees who wish to work overtime that weekend shall sign the Overtime Request Form by 9:00am on the Wednesday prior to the weekend.

When an overtime shift(s) is required for Saturdays, Sundays and/or General Holidays, the Company shall, with the assistance of the Plant Committee Chairperson, assign the available overtime to those employees who have signed the Overtime Request Form. (See L.O.U. # 9 for process to fill weekend vacancies.)

An employee who declines overtime after **12:00 pm(noon) on the Thursday** prior to the weekend will be considered to have worked the overtime available for the purpose of equitable distribution.

The confirmed scheduled overtime shall be posted by **5:00pm on the Thursday** prior to the weekend; it is understood that should the Company's circumstances change subsequent to its posting, the schedule maybe revised.

Daily overtime, (Monday to Friday) of an expected duration of one (1) hour or less in conjunction with an employee's regular shift, will normally be assigned to the employee performing the job on the shift where overtime is required. Overtime in excess of an expected duration of one (1) hour shall first be offered to the senior employee on shift.

The company shall maintain up-to-date records of overtime worked which shall be reviewed with the Plant Committee Chairperson on a monthly basis. Where discrepancies occur in the assignment of overtime every reasonable effort shall be made to adjust such discrepancies in the subsequent month.

Signed this 8th day of May, 2006 on behalf of:

VITA MILLS INC.
SIGNED

Steelworkers-CANADA, LOCAL1- 1937
SIGNED

LETTER OF UNDERSTANDING #3

Between

VITA MILLS INC.

and

UNITED STEELWORKERS-CANADA, LOCAL 1- 1937

CONTINUOUS OPERATIONS

The letter confirms the agreement between the Company and the Union to meet within ninety (90) days of signing this Agreement to discuss implementation of a mutually acceptable work schedule to meet the requirements of the business.

In addition to the above, the parties also agree to discuss implementation of mutually agreeable work schedule applicable to the bakery operation or sections thereof.

In consideration of the above, the Company agrees to continue operating on a Monday to Friday work week until such time as the parties mutually agree to a modified or new work schedule.

Signed this 8th day of November, 1995 on behalf of:

VITA MILLS INC.

Steelworkers-CANADA, LOCAL1- 1937

SIGNED

SIGNED

This letter has been reinstated as part of the current collective agreement as of May 3, 2006

LETTER OF UNDERSTANDING #4

Between

VITA MILLS INC.

And

UNITED STEELWORKERS-CANADA, LOCAL 1- 1937

PROMOTIONS OF BARGAINING UNIT MEMBER TO SUPERVISOR

An employee who is selected to fill a supervisory position shall have three (3) calendar months in which to decide whether to remain in the supervisory position. If he/she turns down the position as supervisor he/she will return to the last position he/she held. If he/she accepts the supervisory position his/her seniority will be frozen at that time.

In any case where an employee has been transferred by the Company to a supervisory position, and at a later date within two (2) years ceases to be a supervisory worker, and the Company desires to return his or her services, it is agreed that reinstatement can be made within the bargaining unit in line with his or her bargaining seniority as provided in 1 above.

Signed this 20th day of November, 1997 on behalf of:

VITA MILLS INC.

Steelworkers-CANADA, LOCAL1- 1937

SIGNED

SIGNED

LETTER OF UNDERSTANDING #5

Between

VITA MILLS INC.

And

UNITED STEELWORKERS-CANADA, LOCAL 1- 1937

Job Training

1. The purpose of the job training Program is:
 - a) To select and train employees in skilled and semi-skilled categories.
 - b) To provide a pool of competent backup employees to fill temporary vacancies vacated by an incumbent employee.
 - c) To improve the efficiency of the operation, and afford the employee the opportunity to become competent to perform other jobs in the operation.
2. (a) Training postings shall be posted pursuant to Clause 13 of the Collective Agreement.
 - (b) Employees on an authorized leave of absence or on an annual vacation who wish to be trained in an upcoming position must notify the Company in writing within five (5) working days of the start of said leave. Employees absent due to sickness or injury, shall be entitled to apply in writing within (2) working days of their return to work. Notwithstanding the above, employee must return to work within eight (8) weeks of the original posting.
3. (a) No employee will be permitted to train for more than ONE JOB at a time.
 - (b) The maximum number of training postings that an employee can be awarded in a twelve (12) month period is two (2).
4. A selected trainee shall have three (3) working days to decide whether to remain in the training program. If he/she turns down the training position within this time, it shall not count as a training posting.
5. Rates of pay to apply to trainees during the training period shall be their regular rate of pay, except that the trainee shall not receive more than the established rate for the job for which they are being trained.
6. (a) The length of the training period will be determined by the trainee's progress and by management.
 - (b) The Trainee and the Plant Committee Chairperson will be notified in writing when the trainee is considered fully qualified or is removed from the training program..

7. (a) It is recognized there are incumbent employees in posted positions.
 - (b) It also recognized that there are incumbent back-up employees and that, through training, additional qualified employees may be added to the number of existing back-up employees.
 - (c) For those classifications listed in Appendix 'B' the posted employees will be placed in order of seniority within each classification. The competent back-up employees shown within each classification shall also be in order of seniority. When employees are trained for back-up positions in a classification, they will be placed within the group in order of their seniority.
8. For one to be declared competent or a competent back-up employee, the employee must go through the formalized training program.

This agreement is subject to review with three (3) months' notice of either party, or by mutual agreement.

This agreement shall continue in subsequent Collective agreements unless otherwise agreed between the parties.

Signed this 18th day of December, 2001 on behalf of:

VITA MILLS INC.

Steelworkers-CANADA, LOCAL 1- 1937

LETTER OF UNDERSTANDING #6

Between

VITA MILLS INC.

And

Steelworkers-CANADA, LOCAL 1- 1937

This letter clarifies the application of 12.5 and 12.6 of the Collective Agreement and the date of the seniority list reflected in the Letter of Understanding should be September 17, 2001

Layoff by Seniority Date

The parties agree that a layoff of five (5) days or less, the 2001 pre-ratification regular employees shall use their Seniority Date to govern those affected.

Layoff by Date of Hire

For layoffs that exceed five (5) days, the 2001 pre-ratification regular employees shall use their Date of Hire to govern those affected.

The attached Regular Employee Seniority List (dated September 17, 2001) identifies the 2001 pre-ratification employees. For clarity purposes, said employees are listed below:

First Name	Last Name	Hire Date	Seniority Date
Balvir	Kambo	7/3/92	10/6/98
Balbir	Nijjer	8/10/92	10/7/98
Ranjit	Kahlon	12/23/92	10/9/98
Amolak	Gill	6/17/93	10/13/98
Balvir	Chhaitra	11/3/93	10/15/98
Balwinder	Rai	11/8/93	10/16/98
Gurinder	Badesha	12/17/93	10/20/98
Jessie	Sallan	9/14/94	10/25/98

This agreement shall continue in subsequent Collective Agreements unless otherwise agreed between the parties.

Signed this 18th day of December, 2001 on behalf of;

VITA MILLS INC.

Steelworkers- CANADA, LOCAL 1- 1937

LETTER OF UNDERSTANDING #7

Between

VITA MILLS Inc

And

UNITED STEELWORKERS-CANADA, LOCAL 1- 1937

General Work Employee’s Preferred Job

The Parties agree that the General Work Employee shall be allowed to identify the preferred shift and one (1) preferred job. The employee shall notify the Employer on the form provided and shall be allowed to change their preferred job once per year on the anniversary date of the Collective Agreement.

The Company will endeavour to schedule by the employee’s preference of job if the job is available and the employee’s seniority awards them the work. If after the employees shift starts, there is a change in the requirements of the Plant; the Management will assign other job duties to the employee(s) affected. Furthermore, if the employee’s preferred job is not available, the employee will be assigned other job duties available that day.

The foregoing is subject to Clause 5.3 – Shift Rotation language in the Collective Agreement.

General Work to include;

- Packer
- Batcher/sorter
- Line Inspection
- Cleaning/Sanitation
- Special Projects
- No Preference
- Other similar related jobs

This agreement shall continue in subsequent Collective Agreements unless otherwise agreed between the parties.

Signed this 18th day of December, 2001 on behalf of;

VITA MILLS INC.

Steelworkers-- CANADA, LOCAL 1- 1937

LETTER OF UNDERSTANDING # 8

Between

VITA MILLS Inc

And

UNITED STEELWORKERS-CANADA, LOCAL 1- 1937

Re; Payroll Errors

The following shall apply in the application of “19.2 Payroll Errors” of the Collective Agreement.

The payment of any payroll error not corrected within forty-eight (48) hours (Monday to Friday) of the date of notification to the Company of the error will include an additional payment of ten percent (10%) of the error amount.

This letter shall be effective until the end of the day June 10,2009.

Signed effective the 8th day of May, 2006, on behalf of;

VITA MILLS INC.

UNITED STEELWORKERS, LOCAL 1-1937

Letter to Plant Committee

Mr. D. Wong
President
Local 1 -1937
United Steelworkers

Dear Sir,

This will confirm the Company's position with respect to our expectations of the Plant Committee.

No employee, including members of the Plant Committee, will be held responsible for the action of another employee(s) taken individually or in concert.

There will be no disciplinary action taken against any member of the Plant Committee for performing the lawful duties customarily associated with his/her office.

The foregoing is based on the Union's assurance that Plant Committee members will at all times conduct their actions within the terms of the Collective Agreement and when appropriate will advise all other employees of their responsibilities to do the same.

This confirms that the Union, the Plant Committee and the Company support the Protocol Agreement and will work diligently to ensure the proper application of its principles.

Further, this will also confirm that during working hours the Plant committee will conduct their duties as in the past.

I trust the foregoing is as you understand it and look forward to maintaining good working relations between the Company and the Union and their respective representatives.

Yours truly,

Fred Noordam
Plant Manager, Delta

LETTER OF UNDERSTANDING # 9

BETWEEN:

VITA MILLS Inc

AND:

UNITED STEELWORKERS-CANADA, LOCAL 1- 1937

WEEKEND SCHEDULING

The parties agree that where the provision of the Letter of Understanding # 2 does not provide the sufficient number of employees to work the weekends the company shall have the right to schedule the weekend work as per the collective agreement.

The company will follow the following process to schedule should the LOU # 2 not provide sufficient number of employees to work the weekend:

- A. The company will go through the competency list in reverse order keeping in mind first aid requirements are met.
- B. Employees qualified for the same job can amongst themselves fill their shifts as long as they provide the information to the Manager/supervisor by Thursday noon before the weekend in question.

In the event the plant works 16 production weekends (not sanitation) over a 26 week period, the parties agree to meet and negotiate a mutually agreeable shift schedule.

**SIGNED ON BEHALF OF:
VITA MILLS INC.**

**SIGNED ON BEHALF OF:
UNITED STEELWORKERS, LOCAL 1-1937**

**EXPLANATORY NOTES FOR THE PAYMENT
OF SEVERANCE PAY AS PER POINT #6
OF THE 1009 MEMORANDUM OF AGREEMENT**

Severance pay will be paid in the following circumstances as per the 2009 Memorandum of Agreement.

1. In the event the plant is permanently closed the employer will pay severance pay.
2. In the event of a permanent partial closure that includes the loss of a job or jobs the employers will pay severance pay.
3. In the event there is a technological change that results in the loss of a job or jobs the employer will pay severance pay.
4. In the event a member is laid-off and is not recalled prior to the member's seniority retention the employer will pay severance pay.

Signed at Burnaby, British Columbia, this 17th day of June 2009.

SIGNED ON BEHALF OF
VITA MILLS INC.

SIGNED ON BEHALF OF
UNITED STEELWORKERS, LOCAL 1-1937

