

RETAIL WHOLESALERS UNION AGREEMENT

BETWEEN:

RETAIL WHOLESALERS UNION LOCAL 580

-AND-

VICEROY HOMES LIMITED

Duration of Agreement

From: April 1, 2010

To: March 31, 2013



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Welcome to the Retail Wholesale Union

Greetings:

Welcome to a Union that is dedicated on your behalf so you will find, success, security, and satisfaction at your work. This Union believes very strongly in the dignity of each member. We understand to gain your loyalty and respect we must earn it.

We are proud of our history and accomplishments. This Union has faced many battles for its survival over the years. Unionism is not a heritage. It's what should be considered a worker privilege, fought for and continually protected by working men and women, for working men and women.

Union members should never serve their personal needs by sacrificing the welfare of others.

It is very important to remember that there are advantages, disadvantages and two sides to every problem. You must always consider the long-range point of view. Ignore the temptation of letting the future take care of itself. Guide yourself by remembering that the Union must continue serving long after we are gone.

This does not mean a Union member should be reluctant to make demands of the management. It does mean however, that demands should be well founded and just.

If you are a long-term member of the Retail Wholesale Union lend a helping hand to new members. Talk about the Retail Wholesale Union proudly and urge new members to be impersonal. Never treat anyone indifferently. Everyone, expert or beginner, should be treated with personal dignity and respect. **Real Union members are helpful and easy to talk to. They never forget they were once beginners.**

We hope that you continue to have faith in yourself, your co-workers and your Union.

SPECIAL NOTE

- 1) Read your Agreement carefully. Ask the Union or its committee for clarification if needed.
- 2) Carry an Agreement with you at all times.
- 3) Keep all paperwork issued by the company.
- 4) Check pay stubs carefully for accuracy. Keep them for future reference.
- 5) Submit payroll complaints in writing. Make sure they are dated and signed. Include days, hours of work (shifts) and department worked in the last pay period. Always keep a copy for your own records.
- 6) Do not accept working conditions, hours of work, shift schedules or rates of pay other than outlined in this agreement.

Notify the Union immediately if you:

- Are injured on the job.
- Are having difficulty obtaining short-term or long-term disability insurance payments.
- Have questions regarding eligibility or coverage under your health and welfare plan.
- Change your address or phone number.
- Change employers.

Remember you are responsible for:

- Keeping your Union dues up to date when you are off work for an extended period of time. You must make arrangements to pay dues directly to the Union office.

If you need to contact the Union office:

- Our address is #203 - 129 Columbia Street East, New Westminster, B.C., V3L 3V7
- Our phone number is: 604-777-2991
- Our fax number is: 604-777-2465
- Our toll-free number outside the lower mainland is: 1 877 798 6466
- Our web page address is www.rwunion.com.

What your Union does for you:

- Negotiates and enforces the collective agreement.
- Settles your grievances.
- Organizes new shops to ensure strength in community.
- Prepares necessary paperwork, insurances, etc.
- Keeps you informed; holds monthly meeting. Post monthly general meeting notices in shops. Discloses all monies coming in and going out of the Union.
- Supports fair Labour Legislation.
- Furnishes legal protection when needed.
- Acts in your interest with the community as well as the management.

Where do your dues go?

- Rent, administration supplies, and equipment.
- Affiliation fees.
- Salaries and expenses for Full Time Representatives.
- Salaries for support administration, and pension administration staff.
- Printing, postage, and educational materials.
- Labour Board and Arbitration expenses.
- Other legal expenses.
- Cost incurred in Labour disputes.
- Organizing expenses and negotiating expenses.
- Expenses for continuing education for members.

It is hereby agreed that this Agreement shall come into full force and effect upon ratification by the membership of the Retail Wholesale Union Local 580, employed by the above Company and upon ratification by the Company.

It is the intent and purpose of the parties hereto that this Agreement will set forth herein the rates of pay, hours of work, and conditions of employment to be observed between the parties and to provide a method for the orderly adjustment of differences that may arise during its term of operation in consideration of which there shall be no strikes by the employees and no lockout by the employer.

ARTICLE 1 – DEFINITION

- 1.1 The term “employee” or “employees” as used in this Agreement refers to all employees of the Company working in Richmond, BC, who are covered by this Agreement save and except administrative, planning and office staff.
- 1.2 The masculine pronoun shall include the feminine and the singular shall include the plural and vice versa.

ARTICLE 2 – UNION RECOGNITION

- 2.1 The Company recognizes the Union as the exclusive bargaining agent for the employees, as defined in Article 1.1, during the term of this Agreement and agrees to negotiate with a committee selected by the bargaining unit, looking toward a peaceful and amicable settlement of any differences that may arise between the Company and the Union.

The said committee shall be employees of the Company and shall be entitled to have associated with it a duly accredited representative of the Retail Wholesale Union. It may be necessary from time to time for the Union to appoint one or more employees to the committee to fill vacancies, until the bargaining unit can hold elections.

- 2.2** There shall be no discrimination against any member of the Union because of Union activities.
- 2.3** The Company shall provide bulletin boards. The bulletin board shall be for the purpose of posting Union notices, copies of this Agreement, and official papers. All such materials may be posted or removed only upon the authority of officially designated representatives of the Union.
- 2.4** If the business or a part of it is sold, leased, transferred to otherwise disposed of, the purchaser, lessee or transferee is bound by all the proceedings under this Code before the date of the disposition and the proceedings must continue as if no change had occurred; and if a collective agreement is in force, it continues to bind the purchaser, lessee or transferee to the same extent as if it had been signed by the purchaser, lessee or transferee, as the case may be. (Sec. 35, 1 & 2 of Code)
- (a) The Company shall give notice of this Agreement to any purchaser, lessee or transferee of the business not later than the effective date of sale. Notice shall be in writing and a copy of this Notice delivered to the Union.
- (b) The Company shall give eight (8) weeks notice in the event of closure.
- 2.5** Representatives of the Union shall have reasonable access to the employees for the lawful transaction of Union business subject to advance notice.
- 2.6** It is understood and agreed that interruption of production for the purposes of processing grievances shall be kept to a minimum. Where necessary, however, a steward shall be allowed time off work without loss of pay for the purpose of processing grievances during working hours, provided:

- (a) Before leaving his regular employment duties, the steward must obtain permission from his manager. The steward must indicate the nature of his intended Union activity in relation to the processing of the grievance and the anticipated time needed to attend such responsibility;
- (b) If production needs require the presence of the steward or a replacement, the steward must wait until production needs have been met;
- (c) If the steward requires a longer time to attend to his duties than was initially stated, the steward shall contact his manager to request permission for an extension of time;
- (d) The application of this clause shall not result in payment of overtime.

ARTICLE 3 – UNION SECURITY

- 3.1** All employees, as defined in clause 1.1, now members of the Union shall, as a condition of employment, remain members. All new employees shall become members as a condition of employment upon completion of a working period of thirty (30) calendar days. All employees shall pay dues.
- 3.2** Upon written authorization from the employee, the Company agrees to make deductions once each month from the employee's earnings the dues and initiations fees of the Union and forward the total amount deducted with an itemized statement of the same to the Secretary of the Union within seven (7) days after the date of said deduction.

- 3.3** It shall be the Company's responsibility to show on each employee's annual T-4 slip the full amount of Union dues paid by such employee during the previous calendar year.
- 3.4** (a) The Company agrees to limit the use of temporary help to sixty (60) working days, at which time it will decide whether to hire them as full time employees. Assuming suitability for hire as a Viceroy employee, the temporary worker will be offered employment if further work in the position is foreseen beyond the 60-day period. Time spent as temporary help counts toward the probationary period. If hired as full-time employees, they will be credited with seniority back to their start date as temporary help.
- (b) It is mutually agreed that management may perform work normally performed by members of the bargaining unit only to assist with an emergency, to provide on-the-job instruction, or to test or assess new equipment. The performance of this work shall not result in displacement or layoff of a bargaining unit member. Emergencies shall be temporary in nature.
- 3.5** Upon request, the Union chairperson shall receive a list of names of employees who have completed their probationary period.
- 3.6** Company agrees that, during the orientation of new employees, the Employer will introduce the employee to the shop steward working in the employee's department and shall provide a five-minute period for the shop steward to discuss the Union and the collective agreement with the employee.

ARTICLE 4 – MANAGEMENT RIGHTS

The management of the Company reserves the exclusive right to:

- 4.1 Maintain order, discipline and efficiency.
- 4.2 Hire, classify, discharge, transfer, promote, demote or discipline employees.
- 4.3 Manage the industrial enterprise in which the Company is engaged, and without restriction the generality of the foregoing, to determine the number and location of the plants, the products to be manufactured, the methods of manufacturing or operating, schedules of production, kinds and locations of machines or tools to be used, processes of manufacturing and assembling, the engineering and designing of its products and the control of materials and parts to be incorporated in the products produced, and to determine and establish standards of performance for all machines, operations and employees.
- 4.4 The exercise of the foregoing rights shall not alter any of the specific provisions of this Agreement, nor shall they be used to discriminate against any member of the Union.

ARTICLE 5 – HOURS OF WORK

- 5.1 The standard hours of work for all employees shall be forty (40) hours per week scheduled between Monday and Friday inclusive.
- 5.2 The specific schedule to be worked shall be set out in Appendix “A” and although it does not represent a guarantee of working hours it will not be changes without minimum advance notice of one (1) week. The Company will consult with the Union in advance of changes in shifts or hours of work.

- 5.3** The Company may, with at least two week's advance notice to the Union, establish 4 x 10 shifts running Monday to Thursday and/or Tuesday to Friday, at straight time hours. In the event that the Company announces this intention, the Company and the Union will discuss an appropriate mechanism for assigning employees to the available shifts.

ARTICLE 6 – OVERTIME

- 6.1** Time worked in excess of the standard hours of work as herein specified shall be considered as overtime and overtime rates shall be as follows:
- (a) Time and one half the regular hourly rate (1.5 x rate) shall be paid for hours worked in excess of eight (8) hours per day and forty (40) per week, subject to Article 6.4.
 - (b) Double the regular hourly rate (2.0 x rate) shall be paid for weekly hours worked in excess of forty-eight (48).
 - (c) Double the regular hourly rate (2.0 x rate) shall be paid for all hours worked on a Sunday.
 - (d) Time and one half the regular hourly rate (1.5 x rate) shall be paid for all hours worked on Holidays listed in Article 7, as well as, regular statutory holiday rate.
- 6.2** The Company agrees that overtime will be voluntary. Employees shall not unreasonably refuse to work overtime when requested to do so and when they accept such assignments be obligated to report for work.

- 6.3** Available overtime shall be allocated as follows: The employee performing the job in question at the end of the regular work shift shall be first offered the overtime work; if he/she does not accept it, then it shall be offered to other employees in the department, on the basis of seniority, assuming ability to perform the work in question. If no employees in the department accept the work or can perform it, then management may offer the work to employees in other departments on a seniority basis, assuming ability to perform the work.
- 6.4** Where possible, the Company agrees that overtime requests shall be made at least four hours prior to the start of the requested overtime.
- 6.5** Employees who receive a suspension for lateness or absenteeism shall only be paid overtime after forty (40) hours per week for a period of six months from the date of suspension.
- 6.6** Banked Overtime:

Employees shall be entitled to elect to bank overtime hours, as opposed to having it paid out in the pay period in which it is worked. If banked overtime is selected, all overtime worked shall be banked. The employee shall only be entitled to apply banked overtime to cover hours of work lost due to plant slow-downs or shutdowns, layoffs, or approved leave of absence necessitated by circumstances beyond the employee's control, to bring the employee up to a 40-hour work week or and in conjunction with scheduled vacation time taken off.

The employee shall have the option of either taking the time off for the above circumstances or receiving the banked overtime in the form of a payout upon request. Such requests for payouts shall be limited to twice a year. Banked overtime shall be paid at the rate at which it was earned -- i.e double time equals two hours. Any accrued overtime in the previous calendar year that has not been redeemed will be paid out in the final pay period in March.

An employee can change his/her election with respect to banked overtime on a quarterly basis (January, April, July, October) for the following three-month period.

ARTICLE 7 – STATUTORY HOLIDAYS

7.1 Employees shall be eligible for a day off with eight hours pay at their regular hourly rate for the following statutory holidays:

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

7.2 To be eligible for holiday pay employees must work the scheduled day before and after the holiday.

7.3 Where a statutory holiday does not fall on a Friday or a Monday, the Company may schedule the holiday to correspond with port closures. The Company and the Union will set a tentative holiday schedule at the first Labour Management committee of the calendar year, or as soon thereafter as the port schedule is known.

Employees shall have the right to observe Remembrance Day on November 11th. Such requests shall be made at least two weeks in advance and in writing. Should multiple employees elect this option, the Company has discretion to move the holiday back to the original date.

ARTICLE 8 – REST PERIODS

8.1 Employees shall be provided a rest period of fifteen (15) minutes in each half of their regular daily shift. An additional fifteen (15) minute rest period will be provided after the 8th hour of a ten (10) hour shift, and after the 10th hour of a twelve (12) hour shift. Employees shall be provided with a thirty (30) minute unpaid lunch break once every shift.

The Union and the Company agree that breaks shall commence when the buzzer sounds and the Employees shall return promptly to their work stations following the second buzzer fifteen minutes (coffee) or thirty minutes (lunch) later.

ARTICLE 9 – REPORTING DAY

9.1 Employees reporting for work as scheduled shall be guaranteed a minimum of four (4) hours work or four hours pay at straight time in lieu thereof except in the event of cause beyond the control of management in which case a minimum of two (2) hours work or two hours pay at straight time in lieu thereof.

ARTICLE 10 – JOB CLASSIFICATIONS

10.1 In the event that the character of duties and responsibilities of a job classification are changed and will significantly affect the employment status of an employee, the Union will be advised in writing of such change and any dispute arising therefrom shall be settled pursuant to the Grievance Procedure herein provided.

ARTICLE 11 – WAGE SCHEDULE

11.1 Wages and classifications of work are attached hereto and known as Appendix “B”.

ARTICLE 12 – SENIORITY

12.1 Seniority shall mean the length of the continuous unbroken service that an employee has accumulated in the Company and an individual employee’s seniority date shall be date of hire.

12.2 The Company will supply the Secretary of the Union with a Seniority List in triplicate of all employees covered by this Agreement upon request. Said list to contain names, classifications and the effective seniority date for each member of the bargaining unit.

12.3 Company will prepare and post an updated plant-wide seniority list every three (3) months. A copy will also be provided to the Plant Chair. Any concerns with the list shall be raised within two weeks of the list being posted.

An employee who transfers out of the bargaining unit shall continue to maintain (but not accrue) bargaining unit seniority for the first six months, on the condition that the

employee continues to pay full dues to the union. The employee will not be covered by the collective agreement and will have no access to the grievance procedure during this time. Thereafter the employee shall lose his/her seniority. This provision may be utilized only once by an employee.

ARTICLE 13 – JOB VACANCIES

- 13.1(a)** In the event that there is a vacancy or a newly created position in the bargaining unit, notice of such vacancy shall be posted for five (5) working days in the workplace. Such notices shall designate the job title, classification, starting shift, rate of pay, qualifications for the position, any training the Company proposes to conduct, and the date the notice was posted. The notice shall be signed by the Company representative.
- (b)** Employees wishing to apply for the vacancy shall do so by submitting an application in the form provided by the Company, within the five (5) day time limit. Information required shall be the employee's name, seniority date, positions and classifications held at Viceroy Homes, and other relevant qualifications and experience.
- (c)** If an employee is absent from work and during such absence a job posting is made, such employee shall be considered an applicant provided he or a Shop Steward acting as his agent and upon his request advises the Company in writing that he wishes to apply for the position. In such case, the employee shall be provided with up to an additional two weeks to provide his application form, production requirements permitting.

- (d) Employees who have submitted an application form for another vacancy within the preceding six months may indicate that they wish to rely on the information in the prior application form.
- (e) After the Company has completed the selection process and the position has been awarded, the Company shall post on the bulletin board the name of the successful applicant, and shall forward the same to the Union.

13.2 Temporary vacancies of less than thirty (30) days shall be filled at management's discretion. Temporary vacancies of more than thirty (30) days shall be posted in accordance with the above procedure. Experience gained during temporary fill-ins of 30 days or less will not be relied on in the job posting process.

13.3 For positions other than Supervisor, Leadhand and Machine Operator, the following factors shall determine which employee shall be awarded the position:

- (a) the seniority ranking of the employees in the bargaining unit; and
- (b) the qualifications of the applicant and the applicant's ability to perform the normal requirements of the job.

If the senior applicant is not chosen, the Company shall inform the Grievance Committee in writing as to why the position was not awarded on a seniority basis.

13.4 For Machine Operator and Leadhand positions, seniority shall govern where merit, skill and ability are relatively equal.

- 13.5** The Company shall utilize the agreed-upon evaluation form for postings. In cases where the evaluation form is not used, the Company agrees that the position shall be awarded to the senior applicant.
- 13.6** Supervisor positions shall be filled and awarded at management's discretion.
- 13.7** The successful applicant shall be given a familiarization period in the new position of up to 30 days. If unable to meet production standards during this period, the employee shall be returned to his prior position.
- 13.8** If no bargaining unit employees apply for a posting or none are qualified to perform the job, the Company has the right to fill the vacancy from outside the bargaining unit.

ARTICLE 14 – LAY-OFFS AND REHIRING

- 14.1** Seniority shall be the deciding factor governing lay-offs and rehiring after lay-offs providing the seniority employee has the qualifications and demonstrated ability to perform the work to be done.
- 14.2 (a)** It is agreed that employees may be assigned temporarily (no more than one week) to other duties outside their classifications, for bona fide operational reasons.
- (b)** In the event that the number of positions in a classification is permanently reduced (i.e. more than one week), then the junior employee in a classification shall be the one who is reassigned.
- 14.3** The Company will attempt to give as much notice as possible when a layoff may occur.

- 14.4** In the event of a layoff, employees willing to accept a recall of less than five days' work shall place their name on the temporary recall list. When recalled to work for less than five days, the employee must accept or decline immediately upon being contacted. A decline to return to work or a failure to respond to the recall contact in such circumstances shall not result in a loss of seniority.
- 14.5** In the event of a recall to work for two weeks' or greater expected duration, an employee must respond within three days of his/her intention to accept the recall and report to work within four days after being recalled.
- 14.6** In the event of an emergency due to power failures, extreme weather, fire or other unforeseen circumstances, the application of seniority may be suspended for up to five working days in order to achieve recalls or reductions necessary to respond to the emergency situation. The Company will advise the Union if it is invoking this emergency provision.

ARTICLE 15 – LOSS OF SENIORITY

15.1 Seniority shall be lost if an employee:

- (a) Voluntarily leaves the employ of the Company, or
- (b) Is discharged and not reinstated under the terms of this Agreement, or
- (c) Is absent without leave for a period greater than four (4) working days, or
- (d) After recall from lay-off fails to return to work within the four (4) working days after being recalled, or
- (e) After notifying the Company of his intent to return to work, fails to report to work as set out in (d) above, or
- (f) Is laid-off and not recalled for the lesser of twelve (12) months or the employee's length of service.

ARTICLE 16 – PROBATION

- 16.1** Employees shall be regarded as probationary for the first 60 working days. During this period employees shall acquire no seniority or reemployment right and may be terminated at the Employer's discretion for any bonafide reason.
- 16.2** After completion of their probationary period of employment, the names of such employees shall be placed upon the seniority list in order of their date of hire.
- 16.3** Probationary employees shall have access to the applicable provisions of the Collective Agreement. All new employees on probation will receive a written assessment after forty (40) working days.

ARTICLE 17 – VACATIONS

- 17.1** Employees who have the following records of service with the Company shall be entitled to the following vacations with pay.
- (a) Any new employee shall be paid four percent (4%) vacation allowances of their gross earnings up to December 31st of the applicable year.
- The new employee shall be scheduled for two (2) weeks vacation in their next calendar year of employment.
- (b) Those with five years or more service shall be entitled to three (3) weeks vacation with pay calculated at six percent (6%) of their gross earnings in the previous calendar year.

- (c) Effective April 1, 2004, those with ten (10) years or more service shall be entitled to four (4) weeks vacation with pay calculated at eight percent (8%) or their gross earnings in the previous calendar year.

17.2 Employees are encouraged to reserve their vacation pay in order to have available funds to utilize during their vacation time off. Thus, while the norm will be that employees receive their accrued vacation pay immediately prior to taking annual vacation, employees may also request payout of accrued vacation pay at the end of each quarter of a calendar year. Where requested, vacation pay will be paid out on the first pay cheque following the 15th of the month -- March, June, September and December. Such request must be made on the forms provided by the Company for this purpose at least three weeks prior to the payout date.

In addition, employees may request payout of vacation pay upon layoff or slowdown, or in circumstances of approved leave of absence for circumstances beyond the employees' control, but employees will be expected to exhaust banked overtime before doing so. In any event, all vacation pay accrued but not paid out during a calendar year will be paid out at the end of December.

17.3 A vacation schedule shall be prepared for each department by March 15 on the basis of seniority. The Company may restrict the number of persons who can go on vacation at any given time to no more than one person per department. Such restrictions will be discussed in Union/Management meetings. Employees shall select vacation preference by March 1st. Employees who have not selected vacation preferences by March 1st shall schedule vacations in conjunction with the Company. Vacation shall normally be taken in blocks of at least one week off. The Company may approve vacation requests for lesser periods of time in special circumstances.

- 17.4** If any Statutory Holiday listed in Article 7 occurs during the period of the annual vacation taken by an employee, the employee may elect to receive either an additional days vacation with pay or pay at his current rate in lieu thereof.
- 17.5** Employees leaving the employ of the Company shall be paid all accrued and unused vacation pay upon termination.

ARTICLE 18 – SAFETY AND HEALTH

- 18.1** The Company shall provide rest rooms and sanitary facilities and make provisions for the safety and health of its employees at the plant during the hours of their employment. The Company shall provide protective devices, special wearing apparel and other equipment necessary to properly protect its employees from injury.
- 18.2** It is agreed that first aid facilities and a qualified first aid attendant in the bargaining unit, holding a Workers' Compensation Board approved Industrial First Aid certificate, shall be provided for by the Company. The designated first aid attendant will receive the following addition to his regular pay:
- Class # 1 - \$. 50 per hour
 - Class # 2 - \$1.00 per hour
 - Class # 3 - \$1.25 per hour
- 18.3** The Company shall set the First Aid levels required in the plant, and shall designate the number and levels of First Aid Attendants required on each shift from time to time.

The Company shall pay straight time rates for time spent in First Aid training. The cost of the course shall be paid by the Company subject to a requirement on the employee to pay back the fees if the employee voluntarily terminates employment within six months of completion of the training.

18.4 There shall be a safety committee as provided for under the Worker's Compensation Act, composed of equal representation on behalf of the Company and the Union and monthly meetings of the said committee shall be held.

18.5 All employees with more than 12 months' continuous service shall receive a footwear allowance of \$100.00 per year, payable once each calendar year, upon presentation by the employee of a receipt for purchase. Footwear purchased under this section must be CSA approved workboots.

Employees shall have the option of combining their yearly allowance every two years.

ARTICLE 19 – GRIEVANCE PROCEDURE

19.1 A grievance is any dispute between the parties arising out of the interpretation, application, operation or alleged violation of the articles of this Agreement which shall be settled in the following manner.

19.2 There shall be a Grievance Committee, consisting of two (2) employees, designated by the Union, who are actually then in the employ of the Company and who will be afforded such time off as may be required to attend meetings with the Management held at the request of the Management or the Committee. Minutes of the meetings shall be kept, signed by both parties, one copy to be retained by the Company and one by the Union.

19.3 The Union agrees to advise the Company of the names of the members of the Grievance Committee in writing, and also of any changes from time to time.

19.4 In the case of any grievance or question relating to the application, operation, interpretation or alleged violation of this Agreement, the following steps shall be taken:

First: A grievance must be raised within 10 (ten) calendar days of awareness (or should have known) of the matter giving rise to the grievance, between the aggrieved employee, the management and the shop steward.

Second: Within ten (10) calendar days of the conclusion of Step One, the grievance shall be written on proper grievance forms, clearly set out the alleged breach of the collective agreement, the articles relied upon and the remedy sought, and presented by a member of the Grievance Committee to management

Third: Within ten (10) calendar days of the conclusion of Step Two, a meeting will be held between the Representative of the Union, the Grievance Committee and the management; failing to reach a satisfactory settlement, Step Four to be invoked.

Fourth:

(a) Mediation -- Failing settlement of a grievance at the third step of the Grievance Procedure, either party may request that the grievance be submitted to an arbitrator who shall to mediate a settlement of the grievance. Mediation under this provision must be by mutual agreement of the parties.

(b) Arbitration -- If a grievance is not resolved as a result of mediation under paragraph (a), either party may direct the mediator to act as an arbitrator in the matter and to give a written and binding decision for resolution of the grievance and to deliver the decision to the parties.

(c) When a grievance is moved to the fourth stage, the Mediator/Arbitrator shall be selected on a rotating basis from those listed below:

Brian Foley
Stan Lanyon
Robert Blasina

If the first arbitrator is not available, the next shall be empanelled. This process shall continue until the arbitrator can be obtained so as to expedite the procedure.

If none of the above arbitrators are available, the parties will mutually agree on an arbitrator.

In the case of a grievance involving the application, interpretation, or alleged violation of this Agreement, the decision of the arbitrator shall be final and binding on both parties to the Agreement.

19.5 The time limits within this Article are mandatory. If the grievance is not pursued within the appropriate time limit, the offending party is deemed to have withdrawn its position and the matter is settled in favour of the other party; such a result will not set precedent for the future. The time limits may be extended by mutual consent of the parties.

- 19.6** The jurisdiction of an arbitrator or an arbitration committee is strictly limited to issues arising out of the interpretation, application, operation or alleged violation of this Agreement and shall not have the power to extend, delete, alter or amend these Articles.
- 19.7** In the case of a grievance involving the dismissal of an employee, the first step of the grievance procedure may be omitted.
- 19.8** It is mutually agreed that the operation of Sub Section 1, Section 87 of the Labour Code of British Columbia Act is specifically excluded from this Agreement.

ARTICLE 20 -- HARASSMENT AND DISCRIMINATION

- 20.1** The Employer and the Union are committed to providing a workplace free of harassment or discrimination contrary to the *Human Rights Code*. This means that there shall be no harassment or discrimination of or by any employee on the basis of the race, colour, ancestry, place of origin, political belief, religion, marital status, family status, physical or mental disability, sex, sexual orientation, age, or criminal conviction unrelated to employment of any person.
- 20.2** Employees who believe they have been harassed or discriminated against should proceed in accordance with the Employer's harassment policy. The Union will be notified of any such complaints, and provided with a copy of any investigation reports resulting.
- 20.3** Employees not satisfied with the outcome under the harassment policy may file a grievance.

- 20.4** In addition, the Employer and the Union may agree with respect to any given harassment complaint that the matter should be referred to Judi Korbin, to engage in an expedited investigation/mediation/adjudication process, the outcome of which shall be binding on all parties to the complaint.
- 20.5** Where a harassment complaint or grievance is filed alleging harassment or discrimination contrary to this provision, the Company may, if it deems it appropriate, separate the complainant and respondent in the workplace pending the resolution of the complaint or grievance, without loss of pay or benefits to the complainant/grievor.
- 20.6** The Employer shall post conspicuously in the workplace, a policy regarding harassment and discrimination.

ARTICLE 21 – DISCHARGE CASES

- 21.1** In the event an employee is discharged and pursuant to the grievance procedure it is decided that the discharge was not justified, the employee may be reinstated and paid full compensation for time lost, or any lesser amount as may be agreed upon by the Company and Union or determined by an Arbitrator, or the Arbitrator may impose any other remedy that he or she deems fair and just in the circumstances.

ARTICLE 22 – LEAVES OF ABSENCE

- 22.1** Leaves for Union business:

- (a) The Company will grant leave of absence without pay to the one employee who is appointed or elected to Union office for a period up to and including one (1) year. Further leave of absence may be granted by mutual consent.

- (b) The Company will grant leave of absence without pay to not more than three (3) employees who are elected as representatives to attend Union meetings and Union conventions in order that they may carry out their duties on behalf of the Union.

It is understood and agreed that employees who are on leave to attend meetings and conventions shall be paid from the union their regular pay and benefits while attending such functions.

- (c) In order for the Company to replace the employee with a competent substitute, it is agreed that before the employee receives this leave of absence, as set forth in Clauses (a) and (b) above, the Company will be given due notice in writing; in the case of (a) twenty (20) calendar days and in the case of (b) five (5) calendar days.

- (d) Members of the Negotiating Committee will be paid the days wage for all Negotiation meetings with the Company.

22.2 Leaves for business other than Union:

- (a) **Jury duty** – An employee summoned to jury duty or subpoenaed as a witness shall be paid their regular wages they would have earned had they worked on such day(s) less daily court stipend. Overtime is not applicable.

- (b) Employees shall return to work within a reasonable period of time. They shall not be required to report if less than two (2) hours of their normal shift remains to be worked. Total hours on jury duty and actual work on the job in one day shall not exceed eight (8) hours for purposes of establishing the basic work day. Any time worked on the employee's regular job in excess of the combined total of eight (8) hours shall be considered overtime and paid as such under the Contract.

- (c) **Bereavement** – In the event of the death of an employees parents, legal guardian, grandparents, children, sister, brother, spouse, step-parents, mother-in-law, father-in-law, the employee will be granted up to three (3) working days compassionate leave with pay. One day bereavement leave with pay shall be granted in case of the death of a sister-in-law or brother-in-law.

- (d) Upon giving twenty-four (24) hours notice, an employee may be granted time off without pay for the purpose of attending a funeral of persons other than the aforementioned.

- (e) **Pregnancy Leave**
 - (1) A pregnant employee who requests leave under this section is entitled to up to 17 weeks of unpaid leave

a) beginning

(i) no earlier than 11 weeks before the expected birth date, and

(ii) no later than the actual birth date, and

b) ending

(i) no earlier than 6 weeks after the actual birth date, unless the employee requests a shorter period, and

(ii) no later than 17 weeks after the actual birth date.

(2) An employee who requests leave under this section after the birth of a child or the termination of a pregnancy is entitled to up to 6 consecutive weeks of unpaid leave beginning on the date of the birth or of the termination of the pregnancy.

(3) An employee is entitled to up to 6 additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave ends under subsection (1) or (2).

(4) A request for leave must

(a) be given in writing to the employer,

- (b) if the request is made during the pregnancy, be given to the employer at least 4 weeks before the day the employee proposes to begin leave, and
 - (c) if required by the employer, be accompanied by a medical practitioner's certificate stating the expected or actual birth date or the date the pregnancy terminated or stating the reasons for requesting additional leave under subsection (3).
- (5) A request for a shorter period under subsection (1)
- (b) (i) must
 - (a) be given in writing to the employer at least one week before the date the employee proposes to return to work, and
 - (b) if required by the employer, be accompanied by a medical practitioner's certificate stating the employee is able to resume work.
- (f) Prior to the commencement of any leave of absence (extension), the employee will be allowed to self pay their preleave benefit status. No sick time accrual during this leave of absence (extension). Employee to advise in writing of return to work date at least two (2) weeks prior to return.
- (g) Parental Leave

- (1) An employee who requests parental leave under this section is entitled to,
 - (a) for a birth mother who takes leave under the pregnancy section in relation to the birth of the child or children with respect to whom the parental leave is to be taken, up to 35 consecutive weeks of unpaid leave beginning immediately after the end of the leave taken under the pregnancy section unless the employer and employee agree otherwise,
 - (b) for a birth mother who does not take leave under section 50 in relation to the birth of the child or children with respect to whom the parental leave is to be taken, up to 37 consecutive weeks of unpaid leave beginning after the child's birth and within 52 weeks after that event,
 - (c) for a birth father, up to 37 consecutive weeks of unpaid leave beginning after the child's birth and within 52 weeks after that event, and
 - (d) for an adopting parent, up to 37 consecutive weeks beginning within 52 weeks after the child is placed with the parent.
- (2) If the child has a physical, psychological or emotional condition requiring an additional period of parental care, the employee is entitled to up to 5 additional weeks of unpaid leave, beginning immediately after the end of the leave taken under subsection (1).

(3) A request for leave must

- (a) be given in writing to the employer,
- (b) if the request is for leave under subsection (1) (a) or (b), be given to the employer at least 4 weeks before the employee proposes to begin leave, and
- (c) if required by the employer, be accompanied by a medical practitioner's certificate or other evidence of the employee's entitlement to leave.

(4) An employee's combined entitlement to leave under the pregnancy section and this section is limited to 52 weeks plus any additional leave the employee is entitled to under section (3) of the pregnancy section or subsection (2) of this section.

(h) General Leave of Absence

Employee's with more than one year's service may apply for a general leave of absence not to exceed three (3) months, by giving a written request to the department manager at least one (1) month prior to the proposed commencement date of the leave. The request must set out the proposed start and end dates of the leave and the reasons for the leave. The Company will consider the operational requirements, the reasons for the request, the attendance record of the employee and any other relevant circumstances, in determining whether to grant the request.

As a general rule, no employee shall be granted more than one leave of absence of one month or more every two years.

22.2(i): For any leave of absence under this section, or any medical leave of absence, the Employer has the right to require documentation sufficient to demonstrate the basis for the absence to the Employer's satisfaction. Requests for anything other than a basic Doctor's note shall be in writing.

ARTICLE 23 – INSURED BENEFITS

23.1 The Company agrees to provide employees with the Viceroy group insurance health, and dental plans as established on November 1, 2007. The Company will provide a copy of the benefit booklet when an employee indicates an intention to enroll in the benefit plan. Subsequent copies of the benefit plan may be obtained by making a direct request to the plan carrier. Between ninety (90) days and five (5) years after start date the employee pays 50% and the Company pays 50% of the premiums. After five (5) years of service the Company agrees to pay 100% of the premiums.

Should an employee opt out of the benefit plan after the initial ninety (90) day waiting period, or withdraw from the plan, reinstatement in the plan at a later date will be subject to any eligibility requirements established by the plan, including proof of insurability. Any costs of meeting such requirements shall be at the employee's own expense.

- 23.2** MSP Premiums: The Company agrees to pay 100% of B.C. MSP premiums when an employee has completed the sixty (60) working day probation period. In order to qualify for this benefit, the employee must complete all necessary application forms provided by the Company. Employees who do not wish receipt of this benefit are required to sign a waiver as provided by the Company declaring the intention to decline the benefit. Employees who have declined MSP can accept the benefit by completing an MSP application form.

ARTICLE 24 -- RRSP

- 24.1** Effective April 1, 2004, the Company shall institute an RRSP matching program, pursuant to which the Company will match employee RRSP contributions to a maximum of 2% of gross wages per year.

- 24.2** Effective April 1, 2008, RRSP match will be increased to 3% of gross wages per year.

ARTICLE 25 -- COMPANY/UNION MEETINGS

- 25.1** The Company and the Union will hold regular monthly Company/Union meetings. Either party may postpone such meetings by giving written notice two days in advance of a regularly scheduled meeting.

ARTICLE 26 -- INTERLOCK

26.1 Effective September 1, 2002, the Company agrees to become a participating employer in the "interlock" Employee Assistance Program.

Funding: Company -- 1.5 cents per hour
Employees -- 1.5 cents per hour

Interlock shall provide a usage report to the Company and the Union every six months. No individual employees shall be identified in the report.

ARTICLE 27 -- EYE GLASSES

The Company shall reimburse each employee up to **\$200** during the term of the collective agreement, for the purchase of prescription eyeglasses or lenses for the employee.

ARTICLE 28 – DURATION OF AGREEMENT

28.1 The Company and the Union mutually agree that this Agreement shall be effective from April 1, 2010 to and including March 31, 2013 and thereafter from year to year unless written notice of intent to amend or terminate is given by either party to the other party any time after a date four (4) months prior to the expiration of the Agreement. It is mutually agreed that Subsection two (2) of Section fifty (50) and Section sixty-two (62) of the Labour Relations Code of B.C. are specifically excluded from the Agreement.

Dated this 16th day of August, 2010

**Signed on Behalf Of
The Union**

Retail Wholesale Union, Local 580

**Signed on Behalf Of
The Company**

Viceroy Homes Limited

K. Halovich (signed)

D. Mawer (signed)

T. Brucker (signed)

R. Tucker (signed)

S. Kajla (signed)

S. Lakusta (signed)

Assistant Provincial Representative

APPENDIX "A"

Plant Hours Day Shift

Monday – Friday:

Start: 7:00 a.m.
Break: 9:15 – 9:30 a.m.
Lunch: 11:30 – 12:00 p.m.
Break: 1:30 – 1:45 p.m.
Close: 3:30 p.m.

Plant Hours Afternoon Shift

Monday – Friday:

Start: 4:00 p.m.
Break: 5:30 – 5:45 p.m.
Lunch: 7:45 – 8:15 p.m.
Break: 10:30 – 10:45 p.m.
Close: 12:30 a.m.

Shift Premiums: Employees on the afternoon or graveyard shifts shall receive a premium of **\$1.00/hour**. The shift premium will not be used when calculating overtime rates.

CLASSIFICATION OF EMPLOYEES

The Company will post jobs as per this list and will pay by the accompanying class rates. It is understood any employee can apply for any job.

Class 6

Supervisors

Class 5

Maintenance*

Lead Hands

Shipper

Receiver

Production Equipment Operators
(Pace Setting Equipment)

Class 4

Quality Control

Custom Assembly

Fork Lift Operator

Class 3

Product Assembly

Parts Clerk

Class 2

Order Fulfillment / Packaging

Class 1

Container Loader

Material Handlers

Cleaners

The foregoing does not limit, restrict nor prohibit additions, deletions or modifications to the nature, kind or organization of the work that employees may be required to perform, and from time to time changes may be made, as deemed appropriate by the employer, to meet the performance needs of the operation, subject to the union's right to grieve a change.

It is understood and agreed that the Company may set production standards for pace-setting positions, and that, as condition of retaining the position, employees must meet the production standard within 30 days of assuming the position and on a consistent basis thereafter. An employee who is not meeting the standard for the position shall be given a written warning and if the standard is not met within two weeks, shall be returned to his/her previous position. The Company and the Union shall review the production standards on an ongoing basis at the monthly Company/Union meetings.

CLASS RATES:

1-Apr-10 to 1-Apr-13

Level 6	\$ 20.90
Level 5*	18.93
Level 4	18.48
Level 3	16.68
Level 2	15.82
Level 1	14.41

Class One Driver Position.

Truck Driver Class 1 w/air & trailer endorsement \$22.30.

* Pacesetting equipment operators move from Level 4 to Level 5.

In the event of a layoff or elimination of a position where the incumbent has been in the position for more than one calendar year, and is required to accept a lesser paying classification, the employee's wage rate from his prior position shall be maintained for two weeks from the date of change to the lower position. After this date, the actual rate level will be paid.

Tape Measures:

Employees required to provide their own tape measure will be reimbursed for future replacements required as a result of normal wear and tear, providing they bring in the worn out item that requires replacing.

Maintenance employees shall receive a premium of \$2.00 for the first T.Q.; and \$1.00 per hour for each subsequent ticket, should the ticket be required for the operation.

Employees shall be paid at \$0.50 per hour less than the posted rate for the first sixty (60) working days in any position.

Employees above the classification rates remain red-circled.

LETTER OF UNDERSTANDING

GAINSHARE PLAN

Effective April 1, 2003, the Company will institute a gainshare plan, pursuant to which, in addition to the Classification wage rates set out herein, all post-probation employees who work all regular-time scheduled hours in the work week shall share equally in the productivity bonus for that week. The bonus shall be calculated as a fixed percentage of the amount by which labour costs as a percentage of revenue falls below the designated target. The target shall be 8.5% for the term of this Agreement.

The parties agree that the "Claims against product/week" (attributable to facility) shall be capped at \$1000.00 per week for the first year of operation of the productivity gain sharing plan. The Company and the Union will discuss Claims against the Plan at the monthly Company/Union meetings.

Prior to implementation of the Plan, the Company shall discuss the Plan with the Union and modifications may be agreed to.

Reg Tucker (signed)
for the Company

Shawn Lakusta (signed)
for the Union

LETTER OF UNDERSTANDING

EAR PROTECTION

Within six months of ratification of this agreement, the Company will put in place a custom ear protection program, pursuant to which all employees with more than 12 months service shall be issued custom-fitted ear protection. Employees shall be responsible for careful storage and handling of their ear protection, as ear protection damaged or lost through carelessness may not be replaced until its advertised life span has expired.

Reg Tucker (signed)
for the Company

Shawn Lakusta (signed)
for the Union

LETTER OF UNDERSTANDING

BETWEEN:

VICEROY HOMES LIMITED

AND:

RETAIL WHOLESALE UNION LOCAL 580

Re: Prime Time Vacation Selection

Prime Time Vacation Period shall be from May 1st to September 30th. Eligible employees can take a maximum of two (2) weeks off in prime time until everyone has had a chance. If there are open weeks these can be filled in by seniority subject to other reasonable issues as they arise.

Non-Prime Time Vacation Period shall be from January 1st to April 30th and October 1st to December 31st. Employees shall schedule any additional weeks, or all of their vacation during non the Non-Prime Time Vacation Period.

The preferred position in the selection and allocation of vacation periods shall be awarded on the basis of seniority as defined in Article 12.

This Letter of Understanding will be either be incorporated into the next collective agreement or will expire at March 31, 2013.

Dated this 14th day of September, 2010

**Signed on Behalf Of
The Union**

Retail Wholesale Union, Local 580

**Signed on Behalf Of
The Company**

Viceroy Homes Limited

K. Halovich (signed)

T. Brucker (signed)

S. Kajla (signed)

S. Lakusta (signed)

Assistant Provincial Representative

D. Mawer (signed)

R. Tucker (signed)

F. Allison (signed)

Representative

