

Section 54 Agreement

Bare Sports Canada, Ltd. (the "Employer")

and

United Steelworkers, Local 2009 (the "Union")

Whereas the Employer provided the Union with notice under Section 54 of the *Labour Relations Code* relating to the relocation and downsizing of the Facility;

And whereas the parties have met in good faith to discuss the restructuring in order to reduce the impact of the downsizing on the workforce and to position the new Facility for success in the future;

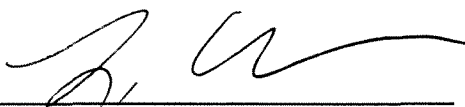
Now therefore the parties agree as follows:

1. The current Collective Agreement classifications will be reduced to a single classification – Shop Floor Operator, that will require competence in each area of the shop.
2. The new Shop Floor Operator classification will be in effect as of January 1, 2013. The wage rate for Shop Floor Operator will be \$15/hour, effective January 1, 2013. Those currently above \$15/hour will be red circled at their current rate.
3. Each employee who expresses interest in the Shop Floor Operator position will receive a trial period in each area to demonstrate competence.
4. The Employer will retain the most senior employees who are able to demonstrate competence in the Shop Floor Operator position, subject to the Employers staffing requirements.
5. Employees who are permanently laid off as a result of the downsizing and relocation will be entitled to one weeks pay for every year of service up to a maximum of sixteen (16) weeks.
6. Employees who elect severance will be given full consideration for casual work that become available or for re-hire where casual or regular positions become available between January 1, 2013 and December 31, 2013. Such employees must make the Employer aware of any interest in future work opportunities.
7. Severance pay shall be calculated based on the employees' classification as of December 1, 2012.
8. Employees who accept severance pay have no right of recall. The Employer agrees to make any severance payments directly into an employees RRSP account where the employee so requests, and provides the appropriate information.

9. Employees who have not qualified for the Shop Floor Operator position may request to be laid off out of seniority prior to their normal lay-off date. Where the Employer agrees to such request, the employee will still be eligible for severance.
10. The January 1, 2010 – December 31, 2012 Collective Agreement will be renewed for one year, so as to have an expiry date of December 31, 2013. The classifications within the Collective Agreement will be amended as per the terms of this Section 54 Agreement. Premium level 1 and 2 will no longer exist, subject to red circling.
11. The Parties agrees this Section 54 Agreement satisfies all notice and severance obligations under the Collective Agreement and the *Employment Standards Act*.
12. The Parties agree that arbitrator Brian Foley will be seized to deal with any disputes over the implementation or interpretation of this Agreement.


Bare Sports Canada, Ltd.

Jan 22/13
Date


USW, Local 2009

Jan 22, 2013
Date