

MEMORANDUM OF AGREEMENT

BETWEEN

TREE ISLAND INDUSTRIES

(The Employer)

AND

CANADIAN OFFICE AND PROFESSIONAL EMPLOYEE'S UNION, LOCAL 378

(COPE)

(The Union)

The parties are bound to a Collective Agreement effective from October 1, 2007 through September 30, 2012.

The Parties have engaged in collective bargaining to reach an agreement to renew the Collective agreement.

By signature(s) of their duly authorized representative(s) hereinafter affixed, the Employer and the Union ("the Parties") do hereby expressly and mutually agree as follows:

1. The Parties agree that the Collective agreement is renewed for a term of three (3) years from October 1, 2012 to September 30, 2015.
2. The Parties agree that this memorandum of Agreement is subject to ratification by the Parties respective principals.
3. All items not addressed herein will be considered withdrawn on a without prejudice basis.
4. The Parties agree that this memorandum of Agreement is, the entire agreement between the Parties with respect to collective bargaining for the renewal of a Collective Agreement.
5. When ratified, the new collective agreement will contain all of the terms and conditions of the collective agreement that expired on September 30, 2012, save and except as amended below.

6. Article 17.07 (a) iii)- New provision:

Notwithstanding ii) above:

The graveyard shift supervisor will start the first graveyard shift of the week at 22:00, with no overtime being incurred. The afternoon shift supervisor will finish the last afternoon shift of the week at 22:00, with no loss of earnings being incurred. - **Agreed**

7. Article 17.07 (b)- Amend by changing "Appendix" at the end of the sentence to "Appendix "D". - **Agreed**

8. Article 17.11 b) – Amend to read: In the event that the Employer implements a shutdown during the Christmas period, an Employee may request and receive a combination of time off, for any of the days the Employee would normally have worked during the period of the shutdown which are not covered by Paid Holidays, in accordance with the following:

- i) Unused annual vacation entitlement;
- ii) Banked overtime, floating holidays and/or lieu days
- iii) *Unpaid leave of absence* - **Agreed**

9. Article 19.02 – Add new provision: *A Quality Assurance Technician with a valid Engineer or Boiler Certificate shall, in addition to all other wage differentials, receive one dollar (\$1.00) per hour for all hours worked.* - **Agreed**

10. Article 21.01 – Amend by substituting "Family Day" for "Heritage Day".

11. Article 22.08- Amend to read:

- (a) Subject to Departmental Requirements – Selection of vacation periods under this Agreement shall be subject to bona fide operational requirements.
- (b) Vacation Selection by Seniority – *Subject to the provisions of (a) above and (c) below,* Employees shall select their vacation periods in order of seniority, from highest to lowest, as defined in this Agreement. Employees must indicate their choice of vacation period prior to November 30 for the following vacation year. Employees will be advised of approved vacation by December 31. Employees who do not indicate their choice by November 30th will forfeit their vacation selection seniority rights *with vacations after that scheduled on a first come/first serve basis subject to departmental and operational requirements.* Employees who do not indicate any vacation choice by August 15 of the vacation year, will be scheduled by the Employer prior to the end of the calendar year. *Vacations must be scheduled in blocks of not less than one working week unless mutually agreed between the Employer and Employee. Agreement will not be unreasonably denied.*

(c) *Vacation Selection – Subject to departmental and operational requirements, in order to allow all employees the opportunity for vacation during the Prime Time period of May 15th to September 15th, employees may use their seniority to initially schedule a maximum of two (2) weeks vacation during the Prime Time period. Once all employees have had the opportunity to apply for Prime Time vacation prior to the November 30th cut-off date employees may select, in order of seniority, from highest to lowest, additional Prime Time vacation periods.*

(d) *Delete entirely. - Agreed*

12. Article 33.05 (b) (effective the date of ratification) Increase Level 2 or 3 First Aid Premiums from \$.90 (ninety cents) to \$1.10 (one dollar and ten cents) per hour.

13. Article 45.04 – *The Extended Health amendments listed below will not be included in the collective agreement. However the employer agrees that commencing the first of the second month following ratification of this agreement the Extended Health Plan will be amended as follows:*

- *Podiatrist – Maximum to be increased from \$100 to \$200*
- *Psychologist – Maximum to be increased from \$100 to \$200*
- *Orthotic Devices or Orthotic Shoes – When prescribed by a physician, podiatrist or chiropractor to a maximum of \$400 per adult or \$200 per dependent child per calendar year.*
- *Vision Care – Amend so that employees will be covered for up to four hundred and fifty dollars (\$450) every twenty-four (24) months, non-deductible, for purchase of lenses and frames, contact lenses or laser eye surgery for each covered person.*

14. Article 46.04 – Amend to read:

The Company will authorize a RRSP provider to provide the Group RRSP Committee and the Union with copies of all documents relevant to the operation of the Plan and any investment arrangements made through the Plan, that a member of the Group RRSP Committee might reasonably request. Agreed

15. Article 49 – Amend “2012” to “2015” wherever it appears throughout the Article. **Agreed in principle**

Appendix "A"
 SALARIED SCHEDULE - ANNUAL SALARIES

Effective October 1, 2012

GRADE	MINIMUM	6 MONTHS	12 MONTHS	18 MONTHS	24 MONTHS	30 MONTHS	36 MONTHS
1	39,851	40,668	41,489	42,310	-	-	-
2	43,032	43,917	44,805	45,692	-	-	-
3	46,517	47,480	48,440	49,401	-	-	-
4	48,987	50,030	51,071	52,112	-	-	-
5	53,068	54,197	55,327	56,456	-	-	-
6	56,349	57,915	59,478	61,043	62,610	-	-
7	60,128	61,797	63,468	65,138	66,808	-	-
8	64,494	65,926	67,361	68,793	70,228	71,659	-
9	69,332	70,871	72,412	73,953	75,493	77,035	-
10	74,697	76,080	77,461	78,846	80,229	81,613	82,995
11	80,285	81,772	83,257	84,746	86,230	87,717	89,206
SS	78,856	80,317	81,776	83,237	84,696	86,157	87,617

Effective October 1, 2014

(0.5% increase)

GRADE	MINIMUM	6 MONTHS	12 MONTHS	18 MONTHS	24 MONTHS	30 MONTHS	36 MONTHS
1	40,049	40,871	41,696	42,522	-	-	-
2	43,245	44,137	45,029	45,920	-	-	-
3	46,749	47,717	48,682	49,648	-	-	-
4	49,232	50,280	51,326	52,373	-	-	-
5	53,333	54,468	55,604	56,738	-	-	-
6	56,631	58,205	59,775	61,348	62,923	-	-
7	60,429	62,106	63,785	65,464	67,142	-	-
8	64,816	66,256	67,698	69,137	70,579	72,017	-
9	69,679	71,225	72,774	74,323	75,870	77,420	-
10	75,070	76,460	77,848	79,240	80,630	82,021	83,410
11	80,686	82,181	83,673	85,170	86,661	88,156	89,652
SS	79,250	80,719	82,185	83,653	85,119	86,588	88,055

Appendix "C" - Delete entirely: Agreed

Appendix D - Amend to read: Agreed

APPENDIX D

CONTINUOUS SHIFT SCHEDULE

168 HOURS OVER FOUR WEEKS

WEEK 1

Shift	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
A	Night	-	-	Day	Day	-	-
B	Day	-	-	Night	Night	-	-
C	-	Night	Night	-	-	Day	Day
D	-	Day	Day	-	-	Night	Night

WEEK 2

Shift	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
A	-	Night	Night	-	-	Day	Day
B	-	Day	Day	-	-	Night	Night
C	Day	-	-	Night	Night	-	-
D	Night	-	-	Day	Day	-	-

WEEK 3

Shift	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
A	Day	-	-	Night	Night	-	-
B	Night	-	-	Day	Day	-	-
C	-	Day	Day	-	-	Night	Night
D	-	Night	Night	-	-	Day	Day

WEEK 4

Shift	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
A	-	Day	Day	-	-	Night	Night
B	-	Night	Night	-	-	Day	Day
C	Night	-	-	Day	Day	-	-
D	Day	-	-	Night	Night	-	-

Shift is 12 hours. Shift start time: 6:00 a.m. - Day 6:00 p.m. - Night

Appendix "E" – Amend to read:

Job Grades and Classifications	
	Description
Grade 1	Central Stores Assistant
Grade 2	Receptionist A/R Assistant A/P Assistant Administrative Assistant Ops/HR Clerical Assistant
Grade 3	Purchasing Assistant/Buyer OPS/HR Assistant Plant Payroll Assistant Shipping Associate
Grade 4	Senior A/P Specialist Inside Sales Rep Inventory Coordinator Transportation Coordinator Marketing Assistant Inside Sales Systems Coordinator Assistant Scheduler/Planner
Grade 5	Intermediate Draftsperson Maintenance Coordinator QA Technician Senior Payroll Assistant Assistant Accountant Power Pack Coordinator Purchasing/Operations Assistant Scheduler/Planner Help Desk Support Services Specialist
Grade 6	Quality Systems Coordinator IT Support Specialist Chemical Technologist Accountant
Grade 7	Mechanical Technologist Customer Service Supervisor Intermediate Programmer/Analyst Plant Payroll Supervisor Central Stores Coordinator Senior Scheduler/Planner Network Analyst Engineer Network Systems Specialist
Grade 8	QA Supervisor/Non Compliance Coordinator Products Standards Supervisor Senior Buyer Market Research Analyst Traffic Supervisor
Grade 9	Senior Designer Electrical Product Segment Specialist Programmer Analyst
Grade 10	Senior Programmer/Analyst
Grade 11	Application Development Manager Application Support Manager Quality Systems Engineering Manager
SS	Shift Supervisors Shipping Supervisor

- Agreed

Letter of Understanding #1 - Delete - **Agreed**

Letter of Understanding #2 – Renew with deletion of “under #2 hereunder” from the first sentence of the second paragraph of point (5). – **Agreed**

Letter of Understanding #3 – Re-sign – **Agreed**

Letter of Understanding #4 – Re-sign – **Agreed**

Letter of Understanding #5 – Re-Sign – **Agreed**

Letter of Understanding #6 – Re-Sign – **Agreed**

Letter of Understanding #7 –Re-Sign with the following amendments:

Delete “Effective October 1, 2007” and to be replaced with “Effective the date of ratification and retroactive for 12 pay periods prior to the date of ratification”

Delete “\$4.00” and replace “\$6.00” with “\$9.75”.

Letter of Understanding #8 – Re-Sign - **Agreed**

Letter of Understanding #9 – Delete – **Agreed**

Letter of Understanding #10 – Re-Sign

Letter of Understanding #11 – Delete - **Agreed**

Letter of Understanding #12 – Re-Sign – **Agreed**

Letter of Understanding #13 – Re-Sign - **Agreed**

Letter of Understanding #14 (Attached) – Delete - **Agreed**

LETTER OF UNDERSTANDING NO. 14

BETWEEN

TREE ISLAND INDUSTRIES LTD.

("Employer")

AND

CANADIAN OFFICE AND PROFESSIONAL EMPLOYEES UNION

LOCAL 378

("Union")

**Re: APPENDIX C
SALARIED BONUS PROGRAM**

With respect to the above-cited subject matter, the Employer and the Union ("the Parties") do expressly and mutually agree as follows:

The Salaried Bonus Program referenced in Appendix C was terminated on December 31, 2007.

Commencing January 1, 2008, Bargaining Unit Employees will participate in the "Tree Island Industries Salaried Incentive Plan." All Employees are subject to the provisions of the Plan which are based on individual performance and the Company's financial performance.

The Incentive Plan's measurement period will be Tree Island's fiscal year from January 1st to December 31st. Company and individual incentive goals will be set at the beginning of each fiscal year, and performance against these goals will be measured at year-end.

Incentive awards will be calculated in accordance with each Employee's "target bonus" and the terms and conditions of the Plan.

<u>Salary Grade</u>	<u>Target Bonus</u>
Groups 1 - 5	5.0%
Groups 6 and Above	7.5%

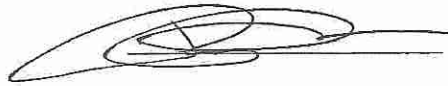
The "Tree Island Industries Salaried Incentive Plan" does not form part of the Collective Agreement.

Signed at RICHMOND, B.C. this 17th day of November, 2008.

FOR THE EMPLOYER

FOR THE UNION





L. of U. #14
11/17/08

DELETED - AGREED

AGREED IN THE CITY OF RICHMOND, BRITISH COLUMBIA THIS 20 DAY OF September 2013.

FOR THE COMPANY

Tree Island Industries



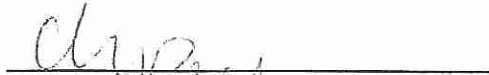
Janine Waite
Director, Human Resources



Steve Ogden
VP, Operations



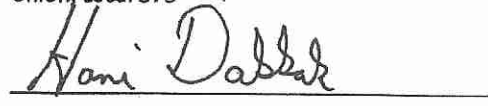
Ivo Herenda,
Director of Operations




Christine Ramage
Manager, Human Resources

FOR THE UNION

Canadian Office and Professional Employees
Union, Local 378



Hani Dakkak



Doug Howard



Brad Bastien
Senior Union Representative