

CANADA BREAD COMPANY, LIMITED

- and -

TEAMSTERS, LOCAL UNION NO. 464

BC RETAIL BREAD BASKET STORES AGREEMENT

SEPTEMBER 1, 2010 – AUGUST 29, 2015

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ARTICLES OF AGREEMENT

CANADA BREAD COMPANY, LIMITED

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ARTICLE 1 - PURPOSE

- 1.01 It is the purpose of this Agreement to provide for a competitive and profitable operation and to set out terms and conditions of employment for employees of the Company in its retail Bread Basket stores in Greater Vancouver, Prince George, and on Vancouver Island, except those stores expressly included in the Vancouver and Vancouver Island Sales Collective Agreements.
- 1.02 The parties acknowledge that it is the mission of the Company to become the premier specialty chain retailer of baked goods by satisfying consumers' desire for quality products at competitive prices, convenient shopping and in-store customer service.
- 1.03 It is understood that the retail Bread Basket stores may operate up to seven (7) days per week, and up to twenty-four (24) hours per day, in order to compete efficiently and effectively in the contemporary retail marketplace.
- 1.04 This Agreement shall be interpreted in accordance with the above principles.

ARTICLE 2 - MANAGEMENT

- 2.01 The Company shall have the exclusive right to manage the business, subject always to provincial employment laws and the other specific provisions of this Agreement.

ARTICLE 3 - UNION SECURITY

- 3.01 The Company recognizes the Union as bargaining agent for all sales persons employed in the Bread Basket stores in Greater Vancouver and on Vancouver Island, except those stores expressly included in the Vancouver and Vancouver Island Sales Collective Agreements.
- 3.02 All employees must become and remain members of the Union in good standing within fourteen (14) calendar days of commencing their employment. The Company agrees to retain in his employ, within the group covered by this Agreement, only members of the Union in good standing and to notify the Union within ten (10) calendar days of any new employees hired or former employees returned to the payroll.

It is further agreed: that any person not a member of the Union shall not work at occupations which come under the Union's jurisdiction, except in cases of emergency and then only until a member of the Union can be placed on the job.

The parties agree to discuss situations where circumstances dictate and for efficient operations, requires working a non-Union employee for a reasonable period of time.
- 3.03 Each of the employees covered by this Agreement hereby authorizes the Company to deduct and pay over to the Secretary of the Union, any monthly dues, fines or assessments levied in accordance with the Union's by-laws. Deductions of any monies owing shall also be made from any employees in the month in which they terminate.

ARTICLE 4 - CONFLICTING AGREEMENT

- 4.01 It is further agreed by the Company that no Union member will be asked to make any written or verbal agreement conflicting with this Agreement. No Union member shall make any written or verbal agreement with the Company conflicting with this Agreement.

ARTICLE 5 - CROSSING OF A PICKET LINE

- 5.01 The Company shall not require any member of the Union to cross a picket line which has not been declared illegal by a Court of Competent Jurisdiction.

If a picket line is established which affects the operation of the Company, at the request of either party a meeting will be called to discuss the application of this Section.

ARTICLE 6 - DIFFERENCES

- 6.01 There shall be no strikes, slowdowns or other interruptions of work by the Union or employees, nor shall there be any lockouts by the Company, while this Agreement is in effect.
- 6.02 Where a difference arises relating to the dismissal or discipline of an employee, or to the interpretation, application, operation, or alleged violation of this Agreement, including a question as to whether a matter is arbitrable, the matter shall be resolved without stoppage of work, in the following manner:

STEP 1. If an employee has a grievance, it shall be raised verbally with the immediate supervisor at the store within twenty-one (21) calendar days of the occurrence;

STEP 2. If the grievance is not resolved at Step 1, the employee or the Union may present the grievance in writing to the Company. The Company and the Union shall have fourteen (14) calendar days to resolve the grievance;

STEP 3. If the grievance is not resolved within the above time limits, then the grievance may be referred in writing to arbitration.

The time limits set out in this clause may be extended by the parties, by mutual agreement, in writing.

- 6.03 If the procedures set forth in 6.02 above do not result in a solution being reached within seven (7) days of the first discussion between an officer of the Union and a representative of the Company, or within such further period as the Company and the Union agree in writing, the dispute shall be referred to an Arbitration Board of three persons appointed as follows:
- (a) The party desiring arbitration shall appoint a member for the board and shall notify the other party in writing of the name and address of the person so appointed and particulars of the matter in dispute.

- (b) The party receiving the notice shall within five (5) days thereafter appoint a member for the board and notify the other party of its appointment.
 - (c) The two Arbitrators so appointed shall confer to select a third person to be chairman and failing for ten (10) days from the appointment of the second of them to agree upon a person willing to act, either of them may apply to the Minister of Labour to appoint the Chairman.
- 6.04 The Arbitration Board shall sit, hear the parties, settle the terms of the question to be arbitrated, and make its award within thirty (30) days from the date of the appointment of the chairman, provided the time may be extended by agreement of the parties.
- 6.05 If the Company or the Union has a grievance, it shall be presented in writing at Step 2 within twenty (20) working days of the occurrence giving rise to the grievance.
- 6.06 Any grievance that is not presented, or advanced to the next step, within the time limits specified, shall be deemed to be abandoned.
- 6.08 The parties may mutually agree to use a single Arbitrator.
- 6.09 The expenses and remuneration of the Chairman or single Arbitrator will be shared equally by the Parties.
- 6.10 Without restricting the specific powers herein before mentioned, the Arbitration Board shall have all the general powers of an Arbitration Board but may not change the terms and conditions of the Agreement.

ARTICLE 7 - EMPLOYMENT

- 7.01 New employees shall be on probation for the first four hundred (400) hours worked. During the probationary period an employee shall be employed on a trial basis and the Company shall have sole discretion to determine their suitability for continued employment. Probationary employees deemed to be unsuitable for continued employment may be discharged at the sole discretion of the Company. Upon completion of the probationary period, seniority shall date from the date of employment.
- 7.02 Each Retail Bread Basket Store shall be a separate unit for all purposes and in particular employment, layoff, and rehiring. In case of store closure or layoff, employees displaced shall be given the opportunity to displace the most junior employees in the remaining stores.
- 7.03 Hours of work shall be scheduled by the Company on a weekly basis whenever possible.
- Lunch period shall be one-half (½) hour unpaid and shall be taken not later than five (5) consecutive hours from the beginning of the shift.
- Employees are expected to work all scheduled hours, and are expected to work unscheduled hours provided reasonable notice is given.

- 7.04 Overtime shall be paid in accordance with the British Columbia Employment Standards Act.
- 7.05 Employees may request Leave of Absence without pay for personal reasons. The Company will not unreasonably deny such request provided reasonable notice is given and the requirements and efficiency of the store are not affected.

Each employee who has completed the probationary period will be allowed three days leave of absence, two of which shall be with pay, in the event of death of the father, mother, sister, brother, spouse, child, mother-in-law, father-in-law, grandmother, grandfather, grandchild, or any other relative living in the household of the employee. Such leave shall be granted for the purpose of making arrangements for or attending the funeral.

ARTICLE 8 - WAGES, BENEFITS AND CLASSIFICATIONS

- 8.01 There shall be one classification, Bread Basket Sales Representative. Duties shall include all duties incidental to the operation of the Bread Basket Store as assigned by management.
- 8.02 The Wage Schedule shall be set out in Appendix A of this agreement.
- 8.03 Wages shall be paid weekly
- 8.04 Statutory Holidays
- (a) Employees that have commenced employment at least thirty (30) days prior to a statutory holiday shall be given:

A day off with pay on each statutory holiday, according to the following:

- Eligible employees who have worked on at least fifteen (15) of the thirty (30) days, will receive an average day's pay for the holiday. This calculation will be made by dividing the total wages earned in the thirty (30) day period (excluding overtime) by the number of days worked.
- Eligible employees who have worked fewer than fifteen (15) of the thirty (30) days prior to a statutory holiday are entitled to pro-rated statutory holiday pay. Pro-rated statutory holiday pay is calculated by dividing the total wages earned in the thirty (30) day period (excluding overtime) by fifteen (15).

The holidays include the following days:

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

(b) If an employee is required to work on a statutory holiday then he/she will receive:

- One and one half times (1½x) times the employee's regular wage for the time worked up to twelve (12) hours, and double the employee's regular wage for any time worked over twelve (12) hours.
- In addition, the Company will give the employee a working day off or an average day's pay as determined in 8.04 (a).

8.05 Vacation

Each employee shall be entitled to the following vacation pay

- Less than five (5) years of continuous employment: four percent (4%) of base earnings.
- Five (5) years or more of continuous employment: six percent (6%) of base earnings.

ARTICLE 9 – HEALTH AND SAFETY

9.01 The Company is dedicated to the elimination of occupational injuries and will develop, implement and maintain procedures to attain this goal and agrees to ensure, as far as is reasonably practical to do so, the health and safety of its employees. The Company shall comply with all applicable health and safety legislation and regulations.

All employees of Canada Bread are safety leaders. Every employee must take reasonable care to protect their health and safety and the health and safety of others who may be affected by their acts or omissions at work; to carry out their work in accordance with established safe work procedures; to use and wear protective equipment, devices and clothing as required by the Company and or the OH&S Regulations.

The Company undertakes to provide each new employee, at the time of hiring, the necessary orientation for the safe performance of work and handling of materials and products.

ARTICLE 10 – DURATION

10.01 This agreement shall be in full force and effect from September 1, 2010 until August 31, 2015 from year to year thereafter unless written notice of abrogation or amendment shall be given by either Party to the other Party, within four (4) months prior to the anniversary date hereof, in any year.

10.02 If after collective bargaining has occurred, the Union serves strike notice, or the Company serves notice of a lockout, this Agreement shall be terminated.

10.03 Section 50(4) of the Industrial Relations Act is excluded.


DATED AT VANCOUVER, B.C. this

day of

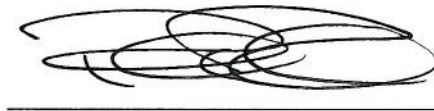
, 2012.

SIGNED ON BEHALF OF THE COMPANY
CANADA BREAD COMPANY LIMITED





SIGNED ON BEHALF OF THE UNION
TEAMSTERS LOCAL UNION NO. 464



APPENDIX A WAGE AGREEMENTS

| | Sunday following ratification | Sept. 2, 2012 | Sept. 1, 2013 | Aug. 31, 2014 |
|-----------|-------------------------------------|---------------|---------------|---------------|
| Start | 11.15 | 11.45 | 11.75 | 12.05 |
| 6 Months | 11.47 | 11.77 | 12.07 | 12.37 |
| 12 Months | 11.79 | 12.09 | 12.39 | 12.69 |
| 18 Months | 12.11 | 12.41 | 12.71 | 13.01 |
| 24 Months | 12.43 | 12.73 | 13.03 | 13.33 |
| 30 Months | 12.91 | 13.21 | 13.51 | 13.81 |
| 36 Months | 13.39 | 13.69 | 13.99 | 14.29 |
| 42 Months | 13.87 | 14.17 | 14.47 | 14.77 |
| 48 Months | 15.15 | 15.45 | 15.75 | 16.05 |

The Company agrees to pay to all current employees retroactive pay of **twenty five cents (25¢) per hour** for all hours paid from Sunday August 29, 2010 up to the first Sunday following ratification. This payment will be made on a separate pay deposit during the first full pay period within two weeks of ratification.

Lump sum payments to all non-probationary employees, payable on the first payday following:

- Ratification - \$150.00
- September 2, 2012 - \$100.00
- September 1, 2013 - \$100.00
- August 31, 2014 - \$100.00