

COLLECTIVE AGREEMENT

Between

PREPAC MANUFACTURING LTD.

And

NATIONAL, AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS UNION
(CAW-CANADA) LOCAL 114



Effective March 1, 2011 to February 28, 2014

TABLE OF CONTENTS

ARTICLE 1 - RECOGNITION 1

 1.01 Bargaining Recognition 1

 1.02 Bargaining Unit Defined..... 1

 1.03 Bargaining Unit Work..... 1

 1.04 Work Retention and Sub Contracting 1

 1.05 No Other Agreement 1

ARTICLE 2 - MANAGEMENT RIGHTS 1

 2.01 1

 2.02 2

ARTICLE 3 - UNION SECURITY 2

 3.01 Union Dues Deductions..... 2

 3.02 Notification to the Union Prior to Hiring..... 3

 3.03 Access to Company Premises..... 3

 3.04 Shop Steward Recognition 3

 3.05 No Discrimination for Union Activity..... 3

 3.06 Bulletin Boards 3

 3.07 Paid Education Leave..... 4

 3.08 Pay for Union Negotiating Committee..... 4

 3.09 Bargaining Unit Information Update..... 4

 3.10 Printing of Collective Agreements..... 4

ARTICLE 4 - HOURS OF WORK 4

 4.01 Definitions 4

 4.02 Shift Pay Differential..... 5

 4.03 Meal Period 5

 4.04 Clean up Time 5

 4.05 Rest Periods..... 5

 4.06 Shift Rotation..... 5

ARTICLE 5 - OVERTIME..... 5

 5.01 Definition 5

 5.02 Overtime Rates 5

 5.03 Overtime Distribution..... 5

 5.04 Calculation of Overtime 6

 5.05 Overtime Rest Periods 6

 5.06 Working of Overtime When Employees on Layoff..... 6

 5.07 Overtime Bank..... 6

ARTICLE 6 - VACATIONS 6

 6.01 Vacation Entitlement Rates 6

 6.02 Vacation Calculation..... 7

 6.03 Vacation Scheduling..... 7

 6.04 Vacation on Statutory and Paid Holidays..... 8

 6.05 Requirement to Take Vacation 8

 6.06 Vacation Pay on Termination..... 8

ARTICLE 7 - STATUTORY AND PAID HOLIDAYS 8

 7.01 Holidays Designated 8

 7.02 Eligibility 8

 7.03 Falling on Day Off..... 8

 7.04 Payment for Work on a Statutory Holiday 9

ARTICLE 8 - GRIEVANCE PROCEDURE	9
8.01 Procedure.....	9
8.02 Grievor's Right to Representation.....	9
8.03 Grievor's Right to be Present.....	10
8.04 Group, Union, Policy or Discharge Grievances.....	10
8.05 Company Grievances.....	10
8.06 Technical Errors or Omissions.....	10
8.07 Time Limits.....	10
8.08 Time to Process Grievance	10
ARTICLE 9 - ARBITRATION.....	10
9.01 Procedure.....	10
ARTICLE 10 - DISCIPLINE	11
10.01 Just Cause	11
10.02 Reasons for Discipline Written.....	11
10.03 Right to Representation.....	11
10.04 Employee and Union Advised of Complaint.....	11
10.05 Access to Personnel File	11
10.06 Signing not Agreement.....	12
ARTICLE 11 - SHOP HEALTH AND SAFETY	12
11.01 Responsibility	12
11.02 Health and Safety Committee.....	12
11.03 Right to Accompany Inspectors	12
11.04 No Disciplinary Action.....	13
11.05 Health and Safety Clothing, Tools and Equipment.....	13
11.06 Training and Instruction	13
11.07 Working Alone	13
11.08 First Aid Attendants	13
11.09 Injured Worker Provisions	14
11.10 Rehabilitation of Disabled Workers.....	14
11.11 Workers' Compensation Board.....	14
11.12	14
ARTICLE 12 - SENIORITY	14
12.01	14
12.02 Seniority will be maintained and accumulated during:.....	14
12.03 Seniority Standing will be cancelled if an employee:.....	15
12.04 Recall Procedure.....	15
12.05 No New Employees Hired	15
12.06 Layoff Procedure	15
12.07 Notice of Layoff	16
12.08 Seniority Lists.....	16
12.09 Seniority Lists Additional	16
12.10 Severance Pay	16
ARTICLE 13 - JOB POSTING AND JOB AWARDS	16
13.01 Posting Provisions.....	16
13.02 Preference.....	16
13.03 Employee Absence	17
13.04 No Qualified Applicants	18
ARTICLE 14 - GENERAL PROVISIONS.....	18
14.01 Work Away From Plant.....	18
14.02 Moonlighting.....	18

14.03	Washing Facilities	18
14.04	Lunch Room	18
14.05	Union Support Not Subject to Discipline	18
14.06	Lunch Room	18
ARTICLE 15 - LEAVES OF ABSENCE		18
15.01	Bereavement Leave	18
15.02	Jury Duty	19
15.03	Leave for Union Business	19
15.04	Leave for Personal Reasons	19
15.05	Maternity and Parental Leave	19
ARTICLE 16 - GROUP BENEFITS		19
16.01	Group Benefits and Health and Welfare Plans	19
16.02	Benefits Maintained on WCB	20
16.03	Benefits Maintained on Layoff	20
16.04	Bridge Financing	20
ARTICLE 17 - WAGES		20
17.01	Wage Schedule	20
17.02	New or Change Job Classification	21
17.03	Work in Higher Classifications	21
17.04	Pay Days	21
17.05	Pay Guarantee	21
ARTICLE 18 - ADJUSTMENT PLAN		21
18.01	Adjustment Plan	21
ARTICLE 19 - HUMAN RIGHTS AND HARASSMENT		21
19.01	Policy	21
19.02	Complaint Procedure	22
19.03	Transfer of Employee	22
19.04	Other Third Party Remedies	22
ARTICLE 20 - DURATION		22
20.01	Duration of Agreement	22
20.02	Continuation and Bargaining	22
20.03	Duration as Agreed Only	23
20.04	No Strike, No Lockout	23
APPENDIX "A"		24
	Classifications, Wage rates and Effective Dates	24
APPENDIX "B"		26
	Group Benefits and Health and Welfare Plans	26
LETTER OF UNDERSTANDING NO. 1		28
	Job Class Protection for Sixteen (16) Senior Employees	28

ARTICLE 1 - RECOGNITION

1.01 Bargaining Recognition

The Company recognizes the Union as the sole and exclusive bargaining agency for its employees as defined in Article 1.02 hereof, for the purpose of establishing rates of pay, hours of work and other conditions of employment.

1.02 Bargaining Unit Defined

The term "employee" as used in and for the purpose of this Agreement shall include all employees of the Company except those employees excluded by the certification issued under the Labour Relations Code of British Columbia.

1.03 Bargaining Unit Work

The Company agrees that persons whose regular jobs are not in the bargaining unit shall not work on any jobs which are included in bargaining unit work or on any jobs for which the bargaining unit has established a classification and wage rate except to perform work caused by employee unscheduled absences from the workplace or to provide relief for breaks where bargaining unit employees cannot be redeployed to perform the work or for the purposes of instruction and the testing of new products or processes or in the case of emergencies. Emergencies are defined to mean circumstances where an immediate risk to life or property exists. Notwithstanding the foregoing, the Union agrees that Supervisory and Technical personnel may perform limited bargaining unit functions to assist bargaining unit employees for short periods of time, provided that no bargaining unit employee is displaced or otherwise adversely affected.

1.04 Work Retention and Sub Contracting

When the Company's facilities, space and trained personnel are available, the Company shall continue to have all work which can be efficiently performed by its employees, performed by members of the bargaining unit. Efficiently shall not be deemed to mean simply at a lower hourly labour cost. Notwithstanding the foregoing, the Union agrees that the Company can continue to contract out work which is currently or normally contracted out, provided that no employee shall be laid off directly due to contracting out.

1.05 No Other Agreement

No employee shall be required or permitted to make a written or oral agreement with the Company which may conflict with the terms of this Agreement.

ARTICLE 2 - MANAGEMENT RIGHTS

2.01

The Union recognizes that the Company has the sole and exclusive right to manage the affairs of the business and to direct the working forces of the Company, and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:

- (a) Maintain order and efficiency;
- (b) Hire, discharge, direct, classify, transfer, lay off, recall and suspend or otherwise discipline employees, provided that if an employee has been discharged or disciplined without just cause, a grievance may be filed and dealt with in accordance with the Grievance Procedure;
- (c) Make and enforce and alter from time to time rules and regulations to be observed by the employees;
- (d) Determine the nature and kind of business conducted by the Company, the kinds and locations of equipment and materials to be used, the control of materials and parts, the methods and techniques of work, the schedules of work, number of personnel to be employed, the extension, limitation, curtailment or cessation of operations, and to determine all other functions and prerogatives hereinbefore vested in and exercised by the Company which shall remain solely with the Company except as specifically limited by the express provisions of this Agreement.

2.02

The Company agrees that such rights and powers will be exercised in a manner consistent with the terms of this Collective Agreement. Any exercising of these rights and powers in conflict with any provisions of this Agreement shall be subject to the provisions of the Grievance Procedure.

ARTICLE 3 - UNION SECURITY

3.01 Union Dues Deductions

- (a) Deductions Forwarded

The Company agrees to deduct once each month, from the earnings of each employee covered by this Agreement, such sum by way of monthly dues, fines and assessments, as may be fixed by the Local Union. The total amount so deducted, with an itemized statement of same in duplicate, shall be forwarded to the local Union, on the tenth (10th) working day of the month, immediately following in the manner provided for in Sub Section (b) hereof.

- (b) Cheques Made Out to Local

Cheques shall be made payable to the local Union Secretary Treasurer and forwarded to the local Union.

- (c) Check off Authorization

The Company agrees to have all present and future employees covered by this Agreement, as a condition of employment, sign and maintain the check off authorization form as supplied by the Union, authorizing the Company to implement the provisions of Article 3.01(a) and (b) hereof.

(d) **Union Membership Maintained**

Any employee already hired as of the date of the signing of this Agreement, who has joined or who voluntarily joins the Union must maintain Union membership in good standing as a condition of continuing employment. Any employee hired subsequent to the date of the signing of this Agreement shall, as a condition of employment, become and remain a member in good standing of the Union within thirty (30) days of initial employment. The Company will not be required to discharge any employee for reasons other than the non-payment of Union dues or assessments, uniformly required, of all members of the bargaining unit.

(e) **Union to indemnify the Company**

The Union agrees to indemnify the Company and hold it harmless against any and all claims which may arise as a result of the Company complying with any of the provisions outlined in (a), (c) and (d) above.

3.02 Notification to the Union Prior to Hiring

The Company has the right to hire and select new employees. The Company agrees to notify the Union, via fax, of any vacancies which may be filled from outside the Bargaining Unit, in order to provide the Union with an opportunity to dispatch suitable applicant(s), who will be fairly evaluated, for hiring consideration. Personnel transfers within the Company are excluded from this provision.

3.03 Access to Company Premises

The Union Representative(s) shall be allowed access to the Company's premises, upon receiving permission from the General Manager or his nominee, for the purpose of attending to routine Union business. Such permission shall not be unreasonably withheld.

3.04 Shop Steward Recognition

The Shop Stewards selected by the Union and recognized by the Company shall be allowed time off during working hours to be provided for the investigation and discussion of submitted grievances. When the Company finds it necessary to layoff or discharge a Shop Steward, the Union shall be notified prior to such layoff or discharge. In the case of a layoff, the Company agrees to give notice to the Union in accordance with the layoff notice provisions of this Agreement.

3.05 No Discrimination for Union Activity

The Company, or a person acting on its behalf, shall not discharge, suspend, transfer, layoff or otherwise discipline an employee, or discriminate against a person in regard to employment or a condition of employment because of that person's activity in the Union.

3.06 Bulletin Boards

The Union will have the exclusive use of two (2) bulletin boards for the purpose of posting official Union notices which may be of interest to Union members. All such material can only be posted by a Shop Steward. The Union agrees that the bulletin boards shall not be used for the posting of material not directly related to Union business, or information or notices detrimental to the Company or its business.

3.07 Paid Education Leave

The Company agrees to pay into a special fund three cents (\$0.03) per hour per employee for all compensated hours for the purpose of providing paid education leave. Effective March 1, 1999, the Company shall contribute four cents (\$0.04) per hour per employee for all compensated hours. Such leave shall be for upgrading the employee skills in all aspects of trade Union functions. Payments should be made on a quarterly basis into a trust fund established by the National Union, CAW, effective from date of ratification. Cheques shall be made payable to:

CAW Leadership Training Fund
CAW Canada
205 Placer Court
Willowdale, ON M2H 3H9

The Company further agrees that members of the bargaining unit, selected by the Union to attend such courses, shall be granted a leave of absence without pay for twenty (20) days class time, plus travel time where necessary, said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Employees on said leave of absence shall continue to accrue seniority and benefits during such leave.

3.08 Pay for Union Negotiating Committee

The Parties agree that the Company will continue to pay members of the Union Negotiating Committee, with no loss of benefits, for the time spent in negotiations and the Union will reimburse the Company for the wages for all such lost time.

3.09 Bargaining Unit Information Update

The Company agrees to supply to the National Union Office in New Westminster, quarterly, an up to date list of names, addresses, postal codes and telephone numbers for all members of the bargaining unit.

3.10 Printing of Collective Agreements

The Company will contribute two hundred fifty dollars (\$250.00) towards the cost of printing the Collective Agreement and making booklets for the members.

ARTICLE 4 - HOURS OF WORK

4.01 Definitions

(a) Work Day

The day shift and afternoon shift are defined as eight (8) consecutive hours, exclusive of a one half (1/2) hour unpaid meal period. The night shift is defined as eight (8) consecutive hours inclusive of a one half (1/2) hour paid meal period. The present starting and stopping times can only be changed by mutual agreement between the Company and the Union.

i.e. Day Shift: 7:00 a.m. to 3:30 p.m.
Afternoon Shift: 3:30 p.m. to 12:00 midnight
Night Shift: 11:00 p.m. to 7:00 a.m.

(b) **Work Week**

Defined as forty (40) hours. The work week shall normally be from Monday to Friday. If the Company intends to implement a work week which varies from the normal Monday to Friday work week, the Company agrees to consult with the Union with regard to the staffing and scheduling of said work week.

4.02 Shift Pay Differential

Employees working the afternoon shift shall receive a shift pay differential of sixty-five cents (\$0.65) per hour. Employees working the night shift shall receive a shift pay differential of seventy five cents (\$0.75) per hour.

4.03 Meal Period

No employee shall be required to work during his/her designated one half (1/2) hour meal period.

4.04 Clean up Time

Employees shall be allowed sufficient time during working hours to return tools and parts and to clean their work area.

4.05 Rest Periods

The Company agrees to grant all employees covered by this Agreement a fifteen (15) minute paid rest period in each half of the shift.

4.06 Shift Rotation

Where an afternoon or night shift is in operation, wherever possible, the Company will schedule employees to the afternoon or night shift on a seniority preference basis.

ARTICLE 5 - OVERTIME

5.01 Definition

Time worked in excess of eight (8) hours per day or forty (40) hours per week shall be considered overtime.

5.02 Overtime Rates

Overtime shall be compensated at one and one half (1 1/2) times the regular wage rate for all hours worked in excess of eight (8) in a day and for all hours worked in excess of forty (40) in a week, and two (2) times the regular wage rate for all hours worked in excess of ten (10) in a day and for all hours worked in excess of forty eight (48) in a week. Overtime calculated on a daily basis shall be excluded from the weekly calculation of overtime.

5.03 Overtime Distribution

(a) The Company agrees that opportunities for overtime shall be distributed equitably, on a rotation basis, among employees in a particular job classification.

Employees shall have the prerogative of working or not working the offered overtime.

- (b) Employee(s) who agree to work the offered overtime will be required to work the overtime. Employee(s) exercising their prerogative pursuant to 5.03(a) above, who refuse the offered overtime, will have the number of hours of overtime offered marked on the Overtime Distribution Sheets as "R" Refused.
- (c) If an insufficient number of employees with the ability to fulfil the job requirements, volunteer for the overtime, the Company shall have the right to assign such overtime. Any assignment of overtime shall be done on a reverse seniority basis.

5.04 Calculation of Overtime

Shift Pay Differential shall be included with the rate of pay for calculation of overtime.

5.05 Overtime Rest Periods

Employee(s) requested to work overtime at the end of their regular shift shall receive a ten (10) minute paid rest period, at the overtime rate, before commencing the overtime. Employee(s) required to work more than two (2) hours of overtime shall be given a twenty (20) minute paid rest period, at the overtime rate before commencing the overtime and will be provided with a meal at no cost to the employee.

5.06 Working of Overtime When Employees on Layoff

The Company agrees to make every effort to eliminate the need to work overtime while employees are on layoff.

5.07 Overtime Bank

- (a) An employee entitled to overtime pay in accordance with 5.02 above shall have the option of receiving the pay or, upon sufficient notification to the Company, of banking the overtime pay, to a maximum of forty (40) hours of straight time pay, to be used for paid personal time off.
- (b) Time off shall be taken in increments of four (4) hours and shall be scheduled by mutual agreement between the Company and the employee. The hourly pay for personal time off shall be at the current rate for the classification that the employee occupied at the time the overtime was worked.
- (c) An employee may opt to cash out banked overtime at the current rate for the classification that the employee occupied at the time the overtime was worked.

ARTICLE 6 - VACATIONS

6.01 Vacation Entitlement Rates

Employees who work a minimum of eighteen hundred (1,800) hours during the twelve (12) months preceding their last anniversary date shall be entitled to vacation pay as outlined in (a), (b) and (c) below. Vacation pay for employees who work less than

eighteen hundred (1,800) hours during the twelve (12) months preceding their last anniversary date shall be calculated on the percentage of gross earnings as outlined in (a), (b) and (c) below.

- (a) One (1) year of completed employment but less than four (4) years of completed employment - two (2) weeks full pay or four percent (4%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is greater.
- (b) Four (4) continuous years of completed employment but less than nine (9) years of completed employment - three (3) weeks full pay or six percent (6%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is greater.
- (c) Nine (9) continuous years of completed employment but less than twenty (20) years of completed employment - four (4) weeks full pay or eight percent (8%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is greater.
- (d) Twenty (20) continuous years of completed employment and thereafter – five (5) weeks full pay or ten percent (10%) of gross earnings during the twelve (12) months preceding the employee's last anniversary date, whichever is greater.

6.02 Vacation Calculation

An employee's vacation time and vacation pay shall be calculated from his/her date of hire with the Company and subsequent anniversary dates.

6.03 Vacation Scheduling

(a) Earned Vacation

Employees will be entitled to schedule and take any vacation earned up to their anniversary date immediately preceding the vacation.

(b) Scheduling Limitations

Not more than two (2) employees per classification may be away at any one time. The Company agrees that more than the number of employees stipulated above may be away at any one time provided adequate staff is available to meet production requirements.

(c) Scheduled by March Using Seniority

Vacation scheduling will be arranged during the month of March of each year in accordance with seniority. The vacation planner schedule shall be posted by March 1st of each year and taken down by March 31st with confirmation being given, in writing, by April 15th. Each employee's schedule shall not be altered unless by the mutual consent of the Company and the employee.

(d) Divided Vacations

Where employees divide their vacation into more than one period, seniority will govern in scheduling with respect to first choices, first; second choices, next; etc.

6.04 Vacation on Statutory and Paid Holidays

Should a Statutory or Paid Holiday occur while an employee is on annual vacation, he/she shall receive an additional day off with pay.

6.05 Requirement to Take Vacation

Employees are required to take at least two (2) weeks' vacation as paid time off each vacation year. An employee entitled to more than the minimum annual vacation in accordance with 6.01 above, shall be allowed to bank such extra vacation to a maximum of four (4) weeks for the purpose of taking an extended vacation. The scheduling of such extended vacation will be subject to the provisions of 6.03 above. Vacation pay will be paid at the time vacations are taken.

6.06 Vacation Pay on Termination

An employee who leaves the employ of the Company shall be paid vacation pay at the time of termination based on the entitlements in Article 6.01 above.

ARTICLE 7 - STATUTORY AND PAID HOLIDAYS

7.01 Holidays Designated

All employees shall receive the following Statutory and Paid Holidays with pay at their regular straight time rate. The designated days shall be:

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

in addition to any other day proclaimed by the Provincial or Federal Government.

In addition to the above noted holidays, employees are entitled to take two (2) "Personal Floating Days" to be taken at a time mutually agreed to between the employee and the Company.

7.02 Eligibility

To be eligible for the above Statutory Holiday pay, an employee must work his/her recognized work day immediately before and immediately after the holiday unless he/she goes on authorized leave, medical leave or is laid off within fourteen (14) days of a holiday designated in 7.01 above.

7.03 Falling on Day Off

Employees shall receive another day off with pay for any Statutory or Paid Holiday that falls on their regular day off.

7.04 Payment for Work on a Statutory Holiday

- (a) All work performed on a Statutory Holiday shall be compensated at one and one half (1 1/2) times the regular wage rate for the first ten (10) hours worked in that day and two (2) times the regular wage rate for all hours worked in excess of ten (10) in that day.
- (b) In addition to the payment of wages as in (a) above the employee shall be given a regular working day off with pay.

ARTICLE 8 - GRIEVANCE PROCEDURE

8.01 Procedure

Any difference between the parties concerning the interpretation, application, operation or alleged violation of this Collective Agreement, including any dispute with regard to discipline or discharge, shall be considered a grievance and shall be handled in accordance with the following Grievance Procedure.

(a) Step 1

Prior to filing a grievance, the employee(s) involved is encouraged to make an earnest effort to resolve a grievance directly with his/her Supervisor. At his/her option, the employee may be accompanied by his/her Shop Steward.

(b) Step 2

Failing satisfactory settlement at Step 1, the Shop Steward, on behalf of the employee who has a grievance or a group of employees having a grievance, dealing with the same issue, shall file a written grievance with the General Manager, or his designated representative within ten (10) working days after the occurrence of the alleged grievance or within ten (10) working days of the date on which the employee(s) first had knowledge of the issue. The written grievance shall briefly describe the nature of the incident or occurrence giving rise to the grievance, it shall clearly state the provision(s) of the Agreement that has been violated and it shall provide a statement as to the remedy or relief being sought. Where necessary, a meeting to seek a resolution of the grievance shall be convened within five (5) working days of the filing of the grievance. The General Manager, or his designated representative shall render a decision on the grievance within five (5) working days after receipt of the grievance, or, where a meeting is held, within five (5) working days after the grievance meeting. The Union's Staff Representative may attend any meeting held at Step 2 of the grievance procedure.

(c) Step 3

Failing satisfactory settlement at Step 2, the Union may refer the grievance to Arbitration.

8.02 Grievor's Right to Representation

At all steps of the grievance procedure, the Grievor(s) shall have the right to be represented by the Shop Steward and/or the Union's grievance representative.

8.03 Grievor's Right to be Present

The Grievor may elect to be present at any stage of the Grievance Procedure.

8.04 Group, Union, Policy or Discharge Grievances

Group, Union, Policy or Discharge Grievances shall be admitted at Step 2 of the Grievance Procedure.

8.05 Company Grievances

The Company may file policy or general grievances at Step 2 of the Grievance Procedure.

8.06 Technical Errors or Omissions

No technical error or omission will render a Grievance inarbitrable.

8.07 Time Limits

The time limits specified in 8.01 above may be extended by mutual agreement between the Company and the Union.

8.08 Time to Process Grievance

Absence from work, without loss of pay, shall be permitted where it is required in connection with the handling of a grievance, or a potential grievance, provided that permission is received, in advance, from the Supervisor. Such permission shall not be unreasonably withheld.

ARTICLE 9 - ARBITRATION

9.01 Procedure

Any grievance arising out of this Agreement, which cannot be settled by the Company and the Union, under the Grievance Procedure outlined in Article 8 of this Agreement, shall be determined in the following manner.

(1) Single Arbitrator Selection

The parties agree that a Single Arbitrator shall be used as provided for in the Labour Relations Code. The Company and the Union shall make every effort to agree on the selection of an Arbitrator within ten (10) working days after the Party requesting Arbitration has delivered written notice to the other Party.

(2) Failure to Agree

In the event that the Parties fail to agree on the choice of an Arbitrator, they shall forthwith request the Director of the Collective Agreement Arbitration Bureau to appoint an Arbitrator.

(3) Arbitrator

The Arbitrator will be encouraged to commence a hearing within ten (10) working days of his appointment and to render a decision within fifteen (15) working days from the date of the conclusion of the hearing.

(4) Powers of the Arbitrator

The authority of the Arbitrator shall be as set out in Section 89 of the Labour Relations Code of B.C. The Arbitrator shall not be vested with the power to change, modify or alter any of the terms of the Collective Agreement.

(5) Decision Final and Binding

The decision of the Arbitrator shall be final and binding on both Parties.

(6) Costs

Each Party shall bear one half (1/2) the cost of the Arbitrator.

ARTICLE 10 - DISCIPLINE

10.01 Just Cause

The Company agrees that an employee bound by this Agreement may only be disciplined for just and reasonable cause.

10.02 Reasons for Discipline Written

The Company shall set out its written reasons for any discipline, suspension or discharge of an employee. The Company shall be limited to such reasons in any future proceedings under the grievance and arbitration provisions of this Agreement.

10.03 Right to Representation

The Company agrees that if it intends to implement written discipline or if it intends to suspend or discharge an employee, a Shop Steward shall be present, provided this does not result in an undue delay in the implementation of a suspension resulting from gross misconduct which occurs on a shift where a Shop Steward is not present.

10.04 Employee and Union Advised of Complaint

No discipline shall be recorded against an employee nor may be used against him/her at any time unless said employee and the Union are advised accordingly, in writing, within ten (10) working days of the Company's knowledge of the incident or occurrence, giving rise to the discipline. The ten (10) day time limit maybe waived upon mutual agreement between the parties which shall not be unreasonably denied.

10.05 Access to Personnel File

The Company agrees that an employee shall have access to his/her personnel files during normal work hours in the presence of his/her Supervisor and shall have access to

the grievance and arbitration provisions of this Agreement to dispute any entries on his/her file. Copies of all entries into the personnel file will be given to the employee at the time of filing.

10.06 Signing not Agreement

Whenever an employee signs a document pertaining to discipline, he/she does so only to acknowledge that he/she has been notified accordingly.

ARTICLE 11 - SHOP HEALTH AND SAFETY

11.01 Responsibility

The Company agrees to initiate and maintain all necessary precautions in order to provide high standards of health and safety in the work place. The Company shall comply with applicable Federal, Provincial, and Municipal, Health and Safety legislation and regulations.

11.02 Health and Safety Committee

- (a) The Health and Safety Committee shall have a minimum of two (2) members from the bargaining unit selected by the Union.
- (b) Regular Health and Safety Committee meetings shall be held monthly and minutes of these meetings shall be posted.
- (c) The Committee shall assist in creating a safe place to work, shall recommend actions which will improve the effectiveness of the health and safety program, and shall promote compliance with appropriate government regulations.
- (d) Time spent by bargaining unit members of the Committee in the course of their duties shall be considered as time worked and shall be paid for in accordance with the terms of this Agreement.

The Company and the Union agree that the Health and Safety Committee shall be responsible for disseminating information to members of the bargaining unit. Topics to be covered shall include, but shall not be limited to:

- (a) The role of the Health and Safety Committee.
- (b) The procedure to be followed in the investigation of accidents and near misses.
- (c) The procedure for the disclosure of information about hazardous materials.

The Company agrees to supply the facilities and bear the costs of providing any such information.

11.03 Right to Accompany Inspectors

When a Shop Inspection is made by an Inspector authorized to enforce any Act or Regulation pertaining to Industrial Health or Safety, a Union representative of the Health and Safety Committee shall be included in the tour and a copy of the Inspector's report shall be made available to the entire Health and Safety Committee.

11.04 No Disciplinary Action

No employee shall be disciplined or discharged for refusal to work on a job or in any work place or to operate any equipment where he/she has reasonable grounds to believe that it would be unsafe or unhealthy to do so, where it would be contrary to applicable Federal, Provincial and Municipal legislation or regulations. In the case of such refusal, there shall be an immediate investigation by the Joint Health and Safety Committee. There shall be no loss of pay while the matter is being resolved to the satisfaction of the Committee.

11.05 Health and Safety Clothing, Tools and Equipment

Where the nature of the work or working conditions so require, employees shall be supplied at the Company's expense, with all necessary tools, protective clothing and safety equipment, where required by the Industrial Health and Safety Regulations of the Workers' Compensation Board of B.C. and such shall be maintained and replaced where necessary, at the Company's expense. Where the use of Safety Toe Boots are required by the Regulations, employees shall be responsible for providing their own, CSA approved, Safety Toe Boots. The Company agrees to reimburse an employee, who has completed their probationary period, the cost of approved safety footwear, to a maximum of one hundred dollars (\$100.00), once per calendar year, upon remittance of a proof of purchase.

11.06 Training and Instruction

- (a) No employee shall be required or allowed to work on any job or operate any piece of equipment until he/she has received proper training and instruction.
- (b) Within three (3) months of ratification, the Health and Safety Committee will develop an emergency evacuation plan to be implemented in the event of a fire, earthquake or other circumstance where imminent threat to life exists. The plan shall include emergency drills to be practiced on company time not less frequently than every six (6) months.

11.07 Working Alone

No employee will be required to work alone in the Plant on any shift.

11.08 First Aid Attendants

- (a) The Company shall designate First Aid Attendants, who shall be members of the bargaining unit, holding a current Industrial First Aid Certificate, in accordance with the Industrial Health and Safety Regulations of WorkSafe BC. In the event of the absence of a designated First Aid Attendant, due to illness, vacation or leave of absence, it shall not be a violation of this Agreement for the Company to fill the position with a non-bargaining unit employee.
- (b) The Company agrees to pay for the tuition and course materials of any designated First Aid Attendant who successfully completes the training for an Industrial First Aid Certificate. Furthermore, where the Company requires an employee to take such training during working hours, it shall be without loss of pay.
- (c) The premium for designated First Aid Attendants who may be members of the bargaining unit shall be seventy cents (\$0.70) per hour.

11.09 Injured Worker Provisions

- (a) An employee who is injured during working hours and who is required to leave for treatment or is sent home as a result of such injury shall receive payment for the remainder of the shift at his/her regular rate of pay.
- (b) Such employee shall be provided with transportation to a Doctor or to a hospital and to their home, if necessary.

11.10 Rehabilitation of Disabled Workers

The Company agrees to provide any employee who suffers a permanent disability while on the job with a suitable replacement job if such is available and to bypass such employee in the event of a layoff provided his/her job continues during the layoff.

11.11 Workers' Compensation Board

In the event the Company protests an employee's claim for Workers' Compensation, the Company agrees to advise the Union, in writing, with an outline of the reasons for the protest and to provide copies of any correspondence to the Workers' Compensation Board regarding the protest.

11.12

An employee who is absent for more than thirty (30) days due to illness or injury is required to update the Company on a regular and ongoing basis as to the status of their return to work.

ARTICLE 12 - SENIORITY

12.01 (a) Seniority Principle

For the purpose of this Agreement seniority means the length of continuous service with the Company since an employee's last date of hire except as expressly provided herein and shall have reference to an employee's right to a job based upon his/her length of service with the Company, provided he/she has the ability to fulfill the job requirements.

(b) Probationary Period

Newly hired employees will not accumulate any seniority until the probationary period has been served. The probation period will be for sixty-five (65) shifts actually worked. Upon completion of the probationary period, if successful, the employee will have his/her seniority backdated to the date of the commencement of the probationary period. During the probationary period the Company may terminate a probationary employee if the probationary employee is not suitable for continued employment.

12.02 Seniority will be maintained and accumulated during:

- (a) absence due to injury or illness;
- (b) all authorized leaves of absence;

- (c) absence of up to twelve (12) months due to lay off for employees with up to two (2) years of service and absence of up to eighteen (18) months due to layoff for employees with over two (2) years of service;
- (d) all periods of up to six (6) months spent outside the bargaining unit.

12.03 Seniority Standing will be cancelled if an employee:

- (a) voluntarily resigns from the Company;
- (b) overstays an authorized leave of absence unless detained for legitimate cause, i.e. for reasons beyond the individual's control and provided the individual makes every reasonable effort to contact the Company as soon as possible;
- (c) is discharged for just cause and not reinstated under the terms of this Agreement;
- (d) is recalled to work and does not report within five (5) working days of receiving notice by registered mail, at the last known address, except when the failure to report within the specified time limit was for legitimate cause, i.e. for reasons beyond the individual's control and provided the individual makes every reasonable effort to contact the Company as soon as possible;
- (e) is still on layoff and the seniority retention period has elapsed as described in 12.02 (c);
- (f) is outside the bargaining unit for more than six (6) months as described in 12.02 (d).

12.04 Recall Procedure

Laid off employees with seniority will be given the first opportunity to be recalled provided they have the ability to fulfil the job requirements. Employees will be notified of recall by telephone or other type of message which will be confirmed by registered mail. An employee being recalled must return to work as soon as reasonably possible after the first notice of recall, as described above, but no longer than five (5) working days after receipt of the registered notice at the last known address. It is the responsibility of laid off employees to keep the Company informed of their current address and telephone number. A copy of the recall notice will be given to the Shop Steward.

12.05 No New Employees Hired

New employees will not be hired in a classification while an employee in the same classification is on layoff.

12.06 Layoff Procedure

When a layoff becomes necessary, probationary employees shall be laid off first; thereafter, the Company may lay off employees by classification in accordance with Company seniority, or may confer and mutually agree with the Union upon a plan for the equitable distribution of the available work. An employee who is subject to a layoff may bump an employee with less Company seniority provided he/she already possesses the skill and ability to fulfil the job requirements.

12.07 Notice of Layoff

Except where production is interrupted due to a lack of material, for reasons beyond the control of the Company, or due to an Act of God, the Company will provide a minimum of one (1) weeks' notice or pay in lieu thereof.

12.08 Seniority Lists

The Company will prepare seniority lists of all employees in the bargaining unit and make the list available to the Shop Steward(s) and the Union Office within thirty (30) days of the signing of the Agreement. This list will be posted for a period of sixty (60) days, and will establish the seniority, regular rate and classification of an employee who does not protest his/her status in writing, within the said sixty (60) days. Said lists will commence with the most senior employee, carry on downwards to the most junior employee, and contain the following information:

1. employee's name
2. employee's starting date
3. employee's classification
4. probationary employees will also be shown on the list

In additional, the Union will be provided with each employee's current address and telephone, which must remain confidential. (It is the responsibility of all employees to keep the Company informed of their current address and telephone number.)

12.09 Seniority Lists Additional

Additional revised lists will be furnished to the Union as required from time to time. The Union agrees not to request such lists more frequently than once every three (3) months.

12.10 Severance Pay

Where an employee is subject to lay off pursuant to 12.06 the employee shall, at the time of layoff, have the option of retaining recall rights as set out in 12.02 (c), or accepting pay which will be paid in such amount as required under Section 63 of the Employment Standards Act of British Columbia. Where an employee elects this option they waive any right or entitlement under this Agreement and will not be eligible for recall. Notice provided under 12.07 will not be taken into account or applied to reduce the amount of severance pay payable to an employee.

ARTICLE 13 - JOB POSTING AND JOB AWARDS

13.01 Posting Provisions

All job vacancies within the bargaining unit of more than thirty (30) days will be posted on all Company bulletin boards for three (3) working days. Copies of all job postings shall be sent by facsimile to the Union office.

13.02 Preference

- (a) The filling of job vacancies, lay-offs and recall after layoffs within the bargaining

unit will be determined by seniority provided that the employee has the ability to fulfill the job requirements. A trial period of not less than five (5) working days shall be provided during which the employee must demonstrate his/her ability to perform the work to an acceptable standard. It is understood that the five (5) day trial period is not a training period, but is intended to provide an opportunity for the employee to be oriented to the new job and to demonstrate the ability to perform the job to an acceptable standard. If the employee is unable to fully perform all aspects of the job within the five (5) working day period they shall return to their previous position. The five (5) working day period may be extended by mutual agreement.

- (b) Where the Company determines that training opportunities are to be provided, such training positions shall be posted, which may be on any shift. Employees selected to these positions shall receive training on specific jobs when operational requirements permit. Employees must apply for these training positions by signing their name on the postings. Employees who have been promoted to a higher level position can not apply for a training position at the same level for a period of two (2) years following the date of promotion, unless mutually agreed otherwise. Applicants for these training positions shall be required to complete a basic ability/aptitude test provided by the Company. Applicants who complete the test to the satisfaction of the Company shall be awarded the training position in order of seniority.
- (c) Employees awarded training positions shall be used in a relief capacity provided they are able to fulfill the job requirements to a reasonable degree. If after a reasonable period of time, the employee in the training position is unable to perform the work to an acceptable standard, he/she will be removed from the training position and will not be eligible for relief work or permitted to apply for subsequent training positions for the same job for a period of one (1) year.
- (d) Where there is no designated relief person on the shift in question, short-term relief assignments of less than five (5) working days shall be filled at the Company's discretion. However, a temporary relief position that exceeds three (3) consecutive months of full-time relief, shall be posted and filled in accordance with (a) above.
- (e) Notwithstanding paragraph (b) above, it is agreed that in most cases, the senior employee who has worked successfully in a relief capacity shall fill any appropriate job vacancy and no posting will be required.

13.03 Employee Absence

If an employee is not at work for the following reasons, when a job is posted, he/she may apply for the job if he/she does so within three (3) working days of his/her return to work, providing the absence from work is for a period not exceeding thirty (30) days.

1. vacation
2. authorized leave of absence
3. absence resulting from accident or illness
4. absence on Workers' Compensation

Due to production requirements the Company may temporarily fill the job vacancy prior to the return of the employee.

13.04 No Qualified Applicants

In the event that none of the applicants meet the requirements of the job in relation to Article 12.01(a) of this Agreement, the Company may fill the vacancy in accordance with Article 3.02 of this Agreement.

ARTICLE 14 - GENERAL PROVISIONS

14.01 Work Away From Plant

Employees required to report for work outside the Company's premises shall be paid for all travelling time, transportation expenses and incidental expenses upon presentation of receipts.

14.02 Moonlighting

No employee shall undertake any work outside the Company which could be construed in any way as being competitive with the Company. Violations of this Clause may be subject to discipline by the Company.

14.03 Washing Facilities

Proper washing facilities shall include hot and cold water, hand cleanser, towels and wash basins. These shall be provided by the Company.

14.04 Lunch Room

The Company agrees to provide adequate ventilated lunch space(s) of a sufficient size to accommodate the employees.

14.05 Union Support Not Subject to Discipline

An employee covered by this Agreement shall have the right to refuse to cross a legal picket line. Failure to cross a legal picket line shall not be considered grounds for disciplinary action or otherwise to be a violation of this Agreement.

14.06 Lunch Room

Adequate facilities will be maintained for the lunch room and the Company will maintain the current practice of supplying coffee, tea, and condiments.

ARTICLE 15 - LEAVES OF ABSENCE

15.01 Bereavement Leave

In the event of a death in the immediate family of an employee, the Company shall grant up to three (3) days leave of absence with pay. In the event the employee attends an out-of-province funeral, the Company shall grant two (2) additional days leave of absence with pay, upon verification of the out-of-province travel. The term "immediate family" shall mean spouse, parents, children, brothers, sisters, grandparents, mother in law, father in law.

15.02 Jury Duty

Employees who have completed their probationary period, who are summonsed or subpoenaed for jury selection, jury duty, or as a witness, shall be paid the difference between their regular pay and the pay received for any of the above, for each working day lost while so serving. The employees must show satisfactory proof of receiving the summons or subpoena, and must provide the Company with a statement of the pay received when claiming the pay difference. Employees, released before four (4) hours who would have been otherwise working on the day of such duty, are expected to report for work for the balance of the day.

15.03 Leave for Union Business

- (a) If any employee of the Company should be selected to act as a delegate for the Union, he/she shall be allowed, upon sufficient notification, reasonable leave of absence without pay for the transaction of Union business. To facilitate the administration of this Article, Union Leave shall be with full pay and benefits and the Company will bill the Union for the costs.
- (b) If an employee of the Company is selected to serve the Union on a full-time basis, upon sufficient notification to the Company, he/she shall be considered to be on leave of absence without pay for a maximum period of three (3) years. During such leave of absence, seniority shall continue to accumulate. Upon completion of the leave of absence, he/she shall be re-employed in the same type of work which he/she performed prior to the leave of absence. Not more than one (1) employee shall be so absent at any one time.

15.04 Leave for Personal Reasons

Upon written request to the Company, an employee may be granted an unpaid leave of absence of up to ninety (90) days. Except in the case of a family emergency, an employee shall only be entitled to take one (1) such leave of absence every two (2) years. Company approval shall not be unreasonably withheld, provided adequate staff is available to meet production requirements and further provided that the employee has used up all available vacation time prior to taking the leave of absence. Seniority protection shall be provided as per 12.02(c). If the employee takes a job elsewhere during this leave of absence without the written approval of the Company, he/she will be considered as having terminated his/her employment.

15.05 Maternity and Parental Leave

The Company shall grant unpaid Maternity and/or Parental leave of absence in accordance with Part 6 of the Employment Standards Act of the Province of British Columbia.

ARTICLE 16 - GROUP BENEFITS

16.01 Group Benefits and Health and Welfare Plans

- (a) The Company's benefit package as set out in Appendix "B" of this Agreement, will be provided for employees covered by this Collective Agreement. The Company shall pay for the cost of the premiums for Life Insurance, AD&D,

Dependant Life, Dental and Major Medical. The Company will pay one hundred percent (100%) of the cost of the Weekly Indemnity premium, to a maximum of nineteen dollars (\$19.00) per person per month.

(b) The B.C. Medical Services Plan (M.S.P.)

The Company shall pay one hundred percent (100%) of the M.S.P. premiums, single, couple or family coverage, for all employees, commencing on the 1st of the month following completion of the employee's probationary period.

(c) Limitation of Company's Responsibility

The Company's responsibility is limited to the payment of its' share of the premiums as set out above, and the eligibility for benefits under the benefits plans will be subject to the policies of the insurance carrier selected by the Company. The Company shall not be liable or held responsible for any decision made by an insurance carrier in assessing or adjudicating a benefit claim.

(d) The Company shall recognize the definition of spouse to include common-law same sex partners and any other partnership recognized by the law in the Province of British Columbia or within the Federal jurisdiction for the purposes of entitlements for all employee benefits contained in this Collective Agreement.

16.02 Benefits Maintained on WCB.

When an employee is on Workers' Compensation, the Company agrees to continue the Group Benefits, as outlined in 16.01 above, for up to a maximum of six (6) months for employees with up to three (3) years of service, and for up to a maximum of twelve (12) months for employees with more than three (3) years of service.

16.03 Benefits Maintained on Layoff

The Company agrees to continue the Group Benefits, as outlined in 16.01 above, for laid off employees for one (1) month beyond the month in which the layoff occurred. Such continuation of benefits will be cancelled if the laid off employee obtains employment elsewhere.

16.04 Bridge Financing

In order to assist an employee who is sick or injured and who is entitled to WCB. benefits or U.I.C. benefits, the Company agrees to advance any such employee two hundred dollars (\$200.00) per week until the benefits commence. All advances will be subject to the employee signing a promissory note to repay such advances and to repay the Company the funds received from WCB. or U.I.C. immediately upon receipt of such payments.

ARTICLE 17 - WAGES

17.01 Wage Schedule

(a) The job classifications, effective dates and rates of pay listed in the attached Wage Schedule is agreed upon by both Parties and is set out as Appendix "A" of

this Collective Agreement.

- (b) The rates for the classifications set forth in this Agreement, and for any subsequent mutually agreed upon additions thereto, are the agreed upon rates for those classifications and therefore no employee may perform work, within the classifications, for a rate other than the rate set forth in this Agreement.

17.02 New or Change Job Classification

- (a) If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the Parties hereto are agreed to negotiate a rate for the job(s) in question.
- (b) If the Parties are unable to reach agreement then the dispute will be settled through the Arbitration procedures of this Agreement.

17.03 Work in Higher Classifications

An employee performing work classified at a higher rate of pay shall receive such higher rate while occupying the said classification, provided the employee works one (1) or more consecutive hours in the higher classification.

17.04 Pay Days

Wages shall be paid bi-weekly, with a maximum of five (5) working days' pay held back, in a manner convenient to the Company, but in such a way as to eliminate waiting on the part of the employees. Employees will be given a proper statement of all hours, indicating overtime hours, earnings and deductions, covering each pay period.

17.05 Pay Guarantee

Where the pay or paycheque is not ready on the payday, a cheque for the full amount shall be issued.

ARTICLE 18 - ADJUSTMENT PLAN

18.01 Adjustment Plan

If the Company introduces or intends to introduce a measure, policy, practice or change that affects the terms, conditions or security of employment of a significant number of employees, the provisions of Section 54 of the Labour Relations Code of B.C. shall apply.

ARTICLE 19 - HUMAN RIGHTS AND HARASSMENT

19.01 Policy

It is the Company's policy to create a work environment that does not tolerate discrimination against a person, with respect to employment or any term or condition of employment, because of that person's race, colour, ancestry, place or origin, political

belief, religion, marital status, family status, physical or mental disability, sex, sexual orientation or age, or because of his/her conviction of a criminal or summary conviction offence that is unrelated to the employment or to the intended employment of that person. Further, it is the Company's policy to create a work environment that does not tolerate sexual harassment.

19.02 Complaint Procedure

A Complainant may file a written complaint with the General Manager or his designated representative who shall, without delay, investigate the complaint, in confidence, in accordance with the policy outlined in 20.01 above. An employee(s) reporting any incident of discrimination or sexual harassment is guaranteed protection from reprisal due to their filing such complaint. When a complaint involves a member of the bargaining unit, the Union shall be given the opportunity to fully participate in the investigation.

19.03 Transfer of Employee

Where sexual harassment is proven and results in the transfer of an employee, it shall be the offender who is transferred. The complainant shall only be transferred with the complainant's consent.

19.04 Other Third Party Remedies

Nothing in this Article shall be considered to negate the right of an employee to seek compensation through civil action or other legal means for any damages arising from a bona fide complaint of discrimination or sexual harassment, including but not limited to the filing of a Human Rights Complaint.

ARTICLE 20 - DURATION

20.01 Duration of Agreement

This Agreement shall be effective from March 1, 2011 to and including February 28, 2014 subject to the right of either party to this Collective Agreement within four (4) months immediately preceding the date of February 28, 2014, by written notice to the other party, to require the other party to commence Collective bargaining with a view to the conclusion of a renewal or revision of this Collective Agreement or a new Collective Agreement.

20.02 Continuation and Bargaining

- (a) During the period when negotiations are being conducted between the parties for the renewal of this Agreement, the present Agreement shall continue in full force and effect until:
 - (i) the Union commences a legal strike; or
 - (ii) the Employer commences a legal lockout; or
 - (iii) the parties enter into a new or further Agreement.
- (b) During the continuation period provided in (a) above, neither party shall attempt to take any action or make any changes in the terms and conditions of

employment, which would be inconsistent with the express terms of this Agreement.

20.03 Duration as Agreed Only

By agreement of the parties hereto, the provisions of subsection (2) and (3) of Section 50 of the Labour Code of British Columbia are specifically excluded.

20.04 No Strike, No Lockout

During the term of this Agreement, or during the continuation period provided in 21.02(a) above, there shall be no strike by the Union, or lockout of employees by the Company.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 12th day of OCTOBER, 2011.

FOR PREPAC MANUFACTURING LTD.
(the Company)

Jon Gale

Rod Wells

FOR CAW CANADA LOCAL 114
(the Union)

Cynthia Anderson
Cynthia Anderson

Dennis Felipe
Dennis Felipe

Ravi Verma
Ravi Verma

APPENDIX "A"**CLASSIFICATIONS, WAGE RATES AND EFFECTIVE DATES**

	<u>Effective March 1/11</u>	<u>Effective March 1/12</u>	<u>Effective March 1/13</u>
Level I (Entry)			
Start	<u>12.56</u>	<u>12.81</u>	<u>13.19</u>
After 6 mos.	<u>12.75</u>	<u>13.01</u>	<u>13.40</u>
Level II			
Start	<u>13.48</u>	<u>13.75</u>	<u>14.16</u>
After 6 mos.	<u>13.71</u>	<u>13.98</u>	<u>14.40</u>
After 12 mos.	<u>13.93</u>	<u>14.21</u>	<u>14.64</u>
Level III			
Start	<u>15.76</u>	<u>16.08</u>	<u>16.56</u>
After 6 mos.	<u>16.02</u>	<u>16.34</u>	<u>16.83</u>
After 12 mos.	<u>16.28</u>	<u>16.61</u>	<u>17.11</u>
Level IV			
Start	<u>17.21</u>	<u>17.55</u>	<u>18.08</u>
After 6 mos.	<u>17.48</u>	<u>17.83</u>	<u>18.37</u>
After 12 mos.	<u>17.81</u>	<u>18.17</u>	<u>18.71</u>
Level V			
Start	<u>21.40</u>	<u>21.83</u>	<u>22.48</u>
After 6 mos.	<u>21.85</u>	<u>22.29</u>	<u>22.96</u>
After 12 mos.	<u>22.23</u>	<u>22.67</u>	<u>23.35</u>
Group Leader			
Start	<u>17.53</u>	<u>17.88</u>	<u>18.42</u>
After 1 Year	<u>18.76</u>	<u>19.14</u>	<u>19.71</u>
After 2 Years	<u>19.99</u>	<u>20.39</u>	<u>21.00</u>
After 3 Years	<u>21.23</u>	<u>21.65</u>	<u>22.30</u>
After 4 Years	<u>22.45</u>	<u>22.90</u>	<u>23.59</u>
After 5 Years	<u>23.67</u>	<u>24.14</u>	<u>24.86</u>

LEAD HAND

A Lead Hand is an employee in the Bargaining Unit who, at the discretion of the Company, is recognized as having exceptional skill and ability in his/her classification. A Lead Hand shall be paid a premium of four percent (4%) over and above his/her regular classification hourly rate.

CHARGE HAND

A Charge Hand is an employee in the Bargaining Unit who, at the discretion of the Company, is assigned to instruct others in the performance of their work and who may be held responsible for the quality and the quantity of the work. A Charge Hand shall be paid a premium of twelve percent (12%) over and above his/her regular classification hourly rate.

GROUP LEADERS

A Group Leader is an employee in the bargaining unit who shall assist the Supervisor/Manager and who will be responsible for any or all of the following:

- (a) Training employees.
- (b) Providing motivation to employees in attaining the Company's objectives of safety, quality and quantity of output.
- (c) Transmitting work instruction and specifications to employees in his/her work area.
- (d) Solving work problems in his/her work area.
- (e) Signing wage adjustment sheets.
- (f) Consulting with the Supervisor/Manager with respect to employee evaluations.
- (g) Performing the same or similar duties as employees in his/her work area.
- (h) Performing such other duties as may be assigned from time to time by the Supervisor/Manager.

When the Company is required to hire a new employee as a Group Leader, such new employee shall serve a probationary period of one hundred and twenty five (125) shifts actually worked.

Group Leaders jobs shall be posted but Group Leaders are hired and retained as Group Leaders at the sole discretion of the Company and are not subject to the process for filling of vacancies a set out in Articles 12 and 13. Group Leaders may be placed at any level on the above wage scales at the discretion of the Company.

Subject to ARTICLE 5 - OVERTIME, the work day and/or the work week for Group Leaders shall be established by the Company, and may be varied from time to time, in order to allow Group Leader's to fulfil their duties and responsibilities as outlined above.

Should the Company hire or promote employees to supervisory positions in order to carry out the duties and responsibilities now assigned to Group Leaders, the Company may, in whole or in part, discontinue the use of the Group Leader classifications.

APPENDIX "B"

GROUP BENEFITS AND HEALTH AND WELFARE PLANS

The following outline represents a summary only of the Group Insurance coverage available to employees covered by this Collective Agreement. Rights and Benefits are governed by the terms of the Group Insurance Policy, Plan Document or Plan Text providing the Group Benefits.

Eligibility

A full time employee becomes eligible for insurance coverage on the 1st of the month following completion of the employee's probationary period.

FOR EMPLOYEES

Life Insurance

\$30,000.00

Accidental Death and Dismemberment Insurance (AD&D)

\$30,000.00

Dependent Life Insurance

Spouse	-	\$6,000.00
Each Child	-	\$3,000.00

FOR EMPLOYEES AND DEPENDENTS

Healthguard Dental C Insurance

Basic services payable	-	80%
Restorative services payable	-	50%

Calendar year maximum for Basic and Restorative expenses combined - \$1,500.00

Orthodontics payable	-	50%
----------------------	---	-----

Lifetime maximum per Claimant	-	\$1,500.00
-------------------------------	---	------------

Dental Fee Schedule	-	of the Dental Association of the Province of residence of the covered person, applicable to general practitioners, and in effect on the date of treatment.
---------------------	---	--

Denturist Fee Schedule	-	of the Denturist Association of the Province of residence of the covered person and in effect on the date of treatment.
------------------------	---	---

Major Medical Expense Insurance

- Deductible - \$50.00 a calendar year for the total covered expenses incurred by all covered persons in a family; however, the maximum deductible for each covered person is \$25.00 a calendar year. If more than one covered person in a family is injured in the same accident only one \$25.00 deductible is applied in any one calendar year against the combined covered expenses resulting from the accident.
- Portion payable - 100%
- Maximum amount - unlimited
- Vision Care - \$150.00 per Claimant every 24 months
Effective March 1, 2006 increase to \$200.
Effective March 1, 2007 increase to \$250.
Effective the first day of the second month following the Date of Ratification, the major medical insurance shall be amended to provide for one (1) eye examination per person per year, where such examinations are not covered by MSP.

LETTER OF UNDERSTANDING NO. 1

between

PREPAC MANUFACTURING LTD.

and

CAW LOCAL 114

Job Class Protection for Sixteen (16) Senior Employees

The Company and the Union agree that job class protection will take effect when five (5) or more permanent employees are on layoff. Job class protection will apply to the sixteen (16) most senior employees on the active seniority list. The active seniority list includes employees absent as described in Article 12.02 for a period of up to six (6) months. Job class protected employees cannot bump.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 12TH day of OCTOBER, 2011.

FOR PREPAC MANUFACTURING LTD.
(the Company)

Jon Gale

Rod Wells

FOR CAW CANADA LOCAL 114
(the Union)

Cynthia Anderson
Cynthia Anderson

Dennis Felipe
Dennis Felipe

Ravi Verma
Ravi Verma