

COLLECTIVE AGREEMENT

BETWEEN

SNOWCREST FOODS LTD.

AND

**UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION
LOCAL 1518**

**Duration of Agreement: March 26, 2010 – March 25, 2014
Ratified by Membership Vote April 20, 2011**

CONTENTS

ARTICLE 1 - Recognition	1
ARTICLE 2 - Reservation of Management Rights.....	1
ARTICLE 3 - Union Security	2
ARTICLE 4 - Check-off.....	2
ARTICLE 5 - No Discrimination	3
ARTICLE 6 - Grievance Procedure.....	3
ARTICLE 7 - Arbitration.....	5
ARTICLE 8 - No Strike or Lockout.....	5
ARTICLE 9 - Seniority	6
ARTICLE 10 - Leave of Absence.....	9
ARTICLE 11 - Vacations.....	11
ARTICLE 12 - Hours of Work	13
ARTICLE 13 - Wages.....	16
ARTICLE 14 - General	18
1. Bulletin Board.....	18
2. Safety	18
3. Bereavement	18
4. Jury Duty.....	18
5. Tools.....	19
ARTICLE 15 - Government Regulations.....	19
ARTICLE 16 – Layoff.....	19
ARTICLE 17 - Severance	19
ARTICLE 18 - Duration of Agreement	20
SCHEDULE "A"	21
WAGES AND CLASSIFICATIONS OF WORK	21
SCHEDULE "B"	22
WAGES AND CLASSIFICATIONS OF WORK	22
MEMORANDUM REGARDING WELFARE PLANS.....	23

<i>EXTENDED HEALTH CARE COVERAGE</i>	23
<i>VISION CARE</i>	23
<i>HEARING AID COVERAGE</i>	23
<i>WEEKLY INDEMNITY</i>	23
<i>ELIGIBILITY FOR BENEFITS</i>	24
<i>COST</i>	24
<i>MEDICAL SERVICES PLAN</i>	24
<i>DENTAL INSURANCE PLAN</i>	25
<i>GROUP LIFE INSURANCE & ACCIDENTAL DEATH AND DISMEMBERMENT</i>	25
<i>PAID SICK LEAVE</i>	25
<i>LONG-TERM DISABILITY</i>	26
<i>PENSION PLAN</i>	26
LETTER OF UNDERSTANDING	28
LETTER OF UNDERSTANDING	29
RE: PENSION PLAN	29
LETTER OF UNDERSTANDING	31
RE: DISCUSSION OF RETIREMENT BENEFITS	31
LETTER OF UNDERSTANDING	32
RE: FLEXIBLE SHIFT PLAN	32
LETTER OF UNDERSTANDING	33
RE: BUY-OUT OFFER	33
LETTER OF UNDERSTANDING	34
RE: BOB MILLER'S RATE OF PAY	34

This Agreement entered into this **20th day of April, 2011**, between:

SNOWCREST FOODS LTD., 1925 Riverside Road,
Abbotsford, BC, hereinafter called "the Company"

AND

**UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION
LOCAL 1518, 350 Columbia Street, New Westminster, BC**, hereinafter called "the Union".

In consideration of the mutual covenants and agreements hereinafter contained, the parties hereto have agreed as follows:

ARTICLE 1 - Recognition

The Company recognizes the Union as the exclusive bargaining agency for all employees at its plant at 1925 Riverside Road, Abbotsford B.C. with the exception of Shift Supervisors and those above the rank of Shift Supervisor, the Director of Maintenance and Engineering, the Quality Assurance Manager, Laboratory Technicians, the Health and Safety Coordinator, Field Supervisors, Farm Workers, Sales Persons, Office and Clerical staff.

ARTICLE 2 - Reservation of Management Rights

1. The Union acknowledges that it is exclusively the right of the Company to:
 - (a) Maintain order, discipline and efficiency;
 - (b) Hire, direct and classify employees;
 - (c) Discharge for just cause, transfer, promote, demote, lay off and suspend or otherwise discipline employees;
 - (d) Make and alter from time to time rules and regulations to be observed by employees;
 - (e) To manage the enterprise in which the Company is engaged and, without limiting the generality of the foregoing, to determine the number of employees required and the methods, procedures, materials, and equipment to be used, schedules of work and all other matters concerning the administration and operation of the plant not otherwise specifically dealt with elsewhere in this Agreement.
2. The Company shall exercise its rights in a manner that is fair, reasonable and consistent with the terms of this Agreement.

ARTICLE 3 - Union Security

1. Any employee who on the date hereof was a member of the Union in good standing or who becomes a member after that date shall maintain such membership as a condition of employment.
2. A new employee shall become a member of the Union within thirty (30) calendar days following their date of hire. The Company agrees to obtain applications for membership in the Union at time of hire from such employees, and membership in the Union will be granted within thirty (30) calendar days.
3. Employee Union members shall be considered to have maintained membership in the Union in good standing so long as they pay the regular Union dues, initiation fees and special assessments required of any members of the bargaining unit.
4. Except for instruction and training or where special skills, expertise or experience are required, management and other personnel of the Company expressly excluded from the bargaining unit pursuant to Article 1 hereof shall not perform work normally performed by members of the bargaining unit except in the event of unanticipated absenteeism or emergency.

If any outside contractors need the assistance of any equipment owned by the Employer, members of the bargaining unit shall operate such equipment.

ARTICLE 4 - Check-off

1. The Company agrees to deduct the monthly Union dues from each employee's pay on their first pay day in each calendar month during the term of this Agreement, and in the case of a newly hired employee, on the first pay day in the month next following date of hire.
2. Upon receipt of written authorization signed by the employee, the Company shall deduct the initiation fee from the pay of employees joining the Union and such deduction shall be made in three equal installments from the employee's pay in the three successive payroll periods next following the week in which such authorization form is received by the Company.
3. The Company will deduct a special assessment uniformly required of all members of the Union and such deduction shall be made from the employee's pay commencing on their first pay day next following the date on which notice of such authorization is received from the Union.
4. The Union shall advise the Company in writing of the amount of the initiation fee, dues and assessments authorized by the employees in keeping with the Constitution and By-Laws of the Union.
5. The Company will transmit the total amount so deducted from all such employees to the Financial Secretary of the Union on or before the 5th day of the following calendar month.

ARTICLE 5 - No Discrimination

1. Neither the Company nor the Union will discriminate on the basis of ancestry, sex, creed, age, religion or nationality, disability or sexuality.
2. No employee shall be subjected to any penalties against their application for membership or for reinstatement as a member of the Union, and no coercion or intimidation of any kind shall be practiced to compel or influence an employee to join the Union, nor shall any discrimination of any kind whatever be practiced or permitted with respect to employees who are or become members of the Union.

ARTICLE 6 - Grievance Procedure

1. Should any grievance arise as to the interpretation and application of the provisions of this Agreement, such grievance should be filed within five (5) working days, or in any event not later than fifteen (15) working days, after the Chief Steward has been made aware of the circumstances giving rise to the grievance have originated or occurred, in the following manner and sequence:

FIRST: Between the Plant Manager or Production Supervisor or their designate, and the Steward, with or without the aggrieved employee. The decision of the Plant Manager or Production Supervisor, or their designate, shall be given within five (5) working days following presentation of the grievance. Failing settlement; then

SECOND: Within ten (10) working days following the decision under the first step, a meeting will be held between the Union Grievance Committee and a Committee designated by the Company to consider the grievance submitted in writing. A full-time staff representative of the Union may be present at the request of either the Company or the Union. The Company's decision under this step will be given within five (5) working days following such meeting, Failing settlement; then

THIRD: Within ten (10) working days the grievance shall be dealt with by the **Company** and the Union. If at all practicable, such meeting will be held in Abbotsford, B.C. The Company's decision under this step will be given within five (5) working days, or such other period as may otherwise be agreed.

FOURTH: If the grievance remains unsettled, either party may, subject to Article 6 of this Agreement, notify the other party in writing of its desire to submit a grievance to Arbitration. The notice shall be delivered by the party desiring to submit the grievance to the other party within twenty (20) working days of the date of the decision of the third step, the grievance shall be referred to an Arbitration Board as provided under Article 7 of this Agreement.

2. The term "working days" for purposes of this Article shall not be deemed to include Saturdays, Sundays and Statutory Holidays.

3. If the Company wishes to grieve to the Union against any action of the Union, its Officers or members, the foregoing procedure may be followed commencing with the Second step.
4. Three (3) Stewards and a Chief Steward, all of whom shall be employees of the bargaining unit defined herein, who have attained seniority, shall be elected or appointed at each plant by the Union and recognized by the Company. The Union will advise the Company in writing of the names of such Stewards.
5. The Union will elect or appoint and the Company agrees to recognize a Grievance Committee consisting of two (2) members for each plant, each of whom shall be employees of the bargaining unit defined herein, who have attained seniority. A list of Grievance Committee members shall be furnished to the Company.
6. The aggrieved employee may be present during any step of the grievance procedure if the employee desires.
7. All Grievance and Joint Labour Management Meetings shall be taken up on Company time during regular working hours. There shall be no loss of hourly wages by members of the grievance committee or the grievor to attend meetings with the Company.
8. If an employee has a grievance that they have been unjustly discharged they shall notify the Company through the Grievance Committee within five (5) working days after the date of separation stating the reason of objection to the discharge and the grievance will be considered commencing with the second step of Section 1 of this Article. In the event of such employee being reinstated, they shall be paid for the period during which they did not work as if they had not been discharged, subject to any adjustment as the settlement may determine. If an employee is discharged or suspended the Company shall notify the Union in writing within two (2) working days stating the reason for such discharge or suspension.
9. Should any grievance arise directly between the Company and the Union as to the interpretation and application of the provisions of this Agreement, the grievance shall be taken up commencing at the Second Step of Section 1 of this Article.
10. Pending settlement of any grievance, the aggrieved employee shall perform the duties assigned to them.
11. Before leaving their job or their department in connection with any grievance, a Steward or Executive Officer of the Union or member of the Grievance Committee must first obtain permission from the Supervisor of their Department.

Should the grievance require such Steward, Executive Officer of the Union or member of the Grievance Committee to go into another department, they must first report to the person in charge of the department.
12. If a grievance affects an employee's remuneration, it shall be retroactive to the date it was first submitted in writing or if the cause of such grievance arose prior thereto, then the adjustment will be made retroactive to the date the error was made or such other period as may be agreed upon.

13. Any notice of discharge, suspension or written disciplinary action which is intended to form part of an Employee's employment record shall be given in the presence of a Union Steward, chosen by the Employee and who is available in the plant. In the case of a verbal reprimand this clause shall be applied where practicable.
14. An employee shall be given a copy of any document placed on the employee's file which might be the basis of disciplinary action. Should an employee dispute any such entry in their file, they shall be entitled to recourse through the grievance procedure and the eventual resolution thereof shall become part of their personnel record.

ARTICLE 7 - Arbitration

1. When either party requests that a grievance be submitted to arbitration as hereinafter provided, the parties will first attempt Mediation/Arbitration with the parties sharing the costs equally. In the event the parties cannot agree to the Mediation process, an Arbitration Board shall be established within thirty (30) days from the date of such request. The parties shall first endeavor to agree upon a single mediator/arbitrator and if the parties fail to agree, the Mediation/Arbitration Board shall consist of three (3) members, one to be nominated by the Company and one by the Union and a third to act as Chairperson to be mutually agreed upon by the other two (2) nominees. In the event of failure of the two (2) nominees to agree upon a Chairperson, such Chairperson, who shall be someone other than a Civil Servant, shall be appointed by the Minister of Labour of the Province of British Columbia. A decision of the majority of the Arbitration Board shall be deemed to be the decision of the Board and shall be final and binding upon the parties hereto and the employee concerned.
2. This Agreement shall not be altered, modified or amended by the Mediation/Arbitration Board, nor shall the Mediation/Arbitration Board make any decision inconsistent with the provisions thereof.
3. No grievance may be submitted to mediation/arbitration which has not been properly carried through the required steps of the grievance procedure.
4. The Union and the Company shall pay the fees and expenses of their respective nominees, if applicable, and the fees and expenses of a single mediator/arbitrator or of the Chairperson shall be shared equally between the Company and the Union.

ARTICLE 8 - No Strike or Lockout

1. In view of the orderly procedure established by this Agreement for settling grievances, the Company agrees that there will be no lockout of its employees and the Union agrees there will be no strike or other collective action which will stop, curtail, interfere with work or the Company's operations. The Union agrees that if any such collective action takes place, they will repudiate it forthwith and require their members to return to work.
2. The Union agrees that no strike vote of the members will be taken during the term of this Agreement or the course of negotiations with the Company for renewal or extension thereof until an attempt has been made in good faith to settle any differences arising in such negotiations by conciliation or some other form of mediation.

ARTICLE 9 - Seniority

1. An employee will be considered on probation and will not be subject to the seniority provisions of this Agreement, nor shall their name be placed on the seniority list until after they have completed **twelve hundred and forty (1240) hours** of employment within **one (1) calendar year**. Upon completion of such probationary period to the satisfaction of the Company, the employee's name shall be placed on the seniority list, with seniority entitlement based upon the employee's date of hire. Date of hire for this purpose will be the first day **in which the first hour was worked** of the **twelve hundred and forty (1240) hours** required to achieve seniority. When a probationary employee is dismissed on the grounds of unsuitability, the Company shall inform the Union and the employee in writing.

Days (**or in the case of employees hired on or after April 1, 2011, hours**) worked as referenced throughout this Agreement, shall include any day **or hour** in which an employee reports for work, at the instruction of the Company, to work in the area under the direction of **the Management**, including such days **or hours** worked during the probationary period.

2. In the event of a work shortage resulting in the lay-off of employees covered by this Agreement, the order of lay-off shall be as follows:

FIRST: Probationary employees, provided the employees with seniority remaining have the required qualifications and can perform the duties assigned to them in a manner satisfactory to the Company.

SECOND: Employees with seniority, in order of seniority, provided the retained employees have the required qualifications and can perform the duties assigned to them in a manner satisfactory to the Company.

3. In case it becomes necessary to increase the work force for employees covered by this Agreement, persons on lay-off with seniority will be recalled in reverse order of lay-off provided the person with the greater amount of seniority has the required qualifications and can perform the duties assigned to them in a manner satisfactory to the Company.
4. When recalling a person from lay-off, the Company will first try to notify the employee by phone as per the published Recall Procedure.

Should the Company be unable to contact the employee by telephone, after two (2) attempts in two (2) days, then the Company shall notify the employee by registered letter sent to their last known address, with a copy to both Chief Stewards. The employee shall notify the Company of their intent to return to work within two (2) working days of receipt of the registered letter.

In cases where it is necessary to secure workers in less time than the required notice, the Company, if unable to make contact with the senior eligible employee, may recall the next senior employee, and so on down the list until the vacancies are filled. The recalled senior employee must contact the Company to confirm their attendance by 1:00 p.m. the day before their scheduled shift. It shall be the responsibility of each employee to notify the Company of all temporary or permanent changes in address.

5. Seniority shall be considered broken, all rights forfeited and there is no obligation to rehire when a person:
- (a) voluntarily resigns from the service of the Company;
 - (b) is discharged for just cause;
 - (c) is absent from work without good and proper reason satisfactory to the Company;
 - (d) fails to return to work when recalled from lay-off as provided under Section 4 of this Article;
 - (e) has been off the payroll of the Company for a period longer than the time allowed in the following schedule:

Seniority at Date of Separation	Length of Allowable Time Off Company Payroll
Less than one year	- Time equivalent to employee's length of service
One year or over	- One year (for employees hired on or after April 1, 2011)
One year or over	- Two years (for employees hired before April 1, 2011)

Employees with seniority on layoff who exceed their allowable break, but are rehired the following season, will receive credit for their previous accumulation of days actually worked.

6. (a) Classified/seasonal job vacancies shall be filled on the basis of seniority and ability. Ability being sufficient after a reasonable trial period to qualify for the position seniority shall prevail. A reasonable trial shall not be less than twenty (20) working days, however, if mutually agreed this period may be extended to a maximum of ten (10) working days. An employee who is awarded a posted position in accordance with the provisions of this Article and who at their option or the at the option of the Company, is not retained in the posted position, following a trial period of twenty (20) working days, will be transferred back to the classification where they were working immediately prior to being awarded the posted position and they will be allocated work in that classification in accordance with their seniority and ability, willingness and qualifications to satisfactorily perform the jobs to be done. On successful completion of the trial period, the Company and the Union will sign off that the employee has been adequately trained and is able to perform the duties of the position.

The employee will be paid the applicable rate upon signed qualification. The Chief Steward shall be notified in writing no later than five (5) working days after the expiry date of the job posting as to which applicant has been chosen to fill the vacancy. If it is obvious that a person cannot qualify or is causing serious loss or damage to product or equipment, they may be removed at any time and returned to their position.

The successful applicant for a classified/seasonal position will not be eligible to apply for another classified/seasonal posted vacancy for a period of **six (6)** months after being awarded the posted vacancy.

A classified job vacancy is not created by the temporary absence of the incumbent.

- (b) A promotion shall be defined as a transfer to a job paying a rate above the labour rate.
 - (c) The Company agrees to post all classified job vacancies on the bulletin board for five (5) full working days in order that employees with seniority may apply. Applications shall be made in duplicate, one copy to the Company and the other copy to the Chief Steward of the Union.
7. (a) **Seasonal vacancies in Abbotsford shall be posted and filled in accordance with the provisions of this Collective Agreement.**
- (b) An employee who is successful in filling a seasonal vacancy shall, notwithstanding their seniority, be returned to their regular classification when such seasonal job no longer exists.
8. Employees hired by the Company with special skills or educational qualifications whom the Company wishes to train for higher positions, may be placed and retained in employment irrespective of the seniority provisions of this Agreement. Unless otherwise agreed, such appointment shall not exceed two (2) at any one time. The Chief Steward shall be advised of all such appointments within five (5) days of their appointment or within five (5) days of their reassignment to their prior position.
9. In the exercise of seniority entitlements under this Article, the Company shall maintain a list showing the name, date of hire and days actually worked of all employees who have attained seniority.
- This list will be revised and reissued every four (4) months, with a copy to each Chief Steward.
10. An employee, with seniority, who applies for leave of absence as a result of pregnancy will, upon presentation of a doctor's certificate, be granted leave up to **twelve (12) months**. Days **(or in the case of employees hired on or after April 1, 2011, hours)** worked shall accumulate during the period of leave in accordance with the regularly scheduled shifts which the employee would otherwise have worked.
11. An employee, with seniority, who applies, in writing, for parental leave at least four (4) weeks before the date on which the leave is to begin, shall be granted such leave if:
- (a) the employee becomes a natural parent of a newborn child, or who adopts a child, or who provides a medical certificate stating the date or estimated date of birth or, in the case of adoption, a letter from the adoption agency.
 - (b) for the natural mother, such leave will commence immediately following maternity leave.
 - (c) for the natural father, such leave shall commence within the fifty-two (52) week period after the birth of the child.
 - (d) such leave does not exceed twelve (12) weeks.
 - (e) the combined entitlement for maternity and parental leave does not exceed thirty-two (32) weeks.

Days actually worked shall accumulate during the period of leave in accordance with the regularly scheduled shifts which the employee would otherwise have worked.

12. When a temporary transfer is made to a higher rated classification, the most senior qualified employee will be offered such work, always having regard to the requirements of the business and the ability of the employee to do the required work.

ARTICLE 10 - Leave of Absence

1. Upon receipt by the Company of at least two (2) weeks prior written notice for the purpose of attending vocational training, Union schools, conventions or conferences, or upon receipt by the Company of reasonable prior written notice for the purpose of negotiations for the renewal of this Collective Agreement, a leave of absence without pay will be granted to an employee with seniority, for a period not exceeding thirty (30) **calendar** days, providing the absence of such employee does not unreasonably affect the operation of the Plant. This provision shall be limited up to two (2) employees of the bargaining unit at each Plant at any one time. Days **(or in the case of employees hired on or after April 1, 2011, hours)** worked shall accumulate on such occasions in accordance with the regularly scheduled shifts which the employee would otherwise have worked.
2. Pregnancy Leave
 1. A pregnant employee who requests leave shall be given an unpaid leave of absence without loss of seniority or other privileges for a maximum of seventeen (17) weeks, up to eleven (11) weeks prior to the expected delivery date and at least six (6) weeks after the actual delivery date. The employee may choose to delay the commencement of her pregnancy leave, provided she is medically fit to perform the full range of duties of her position. This will not affect the employee's entitlement to pregnancy leave.
 2. An employee who requests leave under this section after the birth of a child or the termination of pregnancy, is entitled up to six (6) consecutive weeks of unpaid leave beginning on the date of the birth or of the termination of the pregnancy.
 3. An employee is entitled to up to six (6) additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave ends under point (1) or (2).
 4. All such requests must be submitted in writing at least two (2) weeks prior to the employee's return to work date.
 5. In addition to the Pregnancy Leave set out above, the attending physician certifying that the health of the mother or child may be in danger by the mother continuing to work may extend such leave prior to delivery.
 6. An employee requesting a shorter period than six (6) weeks after the actual birth to return to work must provide written notice to the Employer of not less than one (1) week before the date the employee proposes to return to work. If required by the Employer, the request must be accompanied by a physician's medical certificate stating the employee is able to return to work.

7. Benefit entitlement for the above leaves shall be as required by the B.C. *Employment Standards Act*.

3. Parental Leave

1. An employee who requests parental leave under this section is entitled to:
 - (a) for a birth mother who takes leave within one (1) year of the birth of a child and in conjunction with pregnancy leave taken under Article 10, up to thirty five (35) weeks of unpaid leave beginning immediately after the end of the leave taken under Article 10.
 - (b) for a birth mother who does not take a leave under Article 10 in relation to the birth of a child – up to thirty seven (37) weeks of unpaid leave beginning after the child's birth and within fifty two (52) weeks after that event.
 - (c) for a birth father – up to thirty seven (37) weeks of unpaid leave beginning after the child's birth and within fifty-two (52) weeks after that event.
 - (d) for an adopting parent – up to thirty seven (37) weeks of unpaid leave beginning within fifty two (52) weeks after the child is placed with the parent.
2. If certified by a licensed medical practitioner that the child requires an additional period of parental care, the employee is entitled to up to five (5) additional weeks of unpaid leave, beginning immediately after the end of the leave taken under subsection (1) above.
3. The employee is required to give the Employer four (4) weeks' advance notice in writing of their intention to take a leave under subsection 1 (a) (b) (c). The Employer may request this notice be accompanied by a medical practitioner's certificate or other evidence of the employee's entitlement to the leave.
4. Benefit entitlement for the above leaves shall be as required by the B.C. *Employment Standards Act*.

4. Leave of absence may be granted to an employee by the Company upon application by the employee provided the granting of such leave does not interfere with the requirements of the business. If leave of absence is sought by an employee for a period of one (1) week or more, it shall be requested of the Company in writing at least five (5) working days in advance and responded to in writing by the Company, with a copy sent to the Chief Steward. All accrued vacation entitlement must be exhausted or scheduled in accordance with Article 10 Section 7 before the leave of absence is granted. Days **(or in the case of employees hired on or after April 1, 2011, hours)** worked shall not accumulate during the period of leave. If the employee becomes available for work sooner than the leave of absence is scheduled to conclude, the employee may submit a written request to the Company during business hours to schedule him/her for work upon **five (5)** working days prior notice of the requested resumption date.

5. Personal leaves of absence without pay for any portion of a work day for medical appointments and the like should be scheduled whenever possible near the end of a scheduled shift and requested of the Company with at least twenty-four (24) hours advance written notice. If a personal leave of absence is requested to occur at or near the beginning of a scheduled shift, the employee may be required by the Company to take the day off to facilitate the personal appointment without disrupting the operation of the Plant. In that event, the employee may elect to treat the day off as a "sick day" with pay if eligible under the "Paid Sick Leave" provisions of

the Collective Agreement by advising the Company in writing to this effect when reporting to work on their next scheduled shift.

6. An employee with seniority shall accumulate days **(or in the case of employees hired on or after April 1, 2011, hours)** worked if they are absent from work due to sickness or accident for days they normally would have worked during such period.

The number of days accumulated shall not exceed the length of the allowable time off Company payroll as set out in Section 5 (e) of this Article.

These accumulated days shall not however, change the eligible weeks of benefits an employee is receiving on Weekly Indemnity.

ARTICLE 11 - Vacations

1. Vacations will be paid in accordance with the regulations and statutes of British Columbia.
2.
 - (a) The first two weeks of vacation shall be given in accordance with the Annual Holidays Act of British Columbia.
 - (b) Three weeks vacation shall be granted to an employee with five (5) years and less than ten (10) years of continuous service who has at least 775 days actually worked with the Company. Vacation pay shall be calculated at 6% of the employee's gross earnings during the previous year.
 - (c) Four weeks vacation shall be granted to an employee with ten (10) or more years of continuous service who has at least 1550 days actually worked with the Company. Vacation pay shall be calculated at 8% of the employee's gross earnings during the previous year.
 - (d) Five weeks vacation shall be granted to an employee with seventeen (17) or more years of continuous service who has at least 2635 days actually worked with the Company. Vacation pay shall be calculated at 10% of the employee's gross earnings during the previous year.
 - (e) Six weeks of vacation shall be granted to an employee with twenty-three (23) or more years of continuous service who has at least 3565 days actually worked with the Company. Vacation pay shall be calculated at 12% of the employee's gross earnings during the previous year.
 - (f) Subject to compliance with all applicable employment standards legislation, an employee may choose, by advising the Company in writing on or before March 31st, to take as vacation in that vacation year only the number of days that the applicable percentage of their previous year's gross earnings will buy.
 - (g) Effective April 1, 2011 vacation entitlement will be capped at four (4) weeks. Any employees employed at April 1, 2011 will be granted an exemption.**
3.
 - (a) Vacation pay shall be paid to an employee by **direct deposit on the regular pay day.**

- (b) Following March 31 in any year, upon written request from an employee, the vacation pay earned in the previous year by that employee shall be paid in a lump sum, providing that a complete vacation schedule for that employee has been established.
4. Where an employee is injured in a non-occupational accident or becomes sick while on vacation they can become eligible for the Weekly Indemnity benefit as set out in the Sickness and Accident Plan provided:
- (a) They deposit with the Company the vacation pay for the unexpired portion of their vacation.
 - (b) They furnish a certificate of medical attendance satisfactory to the **benefit provider**.
 - (c) They take the remainder of their vacation at a time granted later in the same calendar year.

In case of sickness, no payment (Weekly Indemnity or Vacation Pay) will be made during the waiting period prescribed in the Sickness and Accident Plan.

5. An employee eligible for four (4) or more weeks of vacation may, by prior arrangement with management, defer those weeks of vacation in excess of three (3) to be taken between January 1st and March 31st of the following year. An employee must notify management in writing of their desire to defer such weeks prior to March 1st of the year preceding the deferral.
6. In the case of illness certified by a practicing physician or surgeon, an employee, upon their return to the service of the Company, shall receive vacation credit for the period they were entitled to receive Weekly Indemnity. An employee upon their return to the service of the Company following a **WCB** compensable accident, shall be granted up to one (1) year's vacation credit.

No vacation credits shall be received for any period in which the employee would otherwise have been laid off.

7. Employees shall select their preferred vacation periods Monday through Friday in order of seniority on the prescribed form and submit to the Company by **November 15** each year for the following calendar year's vacation. Employees not submitting their preferred vacation periods prior to **November 15**, shall lose preference in selection of vacation periods. Employees who desire to work weekend overtime immediately preceding or following the approved vacation week must notify the Company of their availability and desire in writing one (1) week prior to the approved vacation. The approved vacation periods will be posted by management by December 15. Employees who request vacation but are denied by the Company due to the demands of the business shall be invited to request alternative vacation dates for consideration by the Company. Vacations will be assigned by Management to Employees who have not made a selection prior to September 1. Any balance of vacation pay accrued will be paid to the employee by December 31 each year.
8. Seasonal or part-time employees not entitled to an annual vacation under Section 2 who have accumulated less than **two hundred (200)** days actually worked in the previous vacation year shall **in the current vacation year have the option of being** paid out their accrued vacation pay each pay period.

ARTICLE 12 - Hours of Work

1. (a) The standard hours of work shall be eight (8) in any one day and forty (40) hours in any one week.
- (b) The Company shall schedule the hours and days of work, and post them outlining the starting and finishing time of all employees. Any time worked outside the schedule of hours, shall be paid at the applicable overtime or Sunday rate.
- (c) The schedule of hours and days may be changed from time to time as required to meet the needs of the business, but such changes shall not be effective outside of the processing season until twenty-four (24) hours notice has been given to employees involved.
- (d) Employees shall be paid one and one-half (1½) times their regular rate for all hours worked in excess of eight (8) hours in any work day and forty (40) hours in any week. When an employee works in excess of ten (10) hours in any one day, such employee shall be paid at a rate equal to double their base rate of pay.

An employee who is temporarily receiving a rate of pay higher than their regular rate shall be paid one and one-half (1 1/2) times such higher rate for all hours worked in excess of eight (8) hours in any work day or forty (40) hours in any week.

- (e) Overtime shall be calculated and paid on a basis of daily or weekly hours, but not a combination of both. **Vacation hours will not be included in the calculation for determining overtime entitlement.**
- (f) It is agreed that overtime work will be on a voluntary basis provided a sufficient number of qualified employees are available to perform the required overtime work. If the Company is unable to obtain the sufficient number of qualified employees then the junior qualified employees shall be required to perform the required overtime work.

Senior qualified employees shall be offered the required overtime work provided their scheduled shift coincides with the shift requiring the overtime work, and provided their regular rate is equal to or less than the junior qualified employees' regular rate.

The present practice of offering required weekend overtime work to the senior qualified employees shall continue.

The Company shall attempt to give the employees as much advance notice as possible when overtime is required.

2. **For those employees hired prior to April 1, 2011, time and a half** the regular hourly rate shall be paid to hourly paid employees for work performed on Sunday, excluding the four (4) hour minimum rate payable for call out emergency work pursuant to the provisions of Section 5 (c) hereof. **For those employees hired on or after April 1, 2011 this clause would not apply.**

It is understood that Sunday work shall be first offered to employees hired prior to April 1, 2011 before it is assigned to employees hired on or after April 1, 2011.

3. (a) The Company agrees to pay all employees whether they work or not, eight (8) hours pay at their regular hourly rates for each of the following:

New Year's Day	Good Friday	Victoria Day
Canada Day	British Columbia Day	Labour Day
Thanksgiving Day	Remembrance Day	24 th of December
Christmas Day	Boxing Day	

Provided such employees have worked a minimum of 60 days during the preceding 365 calendar days immediately preceding such holiday and provided they have earnings in the payroll period in which the holiday falls. **For employees hired on or after April 1, 2011, provided such employees have worked a minimum of 15 days during the preceding 30 calendar days immediately preceding such holiday and provided they have earnings in the payroll period in which the holiday falls.**

Employees hired on or after April 1, 2011 shall not be entitled to the 24th of December or Boxing Day.

- (b) An employee shall be ineligible for holiday pay if they are instructed to report for work on any paid holiday and fail to do so. An employee will also be ineligible for holiday pay if they fail to report for work on the work day preceding and the work day following any paid holiday if required to do so, unless such absence has been previously authorized.

Where an employee with seniority has by reason of illness or accident supported by medical evidence been absent on either the work day immediately preceding or the next work day immediately following the paid holiday, they shall receive payment for the paid holiday upon submission of such evidence to management.

In cases where the employee is in receipt of sickness or accident benefits on a paid holiday from either the Company Plan, the E.I. Commission or the Workers' Compensation Board, the amount of the sickness or accident benefit shall be deducted from the employee's paid holiday entitlement and the remainder will be paid upon request from the employee on the next regular pay received by the employee.

Employees who are temporarily transferred to a higher-rated classification shall receive Paid Holiday pay at the higher rate, if the majority of the hours worked during the two (2) week pay period containing the Paid Holiday are worked at the higher-rated classification.

- (c) In addition to any holiday pay set out above, all employees **hired on or after April 1, 2011** shall be paid **time and a half (1-1/2)** for all work performed on paid holidays **and all employees hired prior to April 1, 2011 shall be paid double time (2X).**
4. (a) Every employee shall be entitled to a fifteen (15) minute rest period without deduction of pay, to commence between one and one-half (1½) and two and one-half (2½) hours after the commencement of both of their half shifts. The unpaid lunch period of one-half (½) hour duration shall commence between three and one-half (3½) and four and one-half (4½) hours after the start of their shift. The foregoing will apply unless otherwise agreed upon between any employee and the Company.

- (b) A further fifteen (15) minute rest period will be granted to an employee required to work more than nine (9) hours.
5. (a) Hourly rated employees if called to work and dismissed for the day by reason of some cause for which they are not responsible shall receive for that day at least four (4) hours pay at the applicable rate.
 - (b) An employee who is called out to work, and due to a break-down or shortage of material is required to wait at the plant shall be paid for such waiting time at the applicable rate.
 - (c) An employee, who has left the Company's premises, specially called outside their scheduled hours for emergency work, shall be through when the emergency is over. For such emergency work, being that outside of the scheduled hours, they shall be paid four (4) hours at the applicable rate or for the hours actually worked at the overtime rate, whichever is the greater.
 6. An employee sent home due to an occupational accident incurred as a result of their employment, shall suffer no loss of earnings for the balance of hours in the scheduled shift in which the accident occurs.
 7. The payment of overtime, holiday or Sunday rates in this Article shall not be construed to require duplication of overtime, holiday or Sunday pay covering the same hours of work.
 8. An afternoon shift premium of fifty (50) cents per hour shall be paid to employees who work the majority of their scheduled hours between 4:00 PM and midnight. Similarly, a night shift premium of sixty-five cents (\$.65) per hour shall be paid to employees who work the majority of their scheduled hours between midnight and 8:00 AM. This premium shall not be considered as part of the employee's basic rate.
 9. Employees shall not be regularly required to work more than five (5) hours without a meal period, except with their consent.
 10. An employee who works more than two (2) hours overtime after the end of their regular shift, will be given a twenty (20) minute meal period on Company time as well as a seven (\$7.50) dollar and fifty cents meal allowance.
 11. (a) Employees must advise the Company in writing prior to January 1st, May 1st and September 1st if they elect to bank overtime instead of being paid for it; such election to be binding for the next four (4) month period and thereafter unless changed prior to the next election date.
 - (b) Overtime hours shall be banked in dollars at the rate the employee was receiving at the time the overtime was worked.
 - (c) An employee desiring to take time off under this provision shall give the Company two (2) weeks written notice. A sincere effort will be made to grant the time off when requested by the employee; provided that such request does not interfere with the requirements of the business or with other employees' vacation choices regardless of seniority.
 - (d) Banked time may be taken off only in increments of eight (8) hours.

- (e) Pay for time off shall be included in the employee's regular payroll cheque at the employee's current regular rate of pay and the amount paid shall be deducted from their overtime bank.
- (f) Upon two (2) weeks notice, the employee may request to be paid out all money in their overtime bank, to be included in their next payroll cheque. Employees who make this request are not eligible to bank hours until the next election date (January 1st, May 1st or September 1st).
- (g) Banked overtime accrument from the previous calendar year shall be paid out if not taken as time off by March 31st of the current year.**

ARTICLE 13 - Wages

1. Wages and classification of work shall be set out in Schedule "A" **and Schedule "B"** attached hereto and forming part of this Agreement.
2. Probationary employees promoted to or hired for a classified job shall receive a rate equivalent to the mid-point between the applicable maximum labour rate and the lower rate for the classification in which they are employed.

Where a probationer is employed in more than one classification they shall be paid at a rate equivalent to the mid-point specified above on a percentage basis as outlined in Section 4 below.

3. Employees with seniority who are promoted to Classification listed in Schedule "A", shall receive ten (10) cents per hour below the applicable classification rate for the first thirty (30) working days on the job. After thirty (30) days the full rate for the classification shall be paid, provided the employee is qualified.
4. Where an employee is permanently employed in more than one classification, their regular rate shall be calculated on the basis of the percentage of time they spend on each classification, except that when an employee spends fifty percent or more time on a higher paid classification on any day then the rate for such higher classification shall become their pay rate for all hours worked on that day.
5. When a regular employee, receiving a classified rate, is transferred to a lower rated job, they shall continue to receive the higher rate for all hours worked during the **twenty-five (25)** working days following such transfer, after which the lower rate shall apply. When such transfer to lower rated work is due to the employee's inability to perform the job, health or is at the request of the employee, the lower rate of pay shall apply immediately. The **twenty-five (25)** working days referred to herein shall commence at the time written notice is given to the employee that their rate is to be reduced. If the employee is returned to this classified job within the **twenty-five (25)** working day notice, this period shall be extended by those days worked on the higher classified job.
6. Any new classifications introduced will be subject to negotiation between the Company and the Union.

7. When an employee is required temporarily to fill a higher rated job, they shall receive the higher rate, but if required temporarily to fill a lower rated job, they shall receive their regular rate. When a regular employee works in excess of one half (½) of their scheduled shift in a higher classification, they shall receive such higher rate for all hours worked during such scheduled shift.
8. Where the Company deems that the issuing of gloves, rubber gloves and aprons is appropriate, new employees will be provided with such items from company stores and will have the costs of such items deducted from their first two pay cheques. Subsequent issues of such items will be made at no costs to the employee, provided that they return the worn issue for replacement. Hairnets shall be required to be worn at all times by all employees in the processing areas and hairnets shall be provided for this purpose by the Company at no cost to the employee. Coveralls or an appropriate alternative shall be supplied to regular full-time employees with seniority. Employees with seniority whose duties are performed in freezer units shall receive, upon presentation of the appropriate sales receipt, an allowance of up to three hundred (\$300.00) dollars for the purchase of Company approved freezer clothing. For a subsequent reimbursement, employees will again become eligible for this allowance every two (2) calendar years from the date of their previous purchase, upon presentation of another proof of purchase.

All employees assigned coveralls/ smocks will be required to return the assigned coveralls/ smocks at the end of each processing season. Failure to return such coveralls/smocks may result in the replacement cost being deducted from the employee's pay. The Company agrees to provide a secure location for storage of said coveralls/ smocks.

Adequate freezer clothing shall be supplied by the Employer for those employees who are temporarily assigned to freezer duties, and adequate rain gear shall be supplied by the Employer for those employees who are temporarily assigned to outdoor or sanitation duties.

Employees with seniority whose duties are performed in the "pouch room" shall receive, upon presentation of the appropriate sales receipt **and the item being replaced**, an allowance of up to seventy-five dollars (\$75.00) towards the purchase of thermal clothing per annum.

9. For seniority employees, the Company shall make direct payroll deposit to the account of the employee every second Thursday, for all hours worked, or to be paid, to the previous Saturday (except as outlined below).

For probationary employees, the Company will pay by cheque **or by** direct deposit, every second Thursday, for all hours worked, or to be paid, to the previous Saturday. Cheques will be available from the Shift Supervisors' office after 8:00 a.m. on the relevant Thursday (except as outlined below).

For payroll weeks that contain Monday as a General Holiday, payroll deposit/ cheque availability shall be on Friday. A notice will be posted when this is to occur.

Any payroll error, resulting in an underpayment of **fifty dollars (\$50.00)** or less will be paid **in the following pay period**. Any payroll error resulting in an underpayment of more than **fifty dollars (\$50.00)** shall be paid to the employee no more than two (2) working days after notification.

Employees will be entitled to reimbursement within the following pay period upon presentation of valid receipts, resolve of grievance, or notification to the Company of any monies owed to them that was not due to an error on the part of the employee.

ARTICLE 14 - General

1. Bulletin Board

The Company shall provide a secure bulletin board for the use of the Union in each plant employee lunchroom. All bulletins shall be submitted to management for approval before posting, with the exception of routine notices calling the Union meetings.

2. Safety

(a) The Company recognizes the importance of maintaining and further developing reasonable measures for the safety and health of its employees, and to that end will maintain a safety committee at each plant including a minimum of two (2) Company and two (2) Union representatives. Such Union representatives, who must represent a minimum of fifty percent (50%) of the Committee, shall be elected or appointed by the Union and the Company shall be kept informed of the personnel of the Committee. Each Committee shall have two (2) co-chairs, one (1) selected by the Company and the other selected by the Union representatives. Meetings of the Safety Committee shall be held once each month.

(b) New employees shall receive, upon attaining **twelve hundred and forty (1240) hours** worked, an allowance of up to **one hundred and thirty-five dollars (\$135.00)** upon submitting proof of purchase of Company approved safety footwear. All employees are eligible for a subsequent footwear allowance one (1) time per calendar year, upon submitting proof of purchase of new Company approved safety footwear **and the footwear being replaced.**

(c) The Company agrees that when a WCB inspector arrives at the Plant for the purposes of an inspection visit, or attending to the investigation of an accident, a Union Safety Committee member, or in the alternative a Shop Steward, shall be informed and given the opportunity to meet with the inspector, for the duration of the plant tour.

3. Bereavement

When an employee with seniority is bereaved as a result of the death of their mother, father, wife, husband, daughter or son, the employee shall receive forty (40) hours time off with pay at their regular rate of pay, provided payments are made only in respect of absence from work on their regular work day. In the event of the death of a sister, brother, grandmother, grandfather, mother-in-law, father-in-law, brother-in-law or sister-in-law of an employee with seniority, the employee shall receive twenty-four (24) hours time off with pay at their regular rate. Time off due to the death of a member of the employee's family must be taken at the time of bereavement.

4. Jury Duty

Where an employee, with seniority, is required to be away on jury duty, the Company shall make up the difference between an employee's scheduled hours at their regular hourly rate and the amount they are paid by the Government during the time they are required to be away on such jury duty.

5. Tools

Employees who are required to bring tools to work to be used in the performance of their job function, shall, if such tools are lost or stolen or upon presentation of such broken or worn-out tools (used in the performance of said job function), receive an equivalent replacement tool from the Company. This is provided that due care has been taken in the care and security of such tools. **An inventory listing of all tools must be submitted annually by employees and audited by the Company for insurance purposes.**

ARTICLE 15 - Government Regulations

It is mutually agreed that no demand shall be made by either party to this Agreement upon the other party, which in any way contravenes laws, orders, or regulations issued by, or under the authority of the Government of Canada, or that of the Province of British Columbia, or such agency as may be assigned by either of such governments from time to time in regard to wages, bonuses, hours, conditions of labour or other related matters.

ARTICLE 16 – Layoff

1. Full-time employees shall, in the event of a layoff outside the processing season, receive **five (5)** regular working days' notice, or **five (5)** days' pay in lieu of such notice.

An employee wishing to return to work outside the processing season must give the company **five (5)** regular working days' notice of their intention to return to work.

This clause does not apply to temporary extra labour.

For employees with seniority prior to April 1, 2011 and for the purpose of this clause, a full-time employee is one who had a minimum of 155 days worked in the previous calendar year. For employees hired on or after April 1, 2011 for the purpose of this clause, a full-time employee is one who had a minimum of twelve hundred and forty (1240) hours worked in the previous calendar year.

ARTICLE 17 - Severance

In the case of a plant closure resulting in the termination of employees with a minimum of one (1) year of seniority, the terminated employees shall receive severance pay of one (1) week's pay at their regular rate for each completed year of service up to a maximum of twelve (12) weeks.

In the event of a reduction of available work that results in an employee working less than 155 days in a calendar year, the employee may, at their discretion, opt for severance.

For employees with seniority prior to April 1, 2011 and for the purpose of this clause, a year of service is defined as a minimum of one hundred and fifty-five (155) days worked in a calendar year.

For employees hired on or after April 1, 2011, for the purpose of this clause, a year of service is defined as a minimum of twelve hundred and forty (1240) hours worked in a calendar year.

ARTICLE 18 - Duration of Agreement

1. The term of this Agreement shall be from **March 26, 2010** to **March 25, 2014**, and shall continue in force after **March 25, 2014** on a yearly basis which in each instance of renewal shall be regarded as the term of the Agreement, until terminated by either party giving the other party written notice of termination or amendment at any time within four (4) months immediately preceding the date of expiry of the Agreement. During the period of negotiations, this Agreement shall remain in force.
2. The terms and conditions of this Agreement shall be effective at the commencement of the payroll week next following the date the Company receives notification from the Union that this Agreement has been ratified except that rates of pay set out in Schedule "A" shall take effect **March 26, 2010**, and rates of pay set out in Schedule "B" shall take effect on **April 1, 2011**.

SIGNED THIS _____ DAY OF _____, _____ .

**FOR THE UNION
UFCW LOCAL 1518**

**FOR THE EMPLOYER
SNOWCREST FOODS LTD.**

Ivan Limpricht, President

SCHEDULE "A"

WAGES AND CLASSIFICATIONS OF WORK

	2010	Date of Ratification 2011	Sept 25, 2011	March 25, 2012	March 24, 2013
			1%	1%	2%
Labour		\$17.00	\$17.17	\$17.34	\$17.69
Heavy	\$17.00				
Light	\$16.58				
Tradesman	\$26.53	\$26.53	\$26.80	\$27.07	\$27.61
Chief Engineer	\$29.18	\$29.18	\$29.47	\$29.77	\$30.37
Engineer - 4th class	\$26.53	\$26.53	\$26.80	\$27.07	\$27.61
Engineer/Trainee	\$21.64	\$21.64	\$21.86	\$22.08	\$22.52
Shipper	\$20.98	\$20.98	\$21.19	\$21.40	\$21.83
Hand Line Packer	\$18.73	\$18.73	\$18.92	\$19.11	\$19.49
Freezer Warehouseperson	\$20.48	\$20.48	\$20.68	\$20.89	\$21.31
Packaging Line Operator	\$20.71	\$20.71	\$20.92	\$21.13	\$21.55
Fork Lift Operator	\$20.18	\$20.18	\$20.38	\$20.58	\$20.99
General Utility Maintenance	\$20.18	\$20.18	\$20.38	\$20.58	\$20.99
Puree Line Mixer	\$18.96	\$18.96	\$19.15	\$19.34	\$19.73
Check Weigher	\$17.28	\$17.28	\$17.45	\$17.63	\$17.98
Closing Machine	\$17.28	\$17.28	\$17.45	\$17.63	\$17.98
Quality Control	\$18.59	\$18.59	\$18.78	\$18.97	\$19.35
Sanitation Crew	\$19.07	\$19.07	\$19.26	\$19.45	\$19.84
General Utility	\$20.71	\$20.71	\$20.92	\$21.13	\$21.55

Date of Ratification: \$750 signing bonus to each of the actively working employees on the seniority list (maximum 21 employees). Any employees on the seniority list that are currently laid off or on disability will receive their payment if and when they return to work.

An individual designated by the Company to act in the capacity of First-Aid Attendant shall receive a rate which is \$0.45/hour for Level 1; \$0.75 /hour for Level 2; above the Labour rate or such higher applicable rate.

A Lead Hand, appointed by the Company, shall be paid \$1.00 above the highest rate of any of the employees being supervised by the Lead Hand. **Lead hands shall not hire, fire, promote, demote, layoff, transfer employees, exercise any discipline over other Employees, or exercise any of the rights of management.**

SCHEDULE "B"

WAGES AND CLASSIFICATIONS OF WORK

New Employees hired on or after April 1, 2011

	April 1, 2011	March 25, 2012	March 24, 2013
Labour			
Start	\$9.75	\$10.25	\$10.25
after 350 hours	\$10.00	\$10.50	\$10.50
after 1240 hours	\$11.00	\$11.00	\$11.00
Tradesman	\$22.50	\$22.50	\$22.50
Chief Engineer	\$25.00	\$25.00	\$25.00
Engineer – 4 th class	\$21.00	\$21.00	\$21.00
Engineer/Trainee	\$18.00	\$18.00	\$18.00
Shipper	\$20.00	\$20.00	\$20.00
Freezer Warehouseperson	\$16.00	\$16.00	\$16.00
Packaging Line Operator	\$18.00	\$18.00	\$18.00
Fork Lift Operator	\$14.00	\$14.00	\$14.00
General Utility Maintenance	\$14.00	\$14.00	\$14.00
Puree Line Mixer	\$12.00	\$12.00	\$12.00
Check Weigher	\$11.00	\$11.00	\$11.00
Closing Machine	\$11.00	\$11.00	\$11.00
Quality Control	\$12.50	\$12.50	\$12.50
Sanitation Crew	\$14.00	\$14.00	\$14.00
General Utility	\$14.00	\$14.00	\$14.00

An individual designated by the Company to act in the capacity of First-Aid Attendant shall receive a rate which is \$0.45/hour for Level 1; \$0.75 /hour for Level 2; above the Labour rate or such higher applicable rate.

A Lead Hand, appointed by the Company, shall be paid \$1.00 above the highest rate of any of the employees being supervised by the Lead Hand. **Lead hands shall not hire, fire, promote, demote, layoff, transfer employees, exercise any discipline over other Employees, or exercise any of the rights of management.**

MEMORANDUM REGARDING WELFARE PLANS

SNOWCREST FOODS LTD.

EXTENDED HEALTH CARE COVERAGE

Extended health care benefits respecting prescription drugs, nursing care, ambulance, hospital care and out-patient services, osteopathy or physiotherapy/chiropractic and diagnostic tests are provided to eligible employees, subject to coverage maximums and annual deductibles, as set forth in greater detail by **the Co-operators** as the plan administrator.

The plan will pay eighty (80) percent of the cost of **paramedical practitioner visits** with a maximum of \$500.00 benefit per annum. **Coverage and eligibility as per the Co-operators manual.**

VISION CARE

Vision Care benefit is two hundred dollars (\$200.00) every twenty-four (24) months.

If the Provincial Government determines that opticians are no longer able to offer free eye examinations, then the Plan will pay 80% of a bi-annual eye exam by an ophthalmologist **up to a maximum of \$100.00.**

HEARING AID COVERAGE

Hearing Aid benefit is five hundred (\$500.00) dollars every sixty (60) months.

Effective March 25, 2007, Hearing Aid benefit will increase to six hundred dollars (\$600.00) every sixty (60) months.

Effective March 29, 2009, Hearing Aid coverage will increase to seven hundred fifty dollars (\$750.00) every sixty (60) months.

WEEKLY INDEMNITY

Benefits payable through the Insurance carrier shall be as follows: 66.67% of weekly wages up to a maximum of \$510.00 per week.

Weekly Indemnity benefits shall commence on the first day of disability due to an accident and on the fourth day of disability due to sickness, and will be paid as long as disability continues, to a maximum of seventeen weeks.

The Long Term Disability Plan will commence for those employees who continue to be disabled beyond the seventeenth (17th) week of their disability.

It will not be necessary for an employee to be confined to a hospital, or to undergo a surgical operation to receive Weekly Indemnity benefits, but an employee must be under the regular care of a licensed doctor of medicine during the period for which benefits are claimed, and satisfactory certification of medical attendance and disability will be required.

Weekly Indemnity benefits shall be payable for disability due to sickness or non-occupational accident only.

ELIGIBILITY FOR BENEFITS

Employees **shall first** become eligible for extended health care, vision care, hearing aid coverage, and weekly indemnity on the first day of the month after they have accumulated **twelve hundred and forty (1240) hours worked within one (1) calendar year.**

All benefits are terminated the first day of lay-off, provided an employee is laid off for more than five (5) consecutive days. Laid off employees who have met the above eligibility regain their eligibility the first day of the month following their recall. **Employees may choose to cover 100% of the premium costs of extended health care, critical illness insurance, and MSP during the time of lay-off. Such premium costs will be deducted from their pay upon return to work. This does not apply to STD and LTD.**

Life and AD&D Insurance shall continue to be provided at no cost to the employee during lay-off providing eligibility requirements were met on January 1 for that calendar year. The eligibility requirement for employees hired prior to April 1, 2011 shall continue to be based upon the completion of one calendar year with at least one day actually worked in each and every month of that year. For employees hired on or after April 1, 2011 the requirement shall be as described in the section GROUP LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT.

COST

The cost of the above benefits shall be shared between the Company and the employee, with the Company paying sixty percent (60%) and the employee paying forty percent (40%). **For new employees hired after April 1, 2011, that have met eligibility for benefits, the cost of the above benefits shall be shared equally between the Company and the employee, with the Company paying fifty percent (50%) and the employee paying fifty percent (50%).** Employees may opt out of these benefits, on a first come first served basis, provided that this does not result in less than 75% group participation in the Plan, in which case no further opting out will be permitted

MEDICAL SERVICES PLAN

The Company shall pay 100% of the cost of Medical Services Plan of British Columbia premiums for all employees who have completed not less than not less than **twelve hundred and forty (1240) hours of work within one (1) calendar year.**

For new employees hired after April 1, 2011 that have met eligibility for benefits, the cost of MSP premiums shall be shared equally between the Company and the employee, with the Company paying fifty percent (50%) and the employee paying fifty percent (50%). Such employees may elect to opt out of MSP coverage.

DENTAL INSURANCE PLAN

Effective the start of the payroll period following date of ratification 2002, the Company will contribute to the UFCW Local 1518 Dental Plan the amount of fifty cents (\$0.50) per hour for each straight-time hour worked by all employees in the bargaining unit. Paid vacation and statutory holiday pay shall be considered as time worked for the purpose of this clause. Such contributions shall not exceed the lesser of 40 hours or twenty dollars (\$20.00) per employee per week.

If it is determined by actuarial advice that different contributions are required to maintain benefits under the Plan, then the contributions shall be changed in amounts and on dates determined by such actuarial advice and the Company will contribute up to ten cents (\$0.10) per hour maximum to cover increases in Year 2, 3 or 4 of the Contract.

If there is any increase in cost above sixty cents (\$0.60) per hour during the term of this Collective Agreement, then such cost will be paid by the company on behalf of the employees and the employees' hourly rate of pay will be correspondingly reduced to reimburse the Company.

GROUP LIFE INSURANCE & ACCIDENTAL DEATH AND DISMEMBERMENT

Life insurance coverage is **\$35,000.00**. Accidental Death and Dismemberment benefit is **\$35,000.00**. Employees become eligible for each of these benefits on January 1st of the year following completion of one calendar year with at least **twelve hundred and forty (1240) hours worked**.

PAID SICK LEAVE

Employees after completing 175 days actually worked in a contract year shall be entitled to accrued paid sick leave of three (3) days in the following contract year, on a non-cumulative basis.

Effective Date of Ratification 2006, employees after completing one hundred sixty-five (165) days actually worked in a contract year shall be entitled to accrued paid sick leave of three (3) days in the following contract year, on a non-cumulative basis.

Effective March 30, 2008, employees after completing one hundred sixty (160) days actually worked in a contract year shall be entitled to accrued paid sick leave of three (3) days in the following contract year, on a non-cumulative basis.

The Company shall take whatever steps it feels necessary to establish the genuineness of a sickness or disability. If an employee is sick, the person should phone the Company to advise their unavailability for work before their scheduled shift commences.

It is understood that the employee shall have the option either to use accrued paid sick leave or to go on the weekly indemnity plan, if eligible, pursuant to the Company's group insurance plan. It shall be

the responsibility of the employee to advise the Company upon their return to work which option they choose, failing which the absence shall be considered to be paid sick leave as applicable.

Employees, if found to be abusing the privilege of paid sick leave, may be disciplined by the Company. In such cases, the Company may discontinue or recover from the employee the value of the sick leave benefit paid to the employee, or terminate the services of the employee.

Accrued and unused paid sick leave in a completed contract year shall be paid out in cash at the employee's regular rate of pay during that contract year within thirty (30) days following the completion of such contract year. Otherwise, accrued and unused paid sick leave current entitlements shall have no cash surrender value if the employee leaves the Company for any reason before the end of the contract year.

LONG-TERM DISABILITY

The Company provides a long term disability benefit with insurance coverage providing **66.67%** of an employee's average gross weekly income before a disability which prevents the employee from performing the substantial duties of their regular occupation. Premiums for such insurance coverage are paid by the Company for all eligible employees, with coverage particulars as set forth in detail by **The Co-operators** or their successor as the plan administrator.

New employees hired after April 1, 2011 that have met the eligibility for benefits, the cost of LTD premiums shall be shared equally between the Company and the employee, with the Company paying fifty percent (50%) and the employee paying fifty percent (50%). Employees may opt out of these benefits, on a first come first served basis, provided that this does not result in less than 75% group participation in the Plan, in which case no further opting out will be permitted.

PENSION PLAN

Effective the start of the payroll period following date of ratification 2002, the Company shall contribute sixty-eight cents (\$0.68) to the Retail Clerks Industry Pension Plan.

Effective March 30, 2003, the Company shall contribute eighty-three cents (\$0.83) to the Retail Clerks Industry Pension Plan.

Effective March 28, 2004, the Company shall contribute eighty-eight cents (\$0.88) to the Retail Clerks Industry Pension Plan.

Effective March 27, 2005, the Company shall contribute ninety-three cents (\$0.93) to the Retail Clerks Industry Pension Plan.

Effective Start of the Payroll Period following the Date of Ratification, 2006, the Company shall contribute ninety-six cents (\$0.96) to the Retail Clerks Industry Pension Plan.

Effective March 25, 2007, the Company shall contribute ninety-eight cents (\$0.98) to the Retail Clerks Industry Pension Plan.

Effective March 30, 2008, the Company shall contribute one dollar and one cent (\$1.01) to the Retail Clerks Industry Pension Plan.

Effective March 29, 2009, the Company shall contribute one dollar and three cents (\$1.03) to the Retail Clerks Industry Pension Plan.

AMENDED AND RENEWED this 16th day of April, 2011.

**FOR THE UNION
UFCW LOCAL 1518**

**FOR THE EMPLOYER
SNOWCREST FOODS LTD.**

Ivan Limpricht, President

LETTER OF UNDERSTANDING

The parties hereby acknowledge and agree that the "Joint Consultation and Adjustment Plans" provisions contained in Part 4, Division 2 of the Labour Relations Code of B.C. shall apply and are incorporated herein by reference to govern the parties as appropriate.

Signed this _____ day of _____, 1999.

RENEWED this 28th day of October, 2006.

RENEWED this 16th day of April, 2011.

FOR THE UNION
UFCW Local 1518

FOR THE EMPLOYER
SNOWCREST FOODS LTD.

Ivan Limpricht, President

LETTER OF UNDERSTANDING

BY AND BETWEEN:

SNOWCREST FOODS LTD. (THE COMPANY)

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518 (THE UNION)

RE: PENSION PLAN

WHEREAS the Union has requested that the Company facilitate the employees making supplementary contributions to the Retail Clerks Industry Pension Plan (the "UFCW Pension Plan");

AND WHEREAS the Union has advised the Company that the employees have by majority vote approved the terms and conditions of this Letter of Understanding and have consented to the Union directing the Company to deduct from wages otherwise payable in accordance with the following;

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Company shall contribute fifty-three cents (\$0.53) per hour worked or paid to the UFCW Pension Plan in accordance with the "Memorandum Regarding Welfare Plans" appended to the Collective Agreement dated November 9, 1999.
2. Effective from and after the date hereof, all employees who are or become eligible for extended health care and weekly indemnity benefits and are participating in the UFCW Pension Plan, shall be required to make employee contributions to the UFCW Pension Plan of thirty-five cents (\$0.35) per hour worked or paid and the Company is hereby authorized and directed to deduct these contribution from the employees' wages and remit them directly to the Administrator of the UFCW Pension Plan on behalf of the employees.
3. The contributions as provided in paragraph 2 above shall commence on the later of the first day of the month following the execution of this agreement (for existing employees who are currently eligible for extended health care and weekly indemnity benefits and are participating in the UFCW Pension Plan) and the first day of the month next following or coincident with the date that the employee becomes eligible for extended health care and weekly indemnity benefits and is participating in the UFCW Pension Plan (for employees who become eligible in the future).
4. Each employee who commences making employee contributions pursuant to paragraph 2 hereof shall be required to continue to do so even if he or she subsequently loses his or her eligibility for extended health care and weekly indemnity benefits so long as he or she remains an employee, subject to the Collective Agreement between the Union and the Company and is participating in the UFCW Pension Plan.

5. The employee contributions payable hereunder shall be treated as supplemental contributions as provided for the UFCW Pension Plan.

SIGNED this 25TH day of September, 2001.

RENEWED this 28th day of October, 2006.

RENEWED this 16th day of April, 2011.

**FOR THE UNION
UFCW Local 1518**

**FOR THE EMPLOYER
SNOWCREST FOODS LTD.**

Ivan Limpricht

LETTER OF UNDERSTANDING

BY AND BETWEEN:

SNOWCREST FOODS LTD. (THE COMPANY)

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518 (THE UNION)

RE: DISCUSSION OF RETIREMENT BENEFITS

Within 90 days of ratification, the Parties agree to meet with Representatives of the UFCW Pension Plan to explore the potential for employee contributions as a means of enhancing retirement benefits. It is understood that any decision to implement employee contributions is subject to the approval of the plan trustees and is also subject to ratification by the bargaining unit.

SIGNED this 16th day of April, 2011.

**FOR THE UNION
UFCW Local 1518**

**FOR THE EMPLOYER
SNOWCREST FOODS LTD.**

Ivan Limpricht, President

LETTER OF UNDERSTANDING

BY AND BETWEEN:

SNOWCREST FOODS LTD. (THE COMPANY)

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518 (THE UNION)

RE: FLEXIBLE SHIFT PLAN

In the event that the Company wishes to implement a flexible shift plan, including shifts based on a ten (10) hour shift schedule, the parties shall meet to discuss the merits of the Company's proposal and negotiate the terms of any such arrangement. Where the parties are able to reach agreement on the terms of such a change, it is agreed that these terms (and any necessary amendments to the Collective Agreement) must be ratified by the Bargaining Unit. If no agreement is reached, or if an agreement fails to be ratified, the changes shall not be implemented.

SIGNED this 16th day of April, 2011.

**FOR THE UNION
UFCW Local 1518**

**FOR THE EMPLOYER
SNOWCREST FOODS LTD.**

Ivan Limpricht, President

LETTER OF UNDERSTANDING

BY AND BETWEEN:

SNOWCREST FOODS LTD. (THE COMPANY)

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518 (THE UNION)

RE: BUY-OUT OFFER

Where the Company feels it is appropriate, they may, at their discretion, institute a buy-out offer to the members of the Bargaining Unit. The Company will determine the amount of the offer, the number of employees that may accept the offer by classification and in any given year. In the event that there is a competition of two or more employees that are willing to accept the offer, the employee with the greatest seniority will prevail.

SIGNED this 16th day of April, 2011.

**FOR THE UNION
UFCW Local 1518**

**FOR THE EMPLOYER
SNOWCREST FOODS LTD.**

Ivan Limpricht, President

LETTER OF UNDERSTANDING

BY AND BETWEEN:

SNOWCREST FOODS LTD. (THE COMPANY)

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518 (THE UNION)

RE: BOB MILLER'S RATE OF PAY

With respect to Bob Miller's current rate of pay (Tradesman + lead hand rate), he will continue to receive this rate but will not receive any increases until the Schedule "A" rate for Tradesman exceeds his current rate (\$27.53/hr) at which time it will revert to the Schedule "A" Tradesman rate.

SIGNED this 16th day of April, 2011.

**FOR THE UNION
UFCW Local 1518**

**FOR THE EMPLOYER
SNOWCREST FOODS LTD.**

Ivan Limpricht, President
