

COLLECTIVE AGREEMENT

Between

VERSACOLD CANADA CORPORATION AND
VERSACOLD DISTRIBUTIONS SERVICES LTD.
(Derwent)

And



UNITED FOOD AND COMMERCIAL WORKERS UNION,
LOCAL NO. 247
Chartered by the United Food and Commercial
Workers International Union, CLC

SECOND PRINTING
Errors and Omissions Excepted

TERM OF AGREEMENT

May 1, 2012 to April 30, 2016

Dear Member:

This is your Union Collective Agreement. It represents the progress and efforts of many years of negotiations. Please read it and make sure you are receiving the benefits to which you are entitled.

Only by insisting on your rights, and refusing to let anyone abrogate them, can the Agreement be kept strong and meaningful. Any abuse of the Collective Agreement tends to undermine and weaken it.

Let's respect the Agreement; let's keep it strong and meaningful.

Make full use of your Shop Stewards.

SUZANNE HODGE
President

DAN GOODMAN
Secretary-Treasurer

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COLLECTIVE AGREEMENT

BETWEEN: VERSACOLD CANADA CORPORATION AND
VERSACOLD DISTRIBUTIONS SERVICES LTD., a
body corporate, carrying on business in the
Province of British Columbia, hereinafter referred
to as the

"EMPLOYER"

AND: UNITED FOOD & COMMERCIAL WORKERS' UNION,
LOCAL 247, chartered by the United Food &
Commercial Workers' International Union, CLC,
hereinafter referred to as the

"UNION"

WHEREAS: The Employer and the Union desire to establish
and maintain conditions which will encourage the
efficient operation of the Employer's business and
promote a harmonious relationship between the
Employer and the Employees covered by the terms
of this Agreement and desire to provide methods
of fair and amicable adjustment of disputes which
may arise between them.

NOW THEREFORE:

The Union and the Employer mutually agree as
follows:

(In this agreement, except where specifically
stated to the contrary, or where the context
otherwise requires, words importing the masculine
gender shall include the feminine gender.)

ARTICLE 1 – BARGAINING AGENCY

1.01 The Employer recognizes the Union as the sole agency for the purpose of collective bargaining for all employees employed in warehousing distribution, shipping and receiving at 1188 Derwent Way, Delta, B.C., except office staff.

ARTICLE 2 - MANAGEMENT'S RIGHTS

2.01 Management's Rights

The Union agrees that the Management of the Company, including the right to plan and direct and control plant operation, the direction of the working force, and those matters requiring judgment as to competency of employees, and subject to the grievance procedure, the discipline and/or discharge of employees, are the sole right and function of the Employer.

The parties agree that the foregoing enumeration of Management's rights shall not be deemed to exclude other recognized functions of Management not specifically set forth. The Employer therefore retains all rights not otherwise specifically covered in this Agreement.

The exercise of the foregoing rights shall not alter any of the specific provisions of this Agreement.

2.02 No Intimidation

The Employer and the Union agree that there will be no intimidation, discrimination, interference, restraint, or coercion exercised or practiced by either of them or their representatives or members because of an employee's membership in the Union, because of his activity or lack of activity in the Union, or because of his filing or not filing a grievance pursuant to the provisions of this Agreement.

ARTICLE 3 - UNION SECURITY

3.01 Check-off

The Employer agrees to deduct from the wages of each employee upon proper authorization from the employee affected such initiation fees, union dues and assessments as are authorized.

Each new employee, at the time of hire, shall sign an authorization for Union Dues deduction. Such forms will be sent to the Union Office (Union to supply appropriate form). Present and new employees will sign this authorization as a condition of employment. These authorizations to take effect the beginning of the second month following the date of hire.

It is the responsibility of the employee to maintain membership in good standing as outlined in the International Constitution and the local Union Policy.

3.02 Monies deducted during any month shall be forwarded by the Employer to the Secretary-Treasurer of the Union not later than the tenth (10th) day of the following month, and accompanied by a written statement of the names of the employees for whom the deductions were made, and the amount of each deduction.

3.03 Union dues deducted during each year, shall be shown on each employee's T4 slip.

3.04 Membership

The Employer agrees to retain in his employ within the bargaining unit as outlined in Article 1 of this Agreement only members of the Union in good standing.

The Employer shall be free to hire new employees who are not members of the Union, provided said non-members, whether part-time or full-time employees shall be eligible for membership in the Union and shall make application within ten (10) days after completing their Probationary Period and become members within thirty (30) days.

3.05 Bargaining Unit Work

The Employer agrees that supervisors or other non-bargaining unit employees will not perform work normally done by bargaining unit employees, except in cases such as training, auditing, and/or other extraordinary circumstances.

ARTICLE 4 - SENIORITY

4.01 Probationary Period

Employees, excluding part-time employees, shall be considered as probationary until they have completed sixty (60) working days, within a six (6) month calendar period. During this period, employees shall acquire no seniority rights and may be laid off or terminated at the Employer's discretion, provided they are informed as to whether they are terminated or laid-off subject to recall. After said period of employment, the names of such employees shall be placed on the seniority list in the order of their date of commencing employment.

4.02 Loss of Seniority and Termination

An employee shall lose all seniority and/or be terminated if he:

- a) quits the employ of the Employer;
- b) is discharged for just cause;
- c) is laid-off for a period exceeding two hundred and ten (210) consecutive days;
- d) fails to report for work within three (3) working days after being notified by registered mail or telephone to return to work following a lay-off subject only to the exception below:

An employee on lay-off may decline an offer of recall to work if the work available is anticipated

by the Employer to be less than seven (7) working days. In such event the Employer can make whatever arrangement for the performance of the work as the Employer deems appropriate in the circumstances.

- e) is absent from work for three (3) consecutive working days without notifying the Employer within that period, unless the absence and the failure to notify are for reasons beyond the control of the employee;
- f) fails to return to work upon the completion of an authorized Leave of Absence.
- g) The continued employment of an employee who is disabled and unable to work will be assessed after being disabled for a period of two hundred seventy (270) consecutive calendar days.

If it is determined the employee will not reasonably be able to return to work in the future, a final determination will be made regarding his continued employment. If further time is required before a final determination is able to be made, subsequent assessment(s) shall be scheduled as appropriate.

4.03 Regular Employees

Employees on the seniority list shall be considered as regular employees for purposes of this Collective Agreement.

4.04 Seniority List and Notice Board

A seniority list shall be compiled and posted on the Bulletin Board, and a new seniority list will be given to the Shop Steward upon request, no more than once per month.

A locking case will be placed in the lunchroom or another mutually agreed location and be designated for Union notices only. The Union agrees not to post material objectionable to the Employer.

4.05 Lay-off and Recall

Lay-offs and recalling shall be based on seniority as determined by the seniority list, with the least senior employee being laid off first, and the most senior laid off employee recalled first, provided, however, the employee affected has the ability to competently perform the work involved. Where a lay-off is expected to exceed two (2) consecutive weeks in duration the senior regular employee who lacks the skills required to hold a job will be provided training, up to a maximum of three (3) shifts, to become competent in the most junior position, to allow him to continue working.

4.06 Promotions or Demotions

In cases of promotions or demotions of employees, skill, ability and efficiency of the employees shall be given primary consideration and where such factors are equal, seniority shall be the governing factor.

4.07 Promotions to Positions Outside the Bargaining Unit

Employees promoted to a position outside of the bargaining unit will continue to accrue seniority for a period of sixty (60) consecutive working days. During said period the employee, at either the initiation of the Employer or the employee, may be reinstated into the bargaining unit without loss of seniority.

4.08 Job Postings

Job Postings will contain a description of the major duties and hours of work of the posted position. Permanent vacancies in the Inventory Control and Janitor job functions shall be posted.

4.09 Union Representative Access

An authorized representative or executive officer of the Union shall be permitted, after notifying the Manager, to talk with an employee regarding Union matters during regular working hours. Said talk shall take place in a location provided by the Company. Time taken for such interview in excess of five (5) minutes shall not be on Company time. Notwithstanding the foregoing, time taken for such talk(s) shall not disrupt the serving of the Company's customers.

Union representatives may request copies of payroll records including work schedules.

Upon prior notification to management, union representatives who are wearing authorized identification will be permitted access to locations where bargaining unit employees are working. Said access shall not disrupt the operations of the Company.

ARTICLE 5 - HOURS OF WORK AND OVERTIME

5.01 Work Week

The work week is a period of seven consecutive days beginning at 12:01 a.m. Sunday or the shift starting time closest thereto.

5.02 Work Day

The work day is the twenty-four (24) hour period beginning at 12:01 a.m. or the shift starting time closest thereto.

5.03 Regular Hours of Work

The regular hours of work are presently eight (8) hours per work day and forty (40) hours per work week. It is understood alternate shift schedules may be implemented by the Employer without overtime penalty provided the principle of the forty (40) hour week is maintained over an averaging period. However, it is recognized unless twenty-four (24) hours' notice is given of a change of shift the first shift shall be at overtime rate, this does not apply if the change of shift was requested by the employee.

5.04 No Work Guarantee

The provisions of this Article are intended only to provide a basis for calculating time worked and nothing in this Article shall be construed as providing any guarantees as to the hours of work per day or per week, or as to the number of shifts or the starting and stopping times of such shifts. It is understood the Employer has the right to schedule work as it deems appropriate.

When an employee(s) is not required due to lack of work at his job function, he may elect to leave work or displace a junior employee(s) based on seniority on an operations wide basis as determined by the seniority list, provided however that the senior employee has the skill and ability to competently perform the work involved.

5.05 Lunch and Breaks

Employees will have a thirty (30) minute unpaid lunch break, to be completed before the employee's sixth (6th) hour of work. Employees will also have a fifteen (15) minute break period within their first three (3) hours of work. Employees will have a further fifteen (15) minute break period after their lunch break, before the completion of their seventh (7th) hour of work.

5.06 Overtime

Authorized work performed by an employee in excess of eight (8) hours in a work day or forty (40) hours in a work week will be paid at the following overtime rates:

- a) hours worked in excess of eight (8) in a day at rate and one half;
- b) hours worked in excess of eleven (11) in a day at double straight-time rates;
- c) hours worked in excess of forty (40) in a week at rate and one half, excluding hours worked in excess of eight (8) in a day;
- d) hours worked in excess of forty-eight (48) in a week at double straight-time rates, excluding hours worked in excess of eight (8) in a day.

Whenever reasonably possible the Company will notify employees one (1) hour before commencement of required overtime.

Employees required to work more than two (2) consecutive hours of overtime shall be given a fifteen (15) minute paid break. Employees required to work more than four (4) consecutive hours of overtime beyond their regular shift will be provided with a ten dollar (\$10.00) meal allowance. When overtime beyond the regular shift is expected to be two (2) or more hours, the employee will be given a fifteen (15) minute paid break at the beginning of the overtime.

a) Overtime Beyond a Shift

Will be offered in order of seniority to those employees on that shift who have the required skill,

ability, and efficiency. If there are not enough volunteers, based on inverse seniority, employees on that shift with the required skill, ability, and efficiency will work the overtime.

b) Planned Overtime Requiring an Additional Shift

Will be offered in order of seniority to those employees in the Center who have the required skill, ability, and efficiency. If there are not enough volunteers, based on inverse seniority, employees with the required skill, ability, and efficiency will work the overtime.

5.07 Reporting Allowance

In the event an employee reports fit for work on his scheduled shift, without having been notified in advance not to do so, he will receive a minimum of four (4) hours pay at his straight-time rate.

5.08 Employees shall be allowed nine (9) hours of rest between shifts except in an emergency or by mutual agreement between the Employer and the employee.

ARTICLE 6 - WAGES

6.01 The following straight-time hourly wage rates apply to all regular employees:

-----Hourly Wage Rate Effective -----

Hours Worked As An Employee	May 1, 2011	May 1, 2012	May 1, 2013	May 1, 2014	May 1, 2015
0 to 1,000	\$17.37	\$17.76	\$18.12	\$18.48	\$18.85
1,001 to 1,500	\$18.03	18.44	18.81	19.19	19.57
1,501 to 2,000	\$18.65	19.07	19.45	19.84	20.24
2,001 to 3,000	\$18.99	19.42	19.81	20.21	20.61
3,001 to 4,000	\$19.28	19.71	20.10	20.50	20.91
4,001 to 5,000	\$19.95	20.40	20.81	21.23	21.66
5,001 to 6,000	\$20.26	20.72	21.13	21.55	21.98
6,001 plus	\$20.57	21.03	21.45	21.88	22.32

6.02 Pay Premiums

- a) **Shift Differential** - an hourly premium of twenty-five cents (25¢) per hour will be paid for all straight-time hours worked when the majority of the employee's regular shift hours are between the hours of 6:00 p.m. and 6:00 a.m.; those employees whose regular shift starts between the hours of 10:00 p.m. and 2:00 a.m. will be paid an additional premium of twenty-five cents (25¢) per straight-time hour worked.

- b) **Freezer** - employees whose duties require that they perform their duties continually in the freezer section of the warehouse (i.e. more than one-half of their regular shift) will receive an additional premium of sixty cents (60¢) per hour for their total shift.
- c) **Leadhand** - those employees appointed to this position will receive a premium of one dollar and twenty-five cents (\$1.25) per hour worked. It is understood the duties of these employees includes the responsibility to ensure the safe, efficient conduct of the work of employees under their control, including the assignment of work to them.
- d) **Sunday** - A premium of fifty cents (50¢) per hour for all the regular hours of a shift when the majority of that shift's regular hours are between 12:00 a.m. Sunday and 12:00 a.m. Monday.
- e) **LineHaul Loader** – A premium of fifty cents (50¢) per hour is based on the following:
 - 1. The Linehaul Loader position loads LTL (less than truckload) freight from more than one customer onto a trailer of forty-five (45) feet or more and destined for a location in excess of three hundred (300) kilometres by road from Derwent Center.
 - 2. The significant nature of this function is recognized by the establishment of an hourly pay premium of fifty cents (50¢) for qualified

Linehaul Loaders when filling a regular Line Haul Loader position or when conducted such loading on an as needed basis.

3. These positions shall be posted and reasonable training provided. However, it is further recognized that a limited number of employees have the capability and/or potential to conduct this work and that this will be acknowledged in the appraisal of trainees and/or potential trainees for the position. It is understood trainees must have the ability to conceptualize the Employer's multi-Center transportation system and be able to effectively plan and implement the optimum and efficient loading of freight, while being able to react to changes in a timely manner. Bi-weekly training progress reports shall be completed; it is generally expected that trainees shall be competent within a three (3) month period – this is not to be construed as guaranteeing the trainee any particular length of training, depending upon his progress he may become qualified before the three (3) months are completed or he may be taken off training at any time during the three (3) months due to lack of reasonable progress.
4. When loading a LineHaul, having successfully completed training and being declared a qualified Linehaul Loader, the trained employee shall be paid the hourly pay premium.

5. An employee recognized as a qualified LineHaul Loader and who desires to vacate the position shall give a minimum of three (3) months written notice of same. If a qualified replacement employee is required and not available, the Company shall post the vacancy by the end of the next Monday through Friday business day. The employee shall vacate the position upon the earlier of three (3) months from the date of the written notice or the date on which the Company declares the replacement employee qualified.
- f) **Inventory Control** – a premium of fifty (50¢) per hour will be paid to the employee(s) filling this position, as provided for in 15.03.
- g) **Refrigeration Service Assistant (RSA)** – a premium of fifty cents (50¢) per hour will be paid to the employees who have a RSA certification.

ARTICLE 7 - STATUTORY HOLIDAYS

7.01 Holidays

Eligible employees will receive the following statutory holidays with pay:

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

and any other day(s) so proclaimed by the federal or provincial governments.

7.02 Eligibility

To be eligible for statutory holiday pay an employee must have been on the payroll for the thirty (30) day period immediately preceding the holiday and have worked fifteen (15) shifts in the thirty (30) days immediately preceding a Statutory Holiday to be eligible for their regular pay for the holiday, regular employees who work less than the said fifteen (15) shifts shall be paid an amount equal to the amount they earned in the thirty (30) days immediately preceding the Holiday divided by fifteen (15). In addition, the employee must have worked both his scheduled work days immediately preceding and following the holiday unless on authorized leave or sickness, in the case of sickness the Employer may request a medical certificate.

7.03 Holiday Pay

An employee shall receive holiday pay equal to the employee's straight-time rate multiplied by the number of straight-time hours the employee is regularly scheduled to work on a shift.

If an employee works on the recognized holiday shift he will receive rate and one-half for the first eleven (11) hours worked and double-time for hours worked in excess of eleven (11) hours and another work day off with pay

equal to the employee's straight-time rate multiplied by the number of straight-time hours the employee is regularly scheduled to work on a shift.

A minimum of twenty-four (24) hours notice will be given concerning work on a statutory holiday; those employees required to work will be identified in accordance with 5.06(f) herein.

7.04 Recognized Holiday Shift

- a) When a holiday under this Article falls on an employee's rest day, either his last regular work day previous to the holiday or his first regular work day following the holiday will be recognized as the holiday shift, unless otherwise agreed between the parties. In such cases premiums and conditions described as pertaining to such holidays shall only be applicable on the recognized holiday shift.

- b) When a holiday under this Article falls during a period when the employee is on his earned vacation, and the employee is eligible for said holiday with pay, the employee, at his option, will be paid a day's pay or given another day off with pay at a later date, as mutually agreed to between the employee and the Employer

ARTICLE 8 - VACATIONS

8.01 Vacation Entitlement

1. Regular Full-Time Employees

- (a) A regular full-time employee shall be entitled to vacations with pay on the following basis:

<u>Continuous Service</u>	<u>Vacation Period</u>	<u>Vacation Pay</u>
after 1 year	2 weeks	4%
after 4 years	3 weeks	6%
after 8 years	4 weeks	8%
after 14 years	5 weeks	10%
after 20 years	6 weeks	12%

"Continuous Service" is the length of service since the employee's last hire date as a regular employee with the Employer.

"Vacation Pay" is the percentage of total wages earned during the year in respect of which the employee becomes entitled to an annual vacation.

Regular employees will continue to accrue vacation pay for work missed while in receipt of Workers' Compensation Board time-loss benefits up to a maximum period of twenty-six (26) weeks, provided the employee returns to full-time employment.

- b) **First Calendar Year** – employees will accrue vacation pay based on four percent (4%) of earnings. Effective January 1st following the employee's hire date, the employee will be eligible for two (2) weeks' vacation time-off if hired prior to the preceding July 1st, or one (1) week vacation time-off if hired on or after the preceding July 1st. The four percent (4%) vacation pay accrued on earnings from the employee's hire date to and including December 31st of the first calendar year will be paid at the time of taking said vacation; at the employee's option he may choose to be paid the vacation pay and not take the time-off.

Subsequent calendar years – an employee's eligibility for vacation pay and time off will be based on complete calendar years of service, as measured from the January 1st first following the employee's date of hire.

When an employee reaches a hire date anniversary that qualifies him for an additional week of annual vacation (after Years 4, and 9 8 and 14) he will commence taking that additional week effective the January 1st of the year in which he will earn it. This is based on the understanding that should the employee have taken this additional week and then his employment terminate prior to the anniversary of his hire date, the employee will reimburse the Employer the value of said week.

Commencing in the employee's second complete calendar year of employment, the calculation of the employee's vacation pay will be based on the employee's earnings in the prior calendar year. At the time of taking a week's vacation, the employee will be paid two percent (2%) of his prior calendar year's earnings. In the case of a regular employee who worked a minimum of one thousand five hundred (1,500) hours in the previous calendar year, at the time of taking a week's vacation, said employee will be paid the greater of two percent (2%) of his prior calendar year's earnings, or forty (40) hours at his current pay rate.

2. **Part-Time Employees**

The following provisions apply to Part-Time Employees:

<u>Continuous Service</u>	<u>Vacation Period</u>	<u>Vacation Pay</u>
After 1,500 hours and each 1,500 thereafter	2 weeks	4%
After 6,000 hours and each 1,500 thereafter	3 weeks	6%
After 13,500 hours and each 1,500 thereafter	4 weeks	8%

Vacation Pay will be paid to the employee upon the completion of each 1,500 hour increment. Upon request, vacation pay will be held until it is taken or paid out to the employee on December 31st of that year. The taking of time-off shall be at the employee's option at a time agreed to by management.

8.02 Vacation Schedules

Vacations shall be scheduled in accordance with the following:

- a) In determining vacation schedules the Employer will consider employees' requests in order of their seniority, provided they are submitted to the Employer by March 1.
- b) The Employer will endeavour to schedule vacations as requested by employees, subject to maintaining an experienced work force capable of performing the work in an efficient manner and granting vacations as provided for within the formula (one [1] employee per shift on vacation, for each five [5] employees on that shift). Shifts are defined as one of the following, Day Shift (a shift with the majority of the employee's hours after 6:00am), Afternoon Shift (a shift with the majority of the employee's hours after 4:00pm) and Night Shift (a shift with the majority of the employee's hours after 10:00pm). Where the employee works on more than one (1)

shift as described herein, during the work week, the shift during which the employee works the most regular hours in the work week shall be considered his/her shift, for determining the employee's shift for these purposes.

- c) Vacations shall not be taken during the week preceding Thanksgiving, or during the week of Christmas, the week preceding Christmas, and/or the week following Christmas, unless mutually agreed otherwise by the Company and the employee.
- d) Vacation schedules will be posted by March 15th. Vacation time will normally be scheduled in five (5) day periods consistent with the employee's shift schedule at the time of vacation; however, subsequent to March 15th , an employee eligible for more than two (2) weeks' vacation may schedule up to five (5) days to be taken in less than a five (5) day period.

8.03 Vacations cannot be accumulated from year to year and vacations unscheduled as at March 31st each year shall be scheduled by management. However, once each three (3) years and subject to the provisions of 8.02 herein, the employee may make written application to carry over one (1) week of his vacation to be taken as part of a special extended vacation. Said written application to be received by management prior to March 31st in the year in which the vacation is initially entitled to be taken. The

one (1) week of carried over vacation is to be taken by the end of the subsequent year and scheduled at the time of application. Pay for the one (1) week of carried over vacation shall be paid to the employee on or about December 31st of the year in which it would otherwise have been taken.

ARTICLE 9 - NOTICE OR PAY IN LIEU IN CASES OF TERMINATION

9.01 It is agreed that in the event the Employer desires to terminate a regular employee hereunder the Employer shall give that employee the appropriate notice of termination as called for in the Employment Standards Act of British Columbia, or pay in lieu thereof: PROVIDED HOWEVER that the Employer shall not be deemed obligated to give any notice whatsoever, or to give any pay in lieu thereof to any employee who is dismissed for just cause.

ARTICLE 10 - HEALTH AND WELFARE BENEFITS

10.01 General Provisions

To be eligible for coverages provided under this article employees must meet the requirements set out below, as well as others which may be specific to the applicable insurance policy; employees must:

- a) be a regular employee, and
- b) have been continuously employed for at least three (3) months, and
- c) be actively working.

The benefit coverages are the benefits and terms presented in Appendix A hereto; it is understood these may change from time to time and that the Appendix is intended to provide a general overview of the benefits and that the plan documents shall govern in all cases.

10.02 Sick Pay

Regular employees as at January 1st each year shall receive thirty-two (32) straight-time hours paid sick leave to be taken and paid when the employee is absent due to illness/injury and not in receipt of Short-Term Disability Plan benefits. These sick leave hours are earned by the employee at the rate of eight (8) hours for each quarter of the calendar year and the employee must work a minimum of one hundred twenty (120) hours in each quarter. Any earned but untaken paid sick leave will be paid out to the employee on the payroll at the end of the first pay period ending in December. Upon an employee's termination, any taken but unearned paid sick leave shall be deducted from the employee's earnings prior to final payment.

ARTICLE 11 - GRIEVANCE PROCEDURE

11.01 Procedure

It is the desire of the parties that complaints of employees shall be addressed as quickly as possible and it is understood that an employee shall first give his immediate supervisor an opportunity of adjusting his complaint. Failing a satisfactory settlement, his complaint may be taken up as a grievance in the following manner:

Step 1

The employee, assisted by the Union Representative if desired, may submit a written grievance to his immediate supervisor. The supervisor must receive this written grievance within ten (10) calendar days of the circumstance giving rise to the grievance. The nature of the grievance, the relevant provisions of the Collective Agreement, and the remedy sought shall be set out in the grievance.

The Employer will deliver a decision in writing within eight (8) calendar days following the day on which the grievance was presented.

Step 2

Within eight (8) calendar days following the Employer's decision under Step 1, the Union may refer the grievance to Step 2. Thereafter the

Terminal Manager and/or his designate will meet with the grievor, the Union Steward and an official of the Union to discuss the grievance.

The Employer will deliver a written decision within eight (8) calendar days of the Step 2 meeting.

A complaint or a grievance arising directly between the Employer and the Union concerning the interpretation, application or alleged violation of this Agreement (which would not normally be grieved by an individual employee) shall be initiated at Step 2.

11.02 Referral to Arbitration

Within eight (8) calendar days following the Employer's decision under Step 2, the Union may refer the grievance to Arbitration by advising the Employer of same by Registered Mail.

11.03 Settlement

Any grievance not processed within the time limits specified in this grievance procedure shall be deemed to have been settled and not eligible for Arbitration. It is agreed the terms of the settlement will be the terms last expressed by the party not in violation of the time limit provision.

Any agreement reached during the grievance procedure, is final and binding on both parties.

11.04 At the request of the employee, an available Shop Steward shall be present as a witness during the application of discipline. In the event there is no available Shop Steward on shift, another bargaining unit employee may be selected by the employee.

The employee and a Shop Steward shall be given a copy of any discipline issued.

ARTICLE 12 - ARBITRATION

12.01 Board

The Board of Arbitration shall be composed of three (3) members and shall be established as follows:

Within ten (10) working days (excluding Sundays and holidays) following receipt of such notice, the Employer and the Union shall each select a Representative to serve on the Board of Arbitration. The Representative of the Employer and the Representative of the Union shall, within five (5) days (excluding Sundays and holidays) after they have both been selected, choose an additional member to act as Chairman. In the event of failure of the nominees of the Union and the Employer to agree upon a Chairman within the five (5) day period specified, the Minister of Labour for British Columbia shall be immediately requested to name a third member who shall act as Chairman of the Board of Arbitration.

Within five (5) days of the appointment of the impartial Chairman, the Board of Arbitration shall sit to consider the matter in dispute, and shall render a decision within fourteen (14) days after its first session. It is understood and agreed that the time limits as set forth herein may be altered by mutual agreement between the Employer and the Union.

No person shall serve on a Board of Arbitration who is involved or directly interested in the controversy under consideration. Grievances submitted to an Arbitration Board shall be in writing and shall clearly specify the nature of the issue.

In reaching its decision, the Board of Arbitration shall be governed by the provisions of this Agreement. The Board of Arbitration shall not be vested with the power to change, modify, or alter this Agreement in any of its parts, but may, however, interpret its provisions. The expense of the impartial Chairman shall be borne equally by the Employer and the Union unless otherwise provided by law.

The findings and decision of the Board of Arbitration shall be binding and enforceable on all parties. A decision of a majority of the Board of Arbitration shall be deemed to be a decision of the Board.

12.02 Sole Arbitrator

The Employer and the Union may, by written agreement, substitute a named sole Arbitrator for the Board of Arbitration, provided for in provision 12.01 herein and the sole Arbitrator shall possess the same powers and be subject to the same limitations as the Board of Arbitration.

ARTICLE 13 - EQUIPMENT AND FACILITIES

13.01 Equipment

Each regular employee will be provided by the Employer, at no cost to the employee, cotton gloves and a freezer suit required in the performance of his work. Provided however the employee utilizes this equipment in the proper manner and returns used equipment to the Employer prior to receiving replacement equipment.

Adequate dressing rooms with lockers and sufficient sanitary facilities shall be provided by the Employer and shall be maintained in a sanitary condition. Employees shall cooperate in maintaining the cleanliness of these facilities. Proper and adequate lunchroom facilities for normal operating conditions shall be provided for all employees.

Mitts of adequate quality will be supplied to employees who, because of the nature of their work, require them. Boots and liners will also be provided where the nature of

the work or safety regulations require them, Regular Employees to be reimbursed the cost of such items to a maximum of one hundred and twenty-five dollars (\$125.00) each twelve (12) months; a non-regular Employee who has purchased such items will be reimbursed the cost of same in accordance with the foregoing upon becoming a Regular Employee. Boots and liners shall only be replaced as provided foregoing, when the boots and liners to be replaced are presented to the Employer shown to be worn out through normal usage.

All purchases of equipment or clothing by employees in accordance with this provision requires the prior written approval of management on the form provided by the Company.

Effective no later than March 30, 2009 the Employer shall provide laundry equipment for the employee to launder his freezer suit, at no cost to the employee. The Employer shall post the laundering schedule; the employee shall launder his suit in accordance with said schedule and wear a temporary replacement suit supplied by the Employer until his suit is again available.

13.02 Facilities

A bulletin board shall be placed in a conspicuous place for the posting of Union notices. The Employer reserves the right to approve such notices.

13.03 First Aid

The Company will maintain adequate first aid equipment as required by the Workers' Compensation Board. The Company will pay the following for designated First Aid Attendants and reserves the right to limit the number of said Attendants:

a) The monthly pay premium shall be:

Level 2 \$100.00
Level 1 \$ 50.00

Any employee receiving in excess of the appropriate amount shall be red circled at their current premium rate for as long as they continue their ticket.

b) The following numbers of employees, with the required ticket, shall qualify for the monthly premium:

Day Shift - 2 employees with Level 2
Afternoon Shift - 2 employees with Level 2
Weekend Shift - 2 employees with Level 1 or better
Graveyard Shift - 2 employees with Level 1 or better

When needed to provide first aid coverage, these employees shall change shift and notice of shift change is not required.

c) The assignment of first aid duties shall be in accordance with seniority.

- d) Reimbursement of the costs of a pre-approved course provided the employee successfully completes and passes the course.

ARTICLE 14 - RETIREMENT

14.01 The Company will contribute one dollar and twenty-four cents (\$1.24) per hour worked by each eligible Regular Employee, on behalf of said employee, to a Pension Plan or RRSP as designated by the Union. The Regular Employee must have been on the payroll a minimum of one year to be eligible for this provision.

ARTICLE 15 - JOB VACANCIES AND AWARDS

15.01 Job Awards

In the awarding of vacancies, the senior competent applicant who has been trained shall be awarded the position. Notwithstanding the foregoing, if the senior applicant on the posting has not yet had the opportunity to train, that applicant will be given the opportunity to train, become competent and be awarded the position.

15.02 Shift Schedule Preference

Employees will select their shift by seniority based on:

- a) Movement to preferred shift will be for a minimum of one (1) month duration; and

- b) Movement shall only occur provided the employee has the required competence; and
- c) Preference cannot be exercised more than once per month.

The employee's movement will occur no later than fifteen (15) working days after the date of receiving the written request to move.

15.03 Inventory Control Positions

Notwithstanding the other provisions of this article the following shall apply regarding Inventory Control positions:

- a) Vacancies will be posted in accordance with 4.06.
- b) A reasonable training period of up to two (2) months shall be provided to the successful applicant. Dependent upon the employee's progress during the training period, he/she may become qualified before the two (2) months are completed or he/she may be taken off the training at any time during the two (2) months due to lack of reasonable progress.
- c) Employees in these positions shall give a minimum of two (2) months written notice of desire to vacate the position.
- d) Any changes in the position's hours shall result in its re-posting.

- e) The ongoing shift selection procedure set out in 15.02 shall not apply. However, a senior employee will not be laid-off without first being given the opportunity to train in this position.

ARTICLE 16 - PART-TIME EMPLOYEES

Notwithstanding the other provisions of this Agreement, the category of part-time employee is established based on the following:

- 16.01** Subject to the other provisions of this article and the availability of work, a part-time employee will work in accordance with his seniority, provided he has the required skill and ability.
- 16.02** The status of a part-time employee shall be that of a probationary employee, until they have completed ninety (90) working days within an eight (8) month calendar period. During this period, employees shall acquire no call-out rights and may be laid-off or terminated at the Employer's discretion, provided they are informed as to whether they are terminated or laid-off subject to recall. After said period of employment, the names of such employees shall be placed on a call-out list.
- 16.03** A part-time employee may designate the day(s) of the week he is available for work, subject to being available a minimum of one (1) eight (8) our shift each week.

- 16.04** The part-time employee's position on the call-out list shall be determined based on his total hours worked as a part-time employee. The part-time employees' hours of work and resultant placement on the call-out list shall be updated once each three (3) pay periods and posted.
- 16.05** A regular employee may voluntarily transfer to the status of a part-time employee and his hours worked as a regular employee, to a maximum of five hundred (500) hours, shall be credited for placement on the call-out list. He may subsequently return to the status of a regular employee, retaining his original hire date, provided he does so within three hundred and sixty five (365) days of originally transferring to part-time employee status. This provision shall apply only once per person.
- 16.06** A regular employee laid-off for more than a majority of a shift will have the first opportunity to be called for available work prior to the call of a part-time employee, notice regarding change of shift is not required.
- 16.07** Part-time employees shall be available and work shifts as assigned by the Employer, notice regarding change of shift is not required. Part-time employees will work a maximum of eight (8) hours per work day at straight-time and will have a minimum eight (8) hour rest break between regular shifts. The part-time employee is not guaranteed any hours of work per day or per week, except as provided for in 5.07 herein.

16.08 The overriding principle of apportioning hours of work between regular employees and part-time employees shall be based on regular employees having a target range of working sixty-five percent (65%) of the total hours worked and part-time employees having a target range of working thirty-five percent (35%) of the total hours worked. This principle shall be implemented as follows:

a) The comparison of hours worked shall be by quarters of the year. When the hours worked by part-time employees or regular employees exceed their target range, the regular employee complement shall be increased/decreased by the appropriate number of employees expected to be required to bring the hours worked back to the target ranges.

b) The quarters of the year for measurement purposes shall be:

February / March / April

May / June / July

August / September / October

November / December / January

c) When the hours worked by part-time employees exceeds the target range, the Employer shall advise the senior part-time employee of the opportunity to become a regular employee. If the part-time employee desires to become a regular employee and provided he has the required skills and ability, he shall be appointed a regular employee. If the senior part-time employee declines the opportunity to

become a regular employee, or if he is not appointed in accordance with the foregoing, the next senior part-time employee shall be given the opportunity based on the foregoing; this procedure shall continue until the position is filled by a part-time employee who has completed his probationary period.

When the hours worked by regular employees exceeds the target range, the junior regular employee(s) shall be transferred to the part-time employee group. Notwithstanding 10.01(a), in such case the employee(s) shall maintain their Health & Welfare coverage until the next measurement as provided in b) foregoing. In such case the employee(s) shall receive a pay rate halfway between the applicable regular employee pay rate and the part-time employee pay rate until the next measurement as provided in b) foregoing.

16.09 (a) The hourly wage rate of sixteen dollars and eighteen cents (\$16.18) per hour for part-time employees shall be increased as follows:

Effective May 1, 2012 – increase 2.25% to total
\$16.54 per hour

Effective May 1, 2013 – increase 2% to total \$16.87
per hour

Effective May 1, 2014 – increase 2% to total \$17.21
per hour

Effective May 1, 2015 – increase 2% to total \$17.55 per hour

Hours Worked As A Part-Time Employee

1,500 to 2,999	Add \$0.25 per hour
3,000 to 5,999	Add \$0.25 per hour
6,000 plus	Add \$0.25 per hour

ARTICLE 17 - GENERAL

17.01 Leave of Absence

A leave of absence without pay for legitimate personal reasons may be granted by the Employer upon written request. All requests are to be made two (2) weeks prior to the commencement of the proposed leave of absence, stating the reason for the absence, requested starting date, and duration of absence.

17.02 Bereavement and Funeral Leave

In the event of death in the immediate family of a regular employee, the employee will be granted up to three (3) days leave of absence from work with no loss of regular straight-time pay; said leave of absence may be split between leave for bereavement and leave for the funeral service. The term immediate family shall mean spouse, mother, father, child, brother, sister, mother-in-law,

father-in-law, sister-in-law, brother-in-law, grandmother, grandfather, or grandchild of the employee. The Employer may grant additional unpaid leave required for travel in such circumstances.

17.03 Work Disruption

The Employer agrees that there will be no lock-out of employees during the term of the Agreement. The Union agrees that there will be no strike, picketing or other interference with the operation of the Employer during the term of the Agreement. The words "strike" and "lock-out" shall bear the same meaning given them in the Labour Code of British Columbia.

The parties agree that in the event of a legal strike amongst the employees of a firm with which the Employer is doing business, the employees of the Employer will not normally be expected to service such a strike bound firm by crossing any established legal picket line(s). Notwithstanding the foregoing, in such a circumstance it is specifically agreed the first obligation of the employees is to provide all services required to process any commodity related to the strike bound firm control of which was assumed by the Employer prior to the establishment of said picket line(s). It is expected processing of such commodities will be concluded within a maximum of two (2) weeks of establishment of said picket line(s). Should a question regarding "hot goods" arise, it shall immediately be referred by the Union Representative to the Employer for joint discussion and consideration.

17.04 Safety

The Joint Safety Committee will be continued based on the following:

- a) the Committee's membership shall be comprised of at least one (1) employee selected by the employees and an equal number of representatives appointed by the Employer; when reasonably possible there shall be an employee representative from each shift;
- b) a union representative shall be entitled to attend meetings of the Committee as an observer;
- c) meetings will be held during the first week of each month unless otherwise mutually agreed to by the parties; additional meetings will be held when necessary;
- d) the employee representatives attending Committee meetings in their off-shift hours shall be paid at straight-time rate and such time will not be included for purposes of eligibility for and/or calculation of overtime pay;
- e) a copy of the meeting minutes shall be sent to the union.

17.05 Jury or Witness Duty

A regular employee who is summoned to Jury Duty or subpoenaed as a Witness shall be paid, for all days absent

from work, wages amounting to the difference between the amount paid him for jury service or witness duty and the straight-time wages he would have earned had he been available to work on such days. Employees will provide a statement from the appropriate authorities showing jury pay or witness pay received.

An employee released from such duty shall return to his job if two (2) or more hours of their normal shift can be worked. Time worked in excess of eight (8) hours, combining Jury Duty or Witness Duty and time on the job in one (1) day, shall be paid for at overtime rates.

17.06 Employee Address and Telephone Number

Upon commencing employment, an employee must advise the Employer in writing of their address and telephone number. It shall be the duty of the employee to notify the Employer in writing promptly of any change in their address and/or telephone number. If an employee fails to do this, the Employer will not be responsible for failure of any notice to reach the employee.

17.07 Lay-off, Recall or Promotion - Notification to Shop Steward

The Employer agrees to inform the Shop Steward or Union Representative of intention of significant lay-off, recall, or promotion of employees. It is understood this is not meant to include a requirement to notify regarding the day-to-day crewing of the facility.

The Shop Steward will be notified as to the date of employment of each new employee, such notice where possible to be given to the Shop Steward not later than one (1) week from date of the employee's hire.

17.08 First Aid Coverage

It shall be the right of the Company to engage, apart from seniority if necessary, an employee in any classification who shall qualify as a first-aid attendant in accordance with Workers' Compensation Board requirements, provided current employees are given reasonable opportunity to apply for the position of first-aid attendant.

17.09 Refrigerated Area

When an employee is required to work in a refrigerated area when there is no other person on site he will be supplied with a cellular phone.

17.10 Truck Drivers

- a) The Employer will develop and distribute to all drivers a set of guidelines clearly explaining the Employer's expectations regarding the drivers' activities on the dock and at the Center.
- b) A joint committee comprised of management and employees who work on the dock will meet at the call of either party to discuss issues, identify potential improvements on the dock in the areas of

safety, security and efficiency and recommend solutions to management. Management will meet with the committee to discuss any recommendations that it does not subsequently implement. A written agenda will be prepared, minutes will be written, including decisions, with a copy forwarded to the Employer's Head Office.

17.11 Physical Examination

Where the Employer requires the employee to undergo a physical examination, the doctor's fee shall be paid by the Employer.

Where the Employer requires an employee to have a Modified Work Form completed regarding his Workers' Compensation Board claim, the Employer will reimburse the employee his incurred Doctor's expense for completing the form, upon submission of the employee's receipt for paying same and provided the completed form is returned to the Employer in a timely manner. Employees will cooperate with the Employer regarding the conduct of Modified Work.

ARTICLE 18 – DURATION OF AGREEMENT

Except as otherwise provided herein, this Agreement shall be effective from date of ratification of the Memorandum of Agreement renewing this Agreement, to and including the 30th day of April 2016, and thereafter from year to year unless the

notice hereinafter mentioned is given. If such notice is given, the provisions contained in this Agreement shall not be altered or changed until a new Collective Agreement is reached or a legal strike or lockout notice is given by one party to the other.

Subject to the foregoing, either party may, within four (4) months prior to the 30th day of April 2015, or any subsequent anniversary thereof, give notice in writing to the other party to terminate this Agreement or negotiate a revision thereof.

The Employer and the Union mutually agree to exclude the operation of Section 50 (2) and (3) of the Labour Code of British Columbia, and the same shall not be applicable to this Agreement.

SIGNED THIS 15 **DAY OF** NOVEMBER, **20** 12.

FOR THE EMPLOYER:

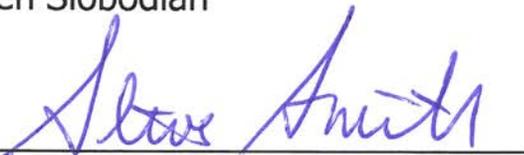
FOR THE UNION:



Glen Slobodian



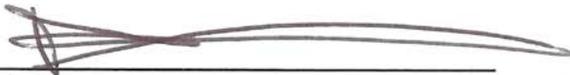
Eric Seto



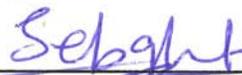
Steve Smith



Aman Basra



David Lavery



Sebghtullah Hamed

APPENDIX A

HEALTH AND WELFARE PLAN - PLAN RULES

Benefits to Fit YOUR Lifestyle

January, 2001

You will become eligible for coverage after completing three months of full-time service.

During the first 12 months of coverage, you are eligible for 1^o Degree Coverage.

After completing 12 months on the benefit plan (15 months from full-time hire date), you will be asked to select the benefit coverage that best suits your personal situation from the three options: 2^o Degree; 3^o Degree or Plus/Health Spending Account.

If you do not submit your option selection within 31 days of your date eligible, you will automatically default to 2^o Degree plan. You will then remain in 2^o Degree plan until the next bi-annual enrolment.

On a bi-annual basis, employees with more than 12 months of coverage on group benefits will have the opportunity to select a different level of coverage if they so choose.

March 1, 2003 is the next bi-annual re-enrolment for benefits.

Changes in Coverage

A change in option may take place between the bi-annual enrolment only if you experience a major lifestyle change that would include:

- A dependent status change by gaining a spouse
- The addition of the first dependent child;
- The loss of a spouse due to death or divorce;
- The ineligibility of all dependents (due to divorce, separation, age or student status),
- The spouse losing benefit coverage from his/her place of work.

You can change your coverage by applying within 31 days of the lifestyle change by providing written notification of the change.

Increase in Coverage

If you apply more than 31 days following the date of the lifestyle change, you could be requested to submit evidence for yourself and each of your dependents in the case of coverage increase.

Reduction of Coverage

If you apply later than 31 days following a lifestyle change for a reduction of coverage, you must remain enrolled at the higher level until the next bi-annual enrolment.

PLAN DETAILS Full Time Employees

Benefits to Fit YOUR Lifestyle

January, 2001

1° Degree Option:

Benefit	Coverage	Coverage Details	Premiums
Life Insurance	2 x annual salary		100% Employer Paid
AD & D	2 x annual salary		100% Employer Paid
STD	66.7% of weekly earnings	\$600 weekly max.	100% Employer Paid
LTD	66.7% of the first \$2250 of monthly earnings, plus 50% of the next \$3000, plus 40% of the remainder	\$8200 monthly max.	100% <i>Employee Paid*</i>
Dental	80% preventative services only	annual dental max. equals \$750	100% Employer Paid
Extended Health	80% coverage 100% Out-of-Province Emergency & Travel Assistance	eligible expenses include prescription drugs, supplementary health care benefits no vision care no pay direct drug card	100% Employer Paid
Single Cost:	n/a		
Couple Cost:	n/a		
Family Cost:	n/a		

**Premiums 100% paid by VersaCold, with the exception of LTD.*

A benefit plan with choice. 1° Degree 2° Degree 3° Degree

Plus

2° Degree Option:

(Available to employees who have completed 12 months of coverage on the plan)

Benefit	Coverage	Coverage Details	Premiums
Life Insurance	2 x annual salary		100% Employer Paid
AD & D	2 x annual salary		100% Employer Paid
STD	66.7% of weekly earnings	\$600 weekly max.	100% Employer Paid
LTD	66.7% of the first \$2250 of monthly earnings, plus 50% of the next \$3000, plus 40% of the remainder	\$8200 monthly max.	100% <i>Employee Paid *</i>
Dental	80% preventative services 50% restorative services 50% ortho services	\$1500 annual dental max. for preventative & restorative combined \$2500 lifetime max. For ortho	100% Employer Paid

2° Degree Option – Continued...

(Available to employees who have completed 12 months of coverage on the plan)

Benefit	Coverage	Coverage Details	Premiums
Extended Health	80% coverage Vision Care 100% Out-of-Province Emergency & Travel Assistance	prescription drugs with pay direct drug card, supplementary health care benefits \$200 per 24 month period for eligible adults and insured dependents over 18, and every 12 months per insured dependent under 18 available to all insured dependents	100% Employer Paid
Single Cost:	n/a		
Couple Cost:	n/a		
Family Cost:	n/a		

**Premiums 100% paid by VersaCold, with the exception of LTD.*

A benefit plan with choice.

1° Degree

2° Degree

3° Degree

Plus

3° Degree Option:

(Available to employees who have completed 12 months of coverage on the plan)

Benefit	Coverage	Coverage Details	Premiums
Life Insurance	2 x annual salary		100% Employer Paid
AD & D	2 x annual salary		100% Employer Paid
STD	70% of weekly earnings	\$600 weekly max. first day surgery	Employer/ Employee Paid* <i>(STD premium will vary based on salary)</i>
LTD	66.7% of the first \$2250 of monthly earnings, plus 50% of the next \$3000, plus 40% of the remainder	\$8200 monthly max.	100% Employee Paid *
Dental	100% preventative services 50% restorative services 50% ortho services	\$1500 annual dental max. for preventative & restorative combined \$2500 lifetime max. for ortho	Employer/ Employee Paid*

3° Degree Option – Continued...

(Available to employees who have completed 12 months of coverage on the plan)

Benefit	Coverage	Coverage Details	Premiums
Extended Health	100% coverage Vision Care 100% Out-of-Province Emergency & Travel Assistance	prescription drugs with pay direct drug card, supplementary health care benefits \$200 per 24 month period for eligible adults and insured dependents over 18, and every 12 months per insured dependent under 18 available to all insured dependents	Employer/ Employee Paid*
Single Cost:	\$177.84 per year**, or, \$7.41 per 24 pay period		Cost does not include STD and LTD premium
Couple Cost:	\$355.68 per year**, or, \$14.82 per 24 pay period		Cost does not include STD and LTD premium
Family Cost:	\$533.40 per year**, or, \$22.22 per 24 pay period		Cost does not include STD and LTD premium

**Employee pays the difference in premiums between Option 2 and Option 3 for enhanced coverage for STD, Dental and Extended Health as well as 100% of the LTD premium.*

***Premiums are subject to annual adjustment as determined by claims experience.*

Updated January, 2001

PLUS Option/Health Care Spending Account:

(Available to employees who have completed 12 months of coverage on the plan)

Benefit	Coverage	Coverage Details	Premiums
Life Insurance	2 x annual salary		100% Employer Paid
AD & D	2 x annual salary		100% Employer Paid
STD	66.7% of weekly earnings	\$600 weekly max.	100% Employer Paid
LTD	66.7% of the first \$2250 of monthly earnings, plus 50% of the next \$3000, plus 40% of the remainder	\$8200 monthly max.	100% <i>Employee Paid*</i>
Dental	Health Spending Account	\$1200 contributed annually**	100% Employer Paid
Extended Health	Health Spending Account	\$1200 contributed annually**	100% Employer Paid
Single Cost:	n/a		
Couple Cost:	n/a		
Family Cost:	n/a		

**Premiums 100% paid by Versacold, with the exception of LTD.*

***\$1,200 is contributed in total for both Dental and Extended Health Expenses.*

A benefit plan with choice.

1° Degree

2° Degree

3° Degree

Plus

LETTER OF UNDERSTANDING NO. 1

Between: VERSACOLD GROUP (ANNACIS ISLAND)
 ("Employer")

And: UNITED FOOD AND COMMERCIAL WORKERS'
 UNION LOCAL 247
 ("Union")

RE: Dignity and Respect

The Employer and the Union agree that people are a vital part of the success of any enterprise and should be treated with dignity, respect and fairness appropriate in the circumstances.

In the event of an allegation of inappropriate conduct in the workplace and/or associated with the workplace and involving an employee within the bargaining unit, the Employer and the Union will meet in a timely manner to briefly discuss said allegation. Following the initial meeting and upon mutual agreement, a representative of the Union and a representative of the Employer may be appointed to conduct a joint fact finding investigation into the allegation; in such case, their report detailing their findings and recommendations shall be presented to the Employer and the Union, usually within fourteen (14) days of their appointment. Management shall, normally within twenty (20) days of receiving the report, give such orders it deems necessary.

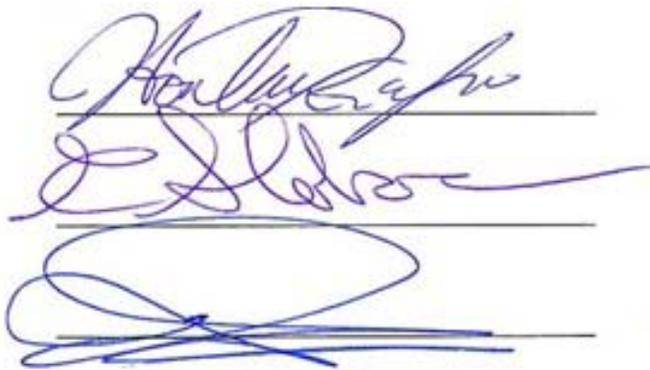
Nothing in this letter shall prevent the laying of a grievance, nor shall this letter in any way inhibit the Employer's management

rights including the application of discipline and/or its Harassment Policy.

SIGNED EFFECTIVE THE 30th day of December, 2008.

On behalf of:

VERSACOLD GROUP
(ANNACIS ISLAND)



On behalf of:

UNITED FOOD & COMMERCIAL
WORKERS' UNION, LOCAL 247



LETTER OF UNDERSTANDING NO. 2

Between: VERSACOLD GROUP (ANNACIS ISLAND)

And: UNITED FOOD AND COMMERCIAL WORKERS'
 UNION LOCAL 247

RE: Article 8 – Vacations

Commencing 2009, the following procedure will apply regarding the calculation and/or payment of Vacation Pay.

Current Year

1. In readiness for the employee to apply to schedule his/her vacations by March 1st each year, in early February, the Company will provide the employee a statement advising him/her of the number of weeks of his/her Vacation Entitlement for that calendar year, as well as his/her associated earned Vacation Pay to fund those weeks.
2. At December 31st of that year, any outstanding Vacation Pay described in 1. foregoing will be paid to the employee.

Note:

A regular employee who worked a minimum of one thousand five hundred (1,500) hours in the preceding year will be paid the greater of his/her vacation pay as calculated as a percentage of his/her total wages in the previous year, or forty (40) hours' pay at his/her current pay rate for each week of entitlement. This requires a comparison as at January 1st each year to determine which is the 'greater' amount, and again potentially each May 1st,

should there be an increase to Wage Rates effective that date, for the remainder of the employee's yet untaken vacations.

Accruing Vacation Pay for the Next Year

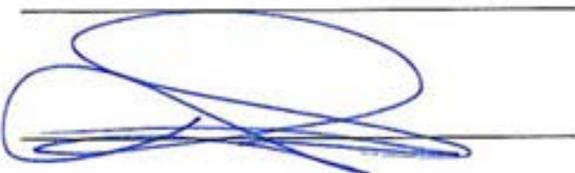
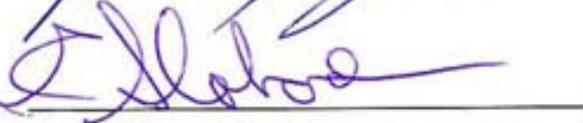
This Vacation Pay will be calculated on the bi-weekly payroll and either be:

- (a) entered onto the cheque stub
or – if that is not possible
- (b) each employee will be given a statement each six (6) months showing the amount accrued to that date – if an employee needs to know the updated amount between the statements, the Company will answer reasonable requests.

SIGNED EFFECTIVE THE 30th day of December, 2008.

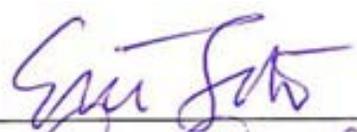
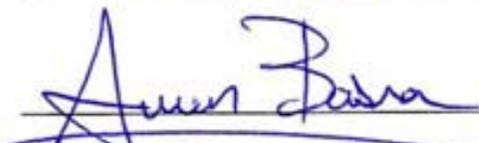
On behalf of:

VERSACOLD GROUP
(ANNACIS ISLAND)

On behalf of:

UNITED FOOD & COMMERCIAL
WORKERS' UNION, LOCAL 247


LETTER OF UNDERSTANDING NO. 3

Between: VERSACOLD CANADA CORPORATION AND
VERSACOLD DISTRIBUTIONS SERVICES LTD.
("Employer")

And: UNITED FOOD AND COMMERCIAL WORKERS'
UNION LOCAL 247
("Union")

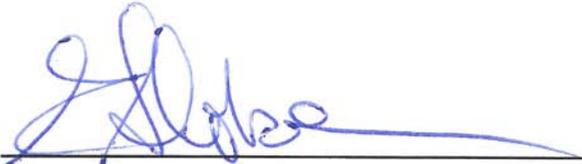
RE: Employee Relations Committee

The Employee Relations Committee shall meet to discuss issues relative to the working relationship to develop a working understanding and better communications. Any subject matter may be tabled by either party at said meetings. The Employee Relations Committee shall not meet more than once each calendar month. Should Chairpersons from either labour or management have no issues to discuss, they can mutually agree to postpone the meeting until the next calendar month.

The existence of this committee will not affect employees' rights under Article 11.

SIGNED THIS 15 DAY OF NOVEMBER, 2012.

FOR THE EMPLOYER:



Glen Slobodian

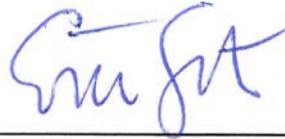


Steve Smith



David Lavery

FOR THE UNION:



Eric Seto



Aman Basra



Sebghtullah Hamed

LETTER FROM EMPLOYER NO. 4

July 12, 2012

Eric Seto
Bargaining Agent
14936 32nd Avenue
Surrey, BC V4P 3R5

Dear Sir:

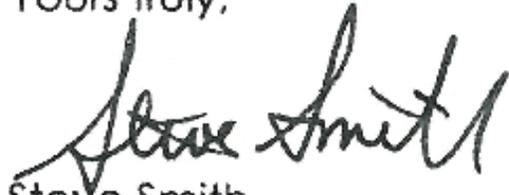
RE: Overtime

Please be advised that it is generally intended that the following process shall be applied when overtime work is required beyond the end of the shift:

1. At the start of the shift the employee is to advise their Supervisor that they will be unavailable for overtime and state the reason.
2. The Supervisor will identify the number of volunteers wishing to work the overtime as well as any other employees, if any, required to stay and work the overtime.
3. A minimum two hours before the end of the shift, the Supervisor will advise the employees of an estimated time required to stay and work overtime.

4. If a dispute arises between number of employees available to work overtime and number of employees volunteering, the dispute will be resolved using the seniority of those requesting.

Yours truly,



Steve Smith
Operations Manager
VersaCold



Mike Elliott
Transportation Manager
VersaCold

/tao

LETTER FROM EMPLOYER NO. 5

September 13, 2012

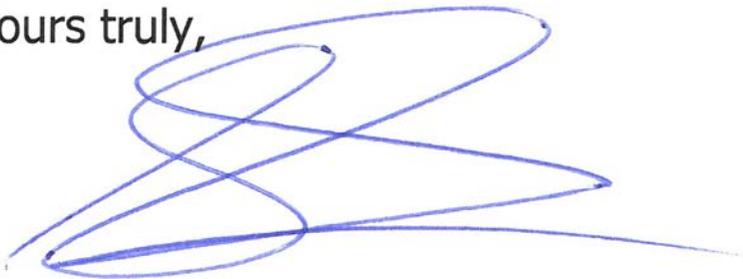
Eric Seto
Bargaining Agent
UFCWU, Local 247
14936 32nd Avenue
Surrey, BC V4P 3R5

Dear Sir:

RE: Refrigerated Areas – Working Alone

This letter is effective for the term of the 2012-2016 Collective Agreement between your union and the company and confirms the Company's intent that no employee will work alone at the facility. In such case, a minimum of two (2) employees will be working and each will have a 'walkie-talkie' to communicate for safety purposes.

Yours truly,



G. SLOBODIAN
Regional Distribution Manager

LETTER FROM EMPLOYER NO. 6

September 13, 2012

Mr. Eric Seto
Bargaining Agent
UFCW Local 247
14936 32nd Avenue
Surrey, BC V4P 3R5

Dear Sir:

RE: Employee Certification Training

As discussed, it is generally intended that the recertification training required for employees each two years will be conducted as follows:

1. The Company will post the dates and times of the training sessions; such posting to be at least four weeks prior to the first scheduled training session.
2. Each employee shall enter his name on the schedule, indicating his date preferences.
3. The employees will be scheduled for training, first by seniority and second by date preference.

I trust you find the foregoing in order.

Yours truly,



G. SLOBODIAN
Regional Distribution Manager

LETTER FROM EMPLOYER NO. 7

September 13, 2012

Mr. D. Goodman
Director of Bargaining
UFCW Local 247
14936 32nd Avenue
Surrey, BC V4P 3R5

Dear Sir:

RE: Work Assignment - Warehouse

This letter is effective for the term of the 2012 – 2016 Collective Agreement between your union and our company and confirms the process to be followed on the occasion when an employee believes that he/she has been unreasonably assigned to work not regularly conducted by them:

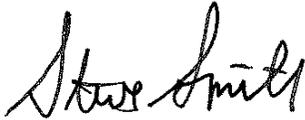
- Employee discusses the matter with his/her supervisor at the time; if employee remains unsatisfied
- No later than the end of that shift, the employee is to phone the Department Manager, if necessary leaving a message explaining the situation;
- The Department Manager will investigate the matter and respond to the employee by the end of employee's next

shift; if the employee remains unsatisfied, he/she will advise the Department Manager.

- The Department Manager will review the matter with the Union Business Agent, re-investigating as found necessary; the Department Manager and the Union Business Agent shall then respond to the employee.

The foregoing is intended to 'solve problems' and does not replace the employee's right to the Grievance Procedure.

Yours truly,



Steve Smith
Operations Manager
VersaCold



David Lavery
Transportation Manager
VersaCold

LETTER FROM EMPLOYER NO. 8

September 13, 2012

Mr. Eric Seto
Bargaining Agent
UFCW Local 247
14936 32nd Ave
Surrey, BC V4P 3R5

Dear Sir:

RE: Safety Clothes and Equipment

This letter is effective for the term of the 2012-2016 Collective Agreement between your union and our company and confirms that the Company intends to implement the following:

1. Freezer Suits in need of repair – the Company will loan a replacement suit to the employee while it arranges the repair to the employee's suit and then return it to him.
2. Employees who can demonstrate the need based on their work function will have following equipment provided:
 - a) Toques
 - b) Fingermitts – to a maximum of 2 pair each calendar year.

Yours truly,



G. SLOBODIAN
Regional Distribution Manager

LETTER FROM EMPLOYER NO. 9

September 13, 2012

Mr. Eric Seto
Bargaining Agent
UFCW Local 247
14936 32nd Ave
Surrey, BC V4P 3R5

Dear Sir:

RE: Warm-up Breaks

This letter is effective for the term of the 2012-2016 Collective Agreement between your union and our company and confirms that the Company's expectation that employees working in the Freezer are normally able to conduct their duties on an uninterrupted basis.

It is also the Company's understanding that on an occasional basis an employee, who is working in the Freezer, may require a brief break from his duties to 'warm-up'.

The Company will apply both of the foregoing principles in the operation of the facility.

Yours truly,



G. SLOBODIAN
Regional Distribution Manager

LETTER OF FROM EMPLOYER NO. 10

September 13, 2012

Mr. Eric Seto
Bargaining Agent
UFCW Local 247
14936 32nd Ave
Surrey, BC V4P 3R5

Dear Sir:

RE: Consecutive Days

The Company will endeavour to provide consecutive days off by seniority to as many employees as possible pending operational requirements.

Yours truly,



Steve Smith
Operations Manager
VersaCold



David Lavery
Transportation Manager
VersaCold

LETTER FROM EMPLOYER NO. 11

September 13, 2012

Mr. Eric Seto
Bargaining Agent
UFCW Local 247
14936 32nd Ave
Surrey, BC V4P 3R5

Dear Sir:

RE: LMS Changes by Engineer

Re: Labour Management Standards (LMS) Changes by
Engineer

Any changes to the LMS implemented by an Industrial Engineer will be communicated to the employees and union within 10 business days.

Yours truly,



Steve Smith
Operations Manager
VersaCold



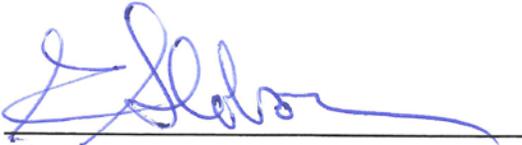
David Lavery
Transportation Manager
VersaCold

AS TO ALL APPENDIX, LETTERS OF UNDERSTANDING AND LETTERS FROM THE EMPLOYER:

SIGNED THIS 15 DAY OF NOVEMBER, 2012.

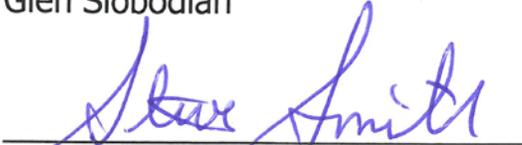
FOR THE EMPLOYER:

FOR THE UNION:



Glen Slobodian

Eric Seto



Steve Smith



Aman Basra



David Lavery



Sebghtullah Hamed

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