

COLLECTIVE AGREEMENT

BETWEEN

SWISS WATER DECAFFEINATED COFFEE INC.
(the "Company")

AND



**UNITED FOOD AND COMMERCIAL WORKERS UNION,
LOCAL NO. 247**

Chartered by the United Food and Commercial
Workers International Union, AFL-CIO, CLC

FIRST PRINTING
Errors and Omissions Excepted

TERM OF AGREEMENT

January 1, 2019 to December 31, 2024

Dear Union Member:

You are holding one of the most important documents you will receive at your job: your union Collective Agreement.

This document is a contract between your employer and our union that sets out the workplace rights and terms and conditions of employment for all union members at your workplace.

Every part of this agreement was negotiated with your employer by a bargaining committee comprised of your coworkers and fellow union members.

This document ensures you have better conditions than those found in non-union workplaces. Together, with engaged and empowered union members, we are committed to improving it at every opportunity.

Please help us give meaning to this agreement by reading it, asking questions about the rights it contains, and working with us to enforce it.

If you think there may be a violation of this agreement at your workplace, you have a legal right to contact a Shop Steward or Union Representative for help.

Help us build a stronger union – your union.

In Solidarity,

DAN GOODMAN
President

CATHY SHANNON
Secretary-Treasurer

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COLLECTIVE AGREEMENT

BETWEEN: SWISS WATER DECAFFEINATED COFFEE INC.
3131 Lake City Way
Burnaby, British Columbia
V5A3A3

(Hereinafter referred to as the "Company")

OF THE FIRST PART

**AND: UNITED FOOD AND COMMERCIAL WORKERS
UNION LOCAL 247**
200-14936 32nd Ave.
Surrey, British Columbia
V4P 3R5

(Hereinafter referred to as the "Union")

OF THE SECOND PART

WHEREAS: It is the intent and purpose of the parties hereto that this Agreement will promote and improve industrial and economic relationship between the employees and the Company and to set forth herein the basic agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties hereto.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

ARTICLE 1 – DEFINITION

1.1 Employee

The term "employee" as used in this Agreement includes all employees of the Company employed in the Swiss Water Plant as set out in Appendix "A".

1.2 Regular Employee

The term "regular employee" as used in this Agreement means an employee who has completed the probation period and who is employed to work the standard work week.

1.3 Casual Employee

- a) The term "casual employee" as used in this Agreement means an employee who has completed the probation period and who is employed to work less than the standard week except as provided in Article 1.3 (b).
- b) Casual employees may work the standard work week for the purpose of relieving regular employees, or when the volume or nature of work cannot be performed by a regular employee working their standard work week schedule. A semi-annual review of the number of standard work weeks performed by casual employees will be conducted by the ERC committee to determine if the volume dictates a posting.
- c) Casual employees who are assigned to work on unusual assignments of a temporary nature may

work the standard work week. When the Company considers that such an unusual assignment exists, the Union will be notified, and the Company will advise the Union of the nature of the assignment. When casual employees are terminated at the conclusion of their assignment, they shall be paid vacation allowance in accordance with the Employment Standards Act, R.S.B.C. 1996, c. 113, as amended from time to time.

- d) All regular hours worked by a casual employee shall be credited to the employee's casual seniority, which shall only be used for the purpose of computing a seniority date in the event a casual employee is hired and transferred to full-time employment.

1.4 Probation Employee

The term "probation employee" as used in this Agreement means an employee who has not completed the probation period.

1.5 Probation Period

- a) The term "probation period" as used in this agreement means the first six hundred and seventy-two (672) hours worked. All new employees are on probation and the Company shall have the right to dispense with the services of any probation employee during the probation period.
- b) After completing the probation period, an employee who is employed to work the standard work week shall be designated as a regular employee and shall then be entitled to rank for seniority as of the date

when he first entered the employment of the Company. After completing the probation period, a casual employee shall be entitled to rank for seniority in accordance with the total number of hours worked by him (since his most recent date of employment by the Company) and his seniority shall apply only as against other casual employees.

1.6 Employee Outside Bargaining Unit

The foregoing Article 1.1 shall not apply to Swiss Water Sales personnel, Management and supervisory staff, those employed in a confidential capacity, those with the authority to employ or dismiss and those excluded by the Labour Code.

1.7 Number and Gender

Throughout this Agreement, when the context so requires or permits, the singular number shall be read as if the plural were expressed, and the masculine gender as if the feminine or neuter, as the case may be, were expressed.

1.8 Disabled Employee

The term 'disabled employee' as used in this Agreement means a regular employee who has not been at work for six (6) consecutive months or more due to a disability.

A disabled employee shall retain his seniority and his regular employee status for the purpose of the Pension Plan, Basic Medical Insurance and the Extended Health Benefits Plan, but not for the purposes of entitlement to any other benefit provided by this Agreement.

ARTICLE 2 - UNION RECOGNITION

2.1 Bargaining Agent

The Company recognizes the Union as the exclusive bargaining agent for the employees as defined in Article 1 during the term of this agreement and agrees to negotiate with the Committee selected by the Union and/or an appointed Representative looking toward a peaceful and amicable settlement of any differences that may arise between the Company and the Union.

2.2 Discrimination

There shall be no discrimination against any employee because of Union activities.

2.3 Union Dues Deduction

All employees shall, as a condition of employment, become and remain active members of the Union. The Company will have all new employees sign a dues deduction authorization, and a Union application card, which will be forwarded to the Union office. The Company agrees to deduct each month, out of wages due to such employees, the appropriate Union dues and any special levies of such employees.

Monies deducted shall be forwarded by the Employer to the Secretary- Treasurer of the Union not later than fifteen (15) days following the end of every second bi-weekly pay period and accompanied by a written statement of the names of the employees for whom the

deductions were made and the amount of each deduction. Union dues shall be shown on the T4 slips.

In the event of a change in the amount of Union dues or assessments or in the levying of a fine, the Union will give the Employer at least eight (8) weeks prior notice of the effective date of the change or deduction as the case may be.

It is the responsibility of the employee to maintain active membership as outlined in the International Constitution and the Local Union Policy.

2.4 Union Security

The Company agrees that persons employed outside the Bargaining Unit shall not, for the duration of the Agreement, perform work which is being performed by Union members except:

- a) in an emergency, which includes the unanticipated absence of bargaining unit employees for the duration of a shift; or
- b) as a trainer.

This clause shall not apply to administrative office employees where the work is part of their regular duties.

2.5 Bulletin Boards

The Company shall provide a reasonable number of bulletin boards, the number and location to be agreed upon by the Union Executive and the Company, for the

purpose of posting Union notices and official papers. All such material may be posted only upon the authority of the Union Executive. The Union may post a union sticker on the bulletin boards in order to identify where official Union notices shall be posted.

ARTICLE 3 - MANAGEMENT

- 3.1** The Management and the direction of the working force, including the right to hire, suspend or discharge for just cause, to assign to jobs, to transfer employees from within the Bargaining Unit to positions outside the Bargaining Unit as covered by this Agreement, to increase and decrease the work force, to determine products to be handled, produced or manufactured, the schedule of production and methods, processes and means of production or handling is vested exclusively in the Company, provided that this will not be used for the purpose of discriminating against any employee, or to avoid any of the provisions of this Agreement.

ARTICLE 4 - HOURS OF WORK

4.1 Continuous Work Schedule

- a) The standard work week for regular employees working on the continuous process shall be the tour of duty described in the posted schedule.
- b) Employees working the continuous process work schedule shall have rest and lunch periods as follows:

- i) a fifteen (15) minute period during the first four (4) shift hours.
- ii) a thirty (30) minute period during the second four (4) shift hours.
- iii) a fifteen (15) minute period during the third four (4) hours.

During such rest or lunch periods employees shall relieve each other in order to continue, subject to the needs of the operation, all necessary supervision of equipment and processes.

- c) Although overtime is not compulsory except where provided in this Agreement, employees working the continuous process work schedule shall not leave their place of work at the end of the shift before their regular replacement or a qualified replacement has reported for work, unless they make arrangements to do so with their Supervisor.

4.2 Alternate Work Schedule

- a) The standard work week for regular employees not on the continuous process work schedule shall be eight (8) hours per day, exclusive of a thirty (30) minute lunch period, forty (40) hours per week, Monday to Friday, inclusive.
- b) The standard work week for warehouse employees not on the compressed work schedule shall be eight (8) hours per day, exclusive of a thirty (30) minute

lunch period, forty (40) hours per week, on any 5 consecutive days.

The Company will give as much notice as possible of any changes to the standard work week for warehouse employees, but in any event, will provide at least fourteen (14) days' notice of any change.

- c) Employees working the alternate work schedule shall have a fifteen (15) minute rest period, one prior to lunch break, and one following lunch breaks, and after two (2) hours worked on overtime, providing such overtime exceeds the two (2) hour period, with the times at which such rest periods shall be taken to be subject to the approval of the Company. A fifteen (15) minute rest period is to be taken at the end of a regular shift prior to the overtime being worked, if such overtime will be two (2) hours or more.

4.3 Overtime

- a) **For regular employees hired prior to January 1, 2019**, overtime rates shall apply in respect of hours worked in excess of their respective standard work week schedules. Such overtime rates shall be double time.

The above overtime rates shall apply to casual employees on the alternate work schedule for hours worked in excess of eight (8) in a day or forty (40) hours in a week, and to casual employees on the alternate work schedule for hours worked in excess of eight (8) in a day or forty (40) hours in a week, and to casual employees on the continuous work

schedule for hours worked in excess of twelve (12) hours in a shift or forty-eight (48) in a tour of duty.

- b) **For regular employees hired after January 1, 2019**, for the first three (3) years of their employment overtime rates shall be one and a half (1.5) times their regular rate for the first four hours of overtime worked above their regularly scheduled work hours in a day, and double time thereafter; and if they are called in on a day off one and a half (1.5) times their regular rate for the first twelve (12) hours on that day and double time between hours 12-16. Once regular employees hired after January 1, 2019 have completed three (3) continuous years of service with the Company, their overtime entitlement shall be the same as for regular employees hired prior to January 1, 2019 [i.e. double time as set out in Article 4.3(a)].

The above overtime rates shall apply to casual employees hired after January 1, 2019 on the alternate work schedule for hours worked in excess of eight (8) in a day or forty (40) hours in a week, and to casual employees hired after January 1, 2019 on the compressed work schedule for hours worked in excess of ten (10) in a day or forty (40) hours in a week, and to casual employees hired after January 1, 2019 on the continuous work schedule for hours worked in excess of twelve (12) hours in a shift or forty-eight (48) in a tour of duty.

- c) It is the intent of the Company to minimize overtime work.

Where a work assignment may result in overtime being performed the Company will follow the procedure set out below:

1. In the event of a scheduled absence, the designated crew relief operator per the posted schedule will be assigned the shift at straight time rates.
2. In the event of an unscheduled absence or work assignment that will result in overtime, the work will be offered to on shift employees who are trained to perform the work, in order of seniority, until adequate relief is arranged.
3. If those employees do not accept the work, the most junior on shift employee who is trained to perform the work will be assigned the work until adequate relief is arranged.
4. Available employees on the off shift who are trained to perform the work will be offered the work by seniority in order to provide relief to the employee noted above in section 2 or 3, as applicable.
5. If the work assignment goes unfilled, then the most junior available employee trained for it will be assigned to perform it.

In no circumstances will an employee be allowed to work more than sixteen (16) hours in any 24-hour period.

4.4 Banked Overtime ("BOT")

- a) Regular employees shall have the option to bank overtime hours, except for statutory holiday pay which may not be banked. Regular employees may request a payout of accumulated banked overtime four times per year, in March, June, September, and December. An employee may not carry in excess of one hundred (100) hours of banked overtime at any time - as such banked overtime in excess of one hundred (100) hours will be paid out at the time the bank exceeds one hundred (100) hours.
- b) Banked time off may only be taken for short term absences [i.e. less than a full one (1) week work block as defined in Article 10.4], except during the first quarter of a year as outlined in (c) below.
- c) In January of each year the Company will generate a year-end report of the previous year's banked overtime for each employee [which will not exceed one hundred (100) hours]. Each employee will have until January 15 to make an election to either have that previous year's banked overtime paid out by January 31 or to request time off equivalent to the amount of their previous year's banked overtime by March 31. The Company will retain the right to approve the time off request or to pay out the previous year's banked overtime as per business needs. The Company will not unreasonably deny such requests.
- d) Any payout of banked overtime hours will be paid out at the rate of pay that it was earned at.

ARTICLE 5 - STATUTORY HOLIDAYS

5.1 Statutory Holidays

The following are statutory holidays recognized by this Agreement:

| | |
|----------------|------------------|
| New Year's Day | B.C. Day |
| Family Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Easter Monday | Remembrance Day |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |

and any other day so proclaimed as a Statutory Holiday by the Government of Canada or the Government of the Province of British Columbia. It is agreed that in addition to the statutory holidays listed above, that an additional floating holiday shall be declared and such date shall be declared and such date shall be mutually agreed upon.

5.2 Statutory Holiday Qualifications

- a) Regular employees and casual employees shall be paid their regular day's pay for the statutory holidays and the floating holiday set forth in Article 5.1. In addition to payment for the statutory holidays and the floating holiday, double time shall be paid for all work performed on the aforementioned holidays for regular employees hired prior to January 1, 2019, and one and a half (1.5) times shall be paid of all work performed on the aforementioned holidays for regular employees hired prior to January 1, 2019, and one and a half (1.5) times shall be paid for all work performed on the aforementioned holidays for

regular employees hired after January 1, 2019 during their first three years of continuous employment with the Company. After completing their first three years of continuous employment with the Company, they shall be paid at the same rate as regular employees hired prior to January 1, 2019.

- b) For regular employees, if the Statutory Holiday falls on a scheduled day off, their next scheduled working day shall be designated as the statutory holiday.
- c) Regular employees on the continuous process work schedule who are scheduled to work on their statutory holiday shall have the option to take the day off provided replacements can be found (including replacement at overtime rates).
- d) Regular employees shall be entitled to all statutory holidays or floating holiday specified in Article 5.1 whether they fall on a regular scheduled work day or not, provided that to qualify for the benefits of this Section in respect to any one of the said holidays, a regular employee must have worked on his last scheduled working day preceding such holiday and his first scheduled working day next following such holiday. If the regular employee is absent due to illness, or is on sick leave on scheduled working days, such absence shall be reviewed by management and may be considered as time worked.
- e) Subject to Article 5.2 (a), casual employees' entitlement to statutory holiday will be in accordance with the Employment Standards Act, R.S.B.C. 1996, c. 113, as amended from time to time.

ARTICLE 6 - WAGES

6.1 Wage Scale

- a) The Company agrees to pay all employees covered by this agreement not less than the hourly rate set out in the wage schedule in Appendix "A".
- b) Regardless of age or sex, equal pay for equal work shall prevail if the work ordinarily carried out can be performed without assistance.
- c) Paydays shall be bi-weekly.

6.2 Employee Temporarily Placed on Another Job

When an employee is temporarily removed from his regular work and placed on other work for a period of two (2) hours or more in any one day, he shall be paid his regular rate of pay, or the basic rate of the other work, whichever is the greater, provided he can do the work without assistance.

6.3 Job Classification Changes

Before new job classifications are established, or existing job classifications are changed, by changes in the character of duties and responsibilities as deemed necessary or advisable by the Company, the Union Office shall be advised in writing. A rate shall be set by the Company. If, after a trial period of thirty (30) calendar days, the Union deems the adjustment made by the Company to be unsatisfactory, the dispute shall be settled pursuant to the Grievance Procedure herein provided.

ARTICLE 7 - SENIORITY

7.1 Seniority Lists

Seniority lists shall be supplied by the Company to the Union when requested. Such lists to include all employees covered by this Agreement. The first list shall include all regular employees in Plant classifications, the second list shall include all regular employees in the Laboratory classification and the third list shall include all casual employees. Each of such three (3) lists shall set out the name, classification, and date of employment for each employee. The Company shall be responsible for maintaining copies of seniority lists on all bulletin boards.

7.2 Casual to Regular Employees

A casual employee may apply for posted job vacancies or full-time employment. Hiring and transfer to full-time status will be subject to the casual employee successfully fulfilling all the requirements of the Company's selection process for new full-time applicants to the Company, which includes an evaluation of past performance, testing, and the result of personal interviews. In the event of such transfer the name of the employee concerned shall be deleted from the seniority list for casual employees and shall be placed on the seniority list for regular employees. On such latter list in respect of an employee so transferring, there shall be set out a date which is not his true date of employment but is a date computed retroactively from his date of transfer, on the basis of one calendar day for each six (6) regular hours worked on the continuous process work schedule, but for regular hours worked on the alternate work schedule

– one (1) day for each eight (8) regular hours and one (1) month for each twenty-two (22) days so calculated.

7.3 Regular Employees to Casual

It shall be permissible for regular employees to transfer to casual status, and in the event of such transfer, the name of the employee concerned shall be deleted from the seniority list for regular employees, and placed upon the appropriate seniority list for casual employees. On such latter list, in respect of an employee so transferring, the amount of regular hours worked as a regular employee will be used as the employee's casual hours.

7.4 Pay In Lieu of Notice

Two (2) weeks' notice or pay in lieu of notice, shall be given to employees (other than casual or probationary employees) should any lay-off become necessary, but an employee may be discharged for cause without notice, and with wages merely to date of discharge.

7.5 Lay-Off - Causes Beyond Company Control

In the event of a lay-off due to causes beyond the control of the Company, it is understood that it will be not necessary for the Company to give notice as provided for in Article 7.4. Should such temporary lay-off extend beyond a two- week period, the Company and Union shall meet to discuss the length of such extension.

7.6 Lay-Offs and Recall

In lay-offs, regular employees shall be laid-off in reverse order of their Company seniority (least senior first), and

vice-versa when recalling, except where the more senior employee does not have the qualifications or training to perform the work to be done. A regular employee shall not be laid off as long as a probation or casual employee is working, provided the regular employee has the qualifications and training to perform the work to be done.

7.7 Plant Closure/Partial Closure

The Closure Agreement referred to in this article is negotiated in good faith between the Company and the Union to provide as much protection and help as possible to employees in the event of a full or partial closure. This article will at least comply with obligations under the Employment Standards Act, R.S.B.C. 1996, c. 113, as amended from time to time.

In the event of a closure of all or part of the business, the Company will notify the Union, in writing, as far in advance as possible.

The Company agrees to meet with the Union to discuss the contemplated shutdown. The Company and the Union will put into place an Industrial Adjustment Committee, comprised of two Company and two Employee representatives, to provide outplacement services for employees. Such services could include, but are not limited to, resume writing, counseling, job search assistance and retraining. The full scope of the Committee's responsibilities will be defined by the Committee members.

An employee, excluding an employee on probation, who is permanently laid-off or terminated as described

above, shall be entitled to benefit as per Article 14 of the collective agreement.

7.8 Job Vacancies

When jobs in the Swiss Water Plant are available, a notice so advising will be posted on the Swiss Water Plant bulletin board for 7 working days. Application shall be made in writing to the Swiss Water Plant Supervisor as indicated on the job posting, with a copy to the Union office. The Company shall send a copy of the job posting to the Union office. If a job posting is cancelled by the Company, the Union shall be notified in writing and the reason thereof.

7.9 Job Awards

Length of service shall be the governing factor in job awards, providing the factors of qualifications, merit and ability are relatively equal among those applying for the position posted.

In the event that the senior applicant is not given a trial period, the Company agrees to discuss the matter with the Union prior to filling the job vacancy. The Company's decision on the selection of an applicant for a posted or re-posted position shall be made known within two (2) weeks from the date of the posting or re-posting.

The normal internal progression to Operator 1 is from the ranks of fully qualified Operator 2's. However, the Company retains the right to hire fully qualified Operator 1's from outside the Swiss Water Plant.

7.10 Probationary Period on Awarded Positions

Employees who receive job awards as outlined in Article 7.9, will receive training on the job procedures during a probationary period which will not exceed six hundred and seventy-two (672) hours worked. If, within such probationary period an employee cannot perform the work in the new position in a satisfactory manner, or is dissatisfied with the job award, it is agreed that such an employee will revert to his former position and rate of pay.

7.11 Experienced Employees

The Company shall retain the right at all times to see that the required minimum number of experienced employees are available on each shift to ensure proper and efficient operation. An employee shall be considered experienced upon completion of the probationary period within his particular classification.

7.12 Loss of Seniority

Seniority and employment shall be lost if an employee:

- a) voluntarily leaves the employ of the Company;
- b) is discharged for just cause;
- c) after a lay-off fails for four (4) working days, in the case of an employee working the continuous process work schedule, or five (5) working days in the case of an employee working the alternate work schedule, to report for work after being recalled by telephone and letter delivered to his address last known to the Company; or

d) has been out of employment by the Company for a period of six (6) consecutive months or longer without a leave of absence.

It is agreed that employees laid off are subject to recall providing they keep the Company informed of their current address and telephone number.

7.13 Notice to Union of Employment Changes

Names of employees covered by this Agreement who are hired, transferred, discharged or resign, shall be submitted to the Union office once each pay period. This will include a written copy of each notification of lay-off and actual lay-offs issued to employees.

ARTICLE 8 - LEAVE OF ABSENCE

8.1 A request by a regular employee for leave of absence without pay and for good reason will receive full consideration by the Company providing the regular employee and will be granted providing the regular employee has completed five (5) years' full-time service and the period of leave will not exceed three (3) months. Such leave to be granted once every three (3) years. Application for such leave shall be made in writing at least four (4) weeks prior to the date leave is desired to commence and copies of said application shall be given to the Swiss Water Plant Supervisor, and the Union. The Company's decision thereon will be binding and copies shall be forwarded to the regular employee and the Union. Any regular employee receiving more than four (4) calendar weeks as leave of absence will not qualify for

vacation payment as per Article 10.1. Vacation pay for these regular employees will be calculated on the percentage basis only.

Management will consider special requests for leave of absence of longer than three (3) months providing management is given three (3) months written notice prior to making this request. For any leave of absence of longer than three (3) months, all monetary benefits normally upheld by the Company shall be discontinued until employment recommences unless the Employee elects to pay the full premium costs to maintain benefit coverage during the absence, and has paid those premium costs in advance to the Company.

ARTICLE 9 - MATERNITY, PARENTAL AND ADOPTION LEAVE

9.1 Maternity, parental and adoption leave will be granted in accordance with the terms set out in the Employment Standards Act, R.S.B.C. 1996, c. 113, as amended from time to time.

ARTICLE 10 - VACATIONS

10.1 Vacation Entitlement

Annual vacation with pay is provided to all regular employees. For the purposes of vacation, the vacation year is January 1 to December 31. The length of vacation is determined by the length of continuous service.

Vacation Entitlement Re: New Hire (Regular Only)

- a) Hired between January 1st and June 30th of any calendar year:

| Vacation Time | To Be Taken After |
|----------------------|---|
| 1 Week | 6 Months of Service |
| 2 Weeks | Anniversary Date of Hire and Before December 31 st |

EXAMPLE

HIRED: June 1st, 1997

VACATION: After December 1st, 1997 [1week]

After June 1st, 1998 and before [2 weeks]
December 31st, 1998

Note: Thereafter, vacation is allocated on a calendar year basis (January 1st to December 31st).

- b) Hired between July 1st and December 31st of any calendar year:

| Vacation Time | To Be Taken After |
|----------------------|---|
| 1 Week | 6 Months of Service |
| 1 Week | Anniversary Date of Hire and Before December 31 st |

OR

| | |
|----------------------|---|
| Vacation Time | To Be Taken After |
| 2 Weeks | Anniversary Date of Hire and Before December 31 st |

EXAMPLE

HIRED: September 1st, 1997

VACATION: After March 1st, 1997 [1 week]

After September 1st, 1998 and [1 week]
before December 31st, 1998

OR

After September 1st, 1998 and [2 weeks]
before December 31st, 1998

Note: Thereafter, vacation is allocated on a calendar year basis (January 1st to December 31st).

Vacation is earned by virtue of service performed in the previous calendar year. Once an employee is beyond the first year adjustment period as per Article 10.1 a) and b), the vacation schedule is as follows:

| Years of Service | Vacation | Vacation Pay |
|-------------------------|-----------------|---------------------|
| 1 to <3 | 2 Weeks | 4% |
| 3 to <8 | 3 Weeks | 6% |
| 8 to <13 | 4 Weeks | 8% |
| 13 to <18 | 5 Weeks | 10% |
| 18 to <25 | 6 Weeks | 12% |
| 25+ | 7 Weeks | 14% |

Three (3), four (4), five (5) and six (6) week vacation entitlements may be taken at any time in the calendar year in which the anniversary date of service falls.

10.2 Vacation Pay

- a) A regular employee's vacation pay shall be calculated on the following basis, whichever is the greater:

Two percent (2%) times the number of weeks of entitlement times gross earning earned during the previous calendar year;

OR

Number of weeks of entitlement times the base rate for the job classification at which he or she is employed at the time of vacation at the normal hours per week.

- b) In this Article 10.2, for regular employees who are working on the continuous process work schedule, a week of vacation means forty-two (42) hours pay.

10.3 Pay Entitlement Prior To Vacation

Employees shall receive their vacation pay on their last regular pay day prior to the vacation, providing the Company has received two (2) full weeks' notice in writing.

10.4 Vacation Scheduling

By no later than March 1st of each year, every regular employee must submit their request for a minimum of

three (3) weeks of their annual vacation entitlement (two weeks for those who have a maximum annual vacation entitlement of two weeks). The Company will post the vacation schedule by April 1st of each year. For any remaining vacation entitlement, an employee must make a written request to the Company a minimum of two (2) weeks prior to the requested vacation days.

Vacation requests will be granted based on seniority and providing the schedule does not interfere with the normal operations of the business. Maintenance Personnel may not take unscheduled vacation during any planned maintenance shutdown. Any planned maintenance shutdown will be a minimum of fourteen (14) days.

Notwithstanding anything else in this section, only one (1) employee from either crew on the continuous work schedule may be off at any one time. Effective as of July 1, 2012, and provided the Company has at least two (2) weeks written notice, one (1) employee from each crew on the continuous work schedule may be off at any one time.

All earned vacation must be taken as paid time off or must be paid out [to a maximum of one hundred (100) hours] by the end of the calendar or vacation scheduling year.

In each calendar year, at least two (2) weeks of annual vacation entitlement must be scheduled to be taken in one-work-week blocks. For regular employees who are working the continuous process work schedule, one-week- work block shall mean a minimum of 3 scheduled shifts within a seven (7) day period.

10.5 Deferred Vacations

If a regular employee is under the care of a physician due to injury or illness prior to his vacation commencement, then the regular employee shall have the option to postpone his annual scheduled vacation to a week open for vacation scheduling.

10.6 Termination Vacation Allowance

In the event that a regular employee leaves the service of the Company, all vacation earned in the prior year and owed by not being taken in the current year, plus the pro-rated amount earned as a result of the time worked in the current year, will be paid to the employee or his/her estate.

10.7 Casual Employee Entitlement

Casual employees shall earn vacation pay based on their records of continuous service with the Company, and such vacation pay shall be a percentage of the casual employee's gross earnings from January 1st to December 31st, as follows:

| Years of Service | Vacation Pay |
|-------------------------|---------------------|
| 1 to <3 | 4% |
| 3 to <8 | 6% |
| 8 to <13 | 8% |
| 13 to <18 | 10% |
| 18 + | 12% |

Payment of casual employees' vacation par entitlement shall be made on their first regular payday following December 31st, and on date of termination.

ARTICLE 11 - SAFETY AND HEALTH

11.1 Provisions for Safety and Health

The Company shall continue to make reasonable provisions for safety and health of its employees at the plant during the hours of their employment.

11.2 First Aid Attendants

It is agreed that First Aid facilities and a qualified First Aid Attendant holding an Occupational First Aid certificate shall be provided for by the Company. Where a regular employee within the Bargaining Unit holds a valid Occupational First Aid certificate, the following premiums shall be paid in addition to his regular rate:

Level 3 - Occupational First Aid - \$0.75/hour

Level 2 - Occupational First Aid - \$0.60/hour

Level 1 - Occupational First Aid - Nil

11.3 Safety Committee

There shall be a Safety Committee as provided for under the Workers' Compensation Act, composed of representation on behalf of the Company and the Union, the said representatives on behalf of the Union shall be appointed by the Union members in each area. Monthly meetings of the said committee shall be held and minutes posted on bulletin boards.

ARTICLE 12 - GRIEVANCE AND ARBITRATION PROCEDURES

12.1 Definition of Grievance

"Grievance" means any complaint or claim brought by the Company or the Union or by any employee concerning discipline or discharge, or relating to wages, hours of work or working conditions, or related to interpretation, application or alleged violation of this Agreement.

12.2 Grievances to be in Writing

All grievances shall be in writing, signed by the party making the grievance. No grievance shall be considered if the alleged circumstances occurred more than twenty (20) working days prior to its presentation to the Company.

12.3 Grievance Committee

There shall be a Grievance Committee consisting of members designated by the Union, who will be afforded such time off with pay as may be required to attend meetings with management, held at the request of management or the Grievance Committee.

12.4 Steps in Processing A Grievance

The steps to be taken in the handling of any grievance shall be as follows:

FIRST: In the case of a grievance by any individual employee, such employee, with a Shop Steward, shall meet as soon after presentation

of the grievance as may be mutually convenient with his immediate Supervisor. The Company shall inform the employee and the Shop Steward of its decision within twenty-four (24) hours of the termination of the meeting.

This step may be omitted if the grievance concerns the dismissal of an employee.

SECOND: If settlement is not achieved by the first step, or if such step is not applicable, a meeting will then be held between a representative or representatives of the Union and the Company. The party to whom the grievance was presented shall make its decision known within seventy-two (72) hours of the termination of the meeting.

THIRD: If settlement is not achieved by the second step, the following shall apply upon the agreement of both parties.

Where a difference arises between the parties relating to the dismissal, discipline or suspension of an employee, or to the interpretation, application, operation or alleged violation of this agreement, including any question as to whether a matter is arbitrable, during the term of the collective agreement, Vince Ready or a substitute agreed to by the parties, shall at the request of either party:

- a) investigate the difference
- b) define the issue in the difference, and

- c) make written recommendations to resolve the difference within five (5) days of the receipt of the request; and for those five (5) days from that date, time does not run in respect of the grievance procedure.

Should this process not result in settlement of the grievance, either party may proceed to arbitration, in accordance with Article 12.7, without prejudice to the written recommendation.

12.5 Steps in Processing a Company Grievance

A Company grievance shall be in writing and shall be presented to a member of the Union Grievance Committee or to a Union Official. A meeting will then be held between the Union Grievance Committee and the Company and if no settlement is reached, may be submitted to arbitration.

12.6 Time Limits

Any grievance not appealed from the decision in the first or second steps of the Grievance Procedure within five (5) working days, shall be considered settled on the basis of the last decision. The parties may waive and/or enlarge any of the above time limits by mutual agreement.

12.7 Arbitration

If settlement is not achieved by the third step, the grievance shall be submitted to arbitration.

- a) this step may be invoked by any party giving written notice to the other party concurrently with the decision required under the preceding step, or within forty-eight (48) hours thereafter.
- b) the arbitration board shall be composed of one person appointed by mutual agreement between the Union and the Company; within five (5) working days of the giving of notice of invocation of this step, the parties shall select the Arbitrator. Should the Union and the Company fail to agree upon a single Arbitrator within five (5) days, then application shall be made to the Minister of Labour of the Province of British Columbia requesting the appointment of an Arbitrator.
- c) the decision of the Arbitrator shall be final and binding on both parties.
- d) the Arbitrator shall not have the power to alter or change any of the provisions of this Agreement, or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement.

ARTICLE 13- DISCIPLINARY CASES

- 13.1**
- a) All reprimands and letters of discipline issued to employees shall be forwarded to the Union Office.
 - b) If an employee is discharged, laid off, or suspended from employment and such employee alleges that he has been unjustly dealt with, such discharge, lay-off,

or suspension shall constitute a matter to be taken up under the method of adjusting grievances herein provided. Should it be decided or agreed that an injustice has been done to an employee, the Company shall reinstate such employee with no loss of seniority and shall pay full compensation for the time lost or such lesser sum as may be agreed upon between the Company and the Union, or recommended by the Arbitrator, as the case may be.

ARTICLE 14 - SEVERANCE PAY

14.1 Scale of Severance Pay

When employment of a regular employee is terminated by the Company for reasons other than those set out in Article 14.2 below, the Company, in addition to accrued vacation pay, shall pay a regular employee the following:

After two (2) years of service, one (1) week's pay for every year of service to a maximum of forty (40) weeks which would be attained in the 40th year of service.

14.2 Severance Pay - Resignation

The above shall not apply when a regular employee retires, resigns or is discharged for just cause.

ARTICLE 15 - JURY DUTY

15.1 Each employee other than a probation employee who is summoned to and reports for jury duty or is subpoenaed

as a witness, as prescribed by applicable law (subject to the eligibility requirements set out below), shall be paid by the Company the difference between the employee's regular straight time hourly wage rate for the number of hours up to the hours of a regular working day that he otherwise would have been scheduled to work, and daily jury duty fee paid by the court (not including travel allowance or reimbursement of expenses). In order to receive payment under this Article, an employee must meet all of the following eligibility requirements:

- a) the employee shall have given prior notice to the Company that he has been summoned for jury duty.
- b) the employee shall furnish satisfactory evidence to the Company that he reported for or performed jury duty on the days for which he claims payment.
- c) the employee would otherwise have been scheduled to work for the Company on the day for which he claims payment.

The employee shall remit to the Payroll Department any fees received from the Courts for the jury duty performed (except for expenses reimbursed by the Courts).

ARTICLE 16 - LABOUR DISPUTES

- 16.1** The Company agrees that in the event of a legal strike amongst the employees of a concern with which the Company is doing business, it will not ask, require, or in any way force or compel members of the Union to

service such a strike-bound firm by crossing any legally established picket lines. In any event, it is agreed that the Company will not require employees to cross any legal picket line at any of the Company's place of business operations or employment.

Should a question regarding "hot goods" arise, it shall immediately be referred by the Union representative to the Company's Industrial Relations Department for joint discussions and consideration.

ARTICLE 17 - BEREAVEMENT LEAVE

17.1 The Company shall provide up to three (3) days bereavement leave from work with pay for regular employees in the event of a death in the immediate family, for purposes of arranging and/or attending the funeral. If travel outside the Province of British Columbia is necessary in order to arrange and/or attend the funeral, up to an additional two (2) days paid leave from work shall be provided, if required.

Immediate family includes:

spouse, parent, step-parent, child, step-child, guardian, sibling, step-sibling, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandmother, grandfather, or any other person who lives with an employee as a member of the employee's family.

Bereavement leave with pay does not extend to periods of time when an employee is already absent (or would be absent) from his job for other reasons.

ARTICLE 18 - SICK LEAVE

18.1 Sick Leave Entitlement

- a) For regular employees hired prior to January 1, 2019: Upon completion of the probation period, on January 1 of each year, each full-time regular employee shall be granted a credit of forty-eight (48) hours sick leave, pro-rated for any partial year of employment.
- b) For regular employees hired after January 1, 2019: After completing the probationary period, each full time regular employee shall be granted a credit of eight (8) hours sick leave, and then on each subsequent January 1 the employee's annual sick leave credit will be increased by eight (8) hours to a maximum of forty-eight (48) hours per year. For clarity, a regular employee who passes probation in 2019 shall be granted a credit of eight (8) hours sick leave in 2019, sixteen (16) hours in 2020, twenty-four (24) hours in 2021, etc. to a maximum of forty-eight hours sick leave in 2023 and subsequent years.
- c) Regular employees will not be credited with or paid sick pay for those months during which they are on leave of absence.
- d) In the event of illness, a regular employee can utilize their accrued sick leave credits which will be paid out at one hundred percent (100%) of the regular employee's classified rate.
- e) At the end of each calendar year, regular employees who have a sick leave credit balance shall receive a cash payout to a maximum of forty- eight (48) hours.

Any remaining unused sick leave credits will expire and cannot be carried forward and applied to subsequent calendar years. For greater certainty, except as set out above, sick leave credits have no monetary value.

- f) Employees who retire, or who voluntarily terminate their employment with the Company, or who are permanently laid off from their employment with the Company, shall upon retirement, voluntary termination or permanent lay-off, be paid for any unused sick leave credits up to a maximum of forty-eight (48) hours.

18.2 Abuse of Sick Leave Plan

Willful abuse of any of the provision of the sick leave plan will result in disciplinary action being taken by Management.

ARTICLE 19 - UNION BUSINESS LEAVE

19.1 Leave When Appointed to Union Office

The Company will grant leave of absence without pay to employees who are appointed to Union Office for a period of up to, and including one (1) year. Further leave of absence may be granted by mutual consent. The employees who obtain this leave of absence shall return to the Company within thirty (30) calendar days after the completion of the term of employment with the Union.

19.2 Leave to Attend on Union Business

The Company will grant leave of absence without pay to a maximum of two (2) employees at any one time, who are elected or appointed as Representatives to attend Labour Conventions, Union Meetings, seminars, and negotiations, in order that they may carry out their duties on behalf of the Union.

19.3 Notice to Employer Re: Union Leave

In order for the Employer to replace the employee with a competent substitute, it is agreed that before the employee receives this leave of absence, as set forth in Article 19.1 and 19.2 above, the Employer will be given due notice in writing; in the case of Article 19.1 - two (2) months; and in the case of Article 19.2 - fourteen (14) calendar days.

ARTICLE 20 - GENERAL

20.1 Employee Responsibility

The Union guarantees that its members will faithfully and diligently perform their respective duties for the Company and will at all times carry out their individual responsibilities according to the regulations, methods and systems of the Company.

20.2 Wearing Apparel

The Company will continue to supply and launder coveralls and smocks where necessary.

The Company will provide reimbursement of up to one hundred dollars (\$100.00) per calendar year for steel-toed boots upon receipt of proof of purchase. Such reimbursement shall be made only to those employees who work in areas where safety boots are required by the Company or Workers' Compensation Board.

Employees may choose to carry over current year's entitlement of one hundred dollars (\$100.00) to the following calendar year to purchase steel-toe boots up to two hundred dollars (\$200.00), upon receipt of proof of purchase.

20.3 No Loss of Earnings on W.C.B.

When a regular employee's claim for Workers' Compensation is accepted by the Workers' Compensation Board of British Columbia the Company will pay the employee, up to a maximum of four (4) weeks of compensable illness or accident, the difference between his regular earnings less normal and required deduction, and the amount received from the Workers' Compensation Board. If the regular employee has not received a cheque from the W.C.B. by his next pay day, then the Company will make an appropriate advance payment, and the employee will sign an authorization to reimburse the Company.

ARTICLE 21 - HEALTH AND WELFARE BENEFITS

21.1 Insured Benefit Plans

Regular employees of the Company will become eligible for the benefits as provided by the Benefit Plan arranged by the Company and listed below.

a) Swiss Water Decaffeinated Coffee Inc. Medical Plan -
May 31,2000

Includes:

- MSP
- Extended Health Care

b) Dental Insurance Plan

Plan A 100%

Plan B 75%

Plan C 75% to a maximum of \$1,000

c) Group Life Insurance Plan

\$25,000, reducing by 50% at age 65

d) Weekly Indemnity Plan - Short Term Disability

Waiting Period:

Accidental Injury none

Disease 3 days

If you are hospitalized for at least 24 hours prior to the last day of the waiting period for disease, benefits will begin on the day you are hospitalized.

Maximum benefit period: 26 weeks

Amount 70% of weekly earnings to a maximum of \$900. Any amount of STD Insurance over \$650 is subject to approval of evidence of insurability.

e) Swiss Water Decaffeinated Inc. Contact Employee Assistance Plan.

f) Long Term Disability Plan

No waiting period for existing employees at January 1, 2007. New employees subsequent to January 1, 2007 will have a six-month waiting period.

Benefit of sixty-seven percent (67%) of monthly earnings following a 180-day elimination period.

If an employee's earnings entitles them to a monthly benefit in excess of a pre-defined amount, then the excess amount would have to be approved by the insurer based on a medical questionnaire.

There will be a pre-existing condition clause that states if an employee has received treatment/consultation for any condition within a limited period prior to the effective date of this benefit, and a disability results from this same condition, then there will be an exclusion from eligibility.

The definition of a disability is a limited period own occupation and any occupation period thereafter.

21.2 RRSP

A. For regular employees hired prior to Jan. 1, 2019

Effective June, 1998 and thereafter, during the term of the current Collective Agreement between the Union and the Company and any renewals or extensions thereof the Company agrees to make payments to an RRSP Plan (the new Plan) for each employee working in job classifications covered by

the Collective Agreement equal to ten percent (10%) of his gross earnings.

It is understood and agreed that employees shall be eligible and shall become members in the new Plan and new Fund and contributions shall commence being made to the new Fund only after they have become regular employees or when a casual employee works five hundred (500) hours or more in two consecutive years, the Company will thereafter contribute to the Plan an amount equal to ten percent (10%) of his gross earnings in each year.

It is understood and agreed that contributions by the Company shall be payable in respect to the gross earnings of regular employees regardless of whether or not they are members of the Union, so long as they are subject to the Collective Agreement. It is further understood and agreed that gross earnings shall include holiday pay vacation, pay, overtime and any other similar earnings received by the employee pursuant to the Collective Agreement. Contributions shall be forwarded by the Company to the Trust Company or other financial institution designated to receive these and shall do so not later than twenty-one (21) days after the close of the Company's normal four (4) week or monthly accounting periods.

The Company agrees it will continue to assist in the administration of the Plans by carrying out those functions described herein such as providing such forms as may be required from time to time in connection with the Plans' operations and arranging for their completion and working with the Trustees

and their actuary in the processing of payments of benefits which become due to members.

B. For regular employees hired after January 1, 2019

The Company will match an employee's contribution to the employee's RRSP up to the following maximum amounts:

- I. From the time the employee completes his/her probationary period until the employee has completed three consecutive years of service. A maximum of three percent (3%) of the employee's regular earnings in each of these years;
- II. From the time the employee has completed three consecutive years of service until the employee has completed four consecutive years of service. A maximum of five percent (5%) of the employee's gross earnings;
- III. From the time the employee has completed four consecutive years of service until the employee has completed five consecutive years of service. A maximum of seven percent (7%) of the employee's gross earnings;
- IV. After an employee has completed five consecutive years of service. A maximum of nine percent (9%) of the employee's gross earnings each year.

It is understood and agreed that the Company will only be required to match the contribution that an employee makes to his/her RRSP up to these maximum amounts – so for example if an employee with more than five consecutive years of service only contributes five percent (5%) of his/her gross earnings to his/her RRSP in a given year, the Company will only be required to contribute five percent (5%) to the employee's RRSP for that year.

ARTICLE 22 - TECHNOLOGICAL CHANGE

22.1 During the term of this Agreement, any disputes arising in relation to adjustment to technological change shall be discussed between the bargaining representatives of the two parties to this Collective Agreement:

- a) The Employer will give to the Union in writing at least sixty (60) days' notice of any intended technological change that:
 - i) affects the terms and conditions of security of employment of a significant number of employees to whom this Collective Agreement applies, and
 - ii) alters significantly the basis upon which the Collective Agreement applies.

The parties of this Agreement shall meet to discuss this technological change, and if the dispute cannot be settled in direct negotiations, either party may

refer the matter to an arbitration board pursuant to Article 12 of this Agreement, bypassing all other steps in the grievance procedure.

- b) Upon referral to the arbitrator he shall decide whether or not the Company has or intends to introduce a technological change and if so finding shall inform the Minister of Labour of this finding and may then or later make any one or more of the following orders:
 - i) that the change be made in accordance with the terms of the Collective Agreement unless the change alters significantly the basis upon which the Collective Agreement was negotiated;
 - ii) that the Employer will not proceed with the technological change for such period, not exceeding ninety (90) days, as the Arbitrator considers appropriate;
 - iii) that the Employer reinstate any employee displaced by reason of the technological change;
 - iv) that the Employer pay to that employee such compensation in respect to his displacement as the Arbitrator considers reasonable;
 - v) that the matter be referred to the Labour Relations Board (under Section 77 of the Labour Code of British Columbia).

ARTICLE 23- EMPLOYEE RELATIONS COMMITTEE (E.R.C.)

23.1 The parties agree to an Employee Relations Committee (E.R.C.) to address issues related to the ongoing restructuring of operations and the use of casual employees.

The Committee will include three (3) Union Representatives and three (3) Company Representatives, to be made up by the respective parties Negotiating Committee members.

The Committee will meet, as necessary, to deal with changes to the Operations being contemplated by the Employer. The Employer will give the Union as much notice as possible of the changes and Union representatives on the Committee will be given the opportunity to present alternative solutions. Regardless of the solution, the Company chooses, the Company will explain the reasons for its decision when requested.

It is understood that any information shared in these discussions shall remain confidential between the parties.

ARTICLE 24 - DURATION OF CONTRACT

24.1 The Company and the Union mutually agree that this Agreement shall be effective January 1, 2019 to December 31, 2024 [a six (6) year term] unless written notice of intent to amend or terminate is given by either party to the other party within four (4) months prior to the expiration of the Agreement or any yearly period.

Within ten (10) days after receipt of such notice, the parties to this Agreement shall begin to negotiate. During such period of negotiation, this agreement shall remain in full force and effect.

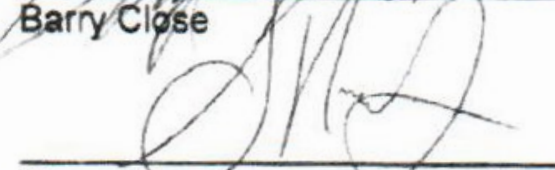
The parties agree to specifically exclude the operation of sections 50(2) and (3) of the Labour Relations Code.

SIGNED THIS 29th DAY OF NOVEMBER, 2018

ON BEHALF OF THE COMPANY




Barry Close

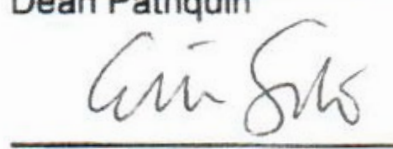


Sam Hameed

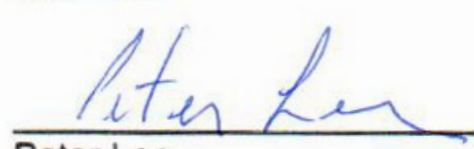
ON BEHALF OF THE UNION



Dean Patriquin



Eric Seto



Peter Lee



Justin Ellis

APPENDIX A

CLASSIFICATIONS AND WAGE SCHEDULE

| Classifications | Current Rates | Jan. 1, 2019 Rate | Jan. 1, 2020 Rate | Jan. 1, 2021 Rate | Jan. 1, 2022 Rate | Jan. 1, 2023 Rate | Jan. 1, 2024 Rate |
|---|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Maintenance | \$37.89 | \$38.65 | \$39.42 | \$40.21 | \$41.02 | \$42.04 | \$43.09 |
| Process Operator 1 | 34.42 | 35.11 | 35.81 | 36.53 | 37.26 | 38.19 | 39.14 |
| Process Operator 2 (>3,000 hrs) | 32.29 | 32.94 | 33.59 | 34.27 | 34.95 | 35.83 | 36.72 |
| Process Operator 2 (<3,000 hrs) | 26.18 | 26.70 | 27.24 | 27.78 | 28.34 | 29.05 | 29.77 |
| Process Helper (<2 years) | 18.49 | 18.86 | 19.24 | 19.62 | 20.01 | 20.51 | 21.03 |
| Process Helper (>2 years) | 19.72 | 20.11 | 20.52 | 20.93 | 21.34 | 21.88 | 22.43 |
| Warehouse | 27.01 | 27.55 | 28.10 | 28.66 | 29.24 | 29.97 | 30.72 |

| Classifications | Current Rates | Jan. 1, 2019 Rate | Jan. 1, 2020 Rate | Jan. 1, 2021 Rate | Jan. 1, 2022 Rate | Jan. 1, 2023 Rate | Jan. 1, 2024 Rate |
|---------------------------------------|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Warehouse (<2,000 hrs) | 19.72 | 20.11 | 20.52 | 20.93 | 21.34 | 21.88 | 22.43 |
| Lab Technologist (SM) | 34.42 | 35.11 | 35.81 | 36.53 | 37.26 | 38.19 | 39.14 |
| Lab Technologist | 30.97 | 31.59 | 32.22 | 32.87 | 33.52 | 34.36 | 35.22 |
| Lab Technologist (<2 years) | 24.77 | 25.27 | 25.77 | 26.28 | 26.81 | 27.48 | 28.16 |

4th Class Power Engineering Certificate - \$0.75/hour

APPENDIX A-1

Charge Hand Rate

The rate of pay for maintenance personnel who are required to direct and/or supervise the work of outside contractors in the Plant (excluding service calls) at any time, and/or Plant employees during the shutdown periods shall be one hundred and five percent (105%) of the hourly rate for the position. The Company shall give advance notice of any day in which the employee will be required to act in this capacity.

APPENDIX A-2

Shift Differential

Employees working the continuous process work schedule who begin their shift at 6:30 pm shall be paid an additional sixty cent (\$0.60) per hour premium. Employees who work on Sundays shall also be paid a sixty-cent (\$0.60) per hour premium for hours worked on Sunday. Employees shall not be entitled to receive both of these premiums.

LETTER OF UNDERSTANDING #1

ARTICLE 1.2 and 1.3 - REGULAR and CASUAL EMPLOYEE

It is the intent of the Company to staff and run the operation with regular employees working the standard work week schedules. The Company may use causal employees as required, and in accordance with the terms of the Agreement, with a ratio of three (3) regular employees to one (1) casual employee as a guideline.

SIGNED THIS 27 DAY OF FEB, 2015.

ON BEHALF OF THE COMPANY



ON BEHALF OF THE UNION



LETTER OF UNDERSTANDING-#2

COMPRESSED WORK WEEK SCHEDULE

A compressed work week schedule may be implemented by the Company for certain positions excluding Process Operator 1 & 2. The standard work week for employees on the compressed work schedule shall consist of four (4) consecutive ten (10) hour shifts, exclusive of a thirty (30) minute lunch break, with three (3) days off.

Regular employees on the Compressed Work Week Schedule shall be paid their regular day's pay for the Statutory Holiday set forth in Article 5.1. In addition to payment for the Statutory Holiday, the collective agreement overtime rates shall be paid for all work performed on the aforementioned holidays.

Employees working the Compressed Work Week Schedule shall have two (2) fifteen (15) minute rest periods, one prior to lunch break, and one following lunch break.

A fifteen (15) minute rest period is to be taken at the end of the regular shift prior to overtime being worked, if such overtime will be two (2) hours or more.

The **Compressed Work Schedule** for the Warehouse will be as follows:

| Schedule | Crew | Sun | Mon | Tues | Wed | Thurs | Fri | Sat |
|----------|------|-----|-----|------|-----|-------|-----|-----|
| 1 | A | | 10 | 10 | 10 | 10 | | |
| 2 | B | | 10 | 10 | | | 10 | 10 |
| 3 | C | 10 | | | 10 | 10 | 10 | |

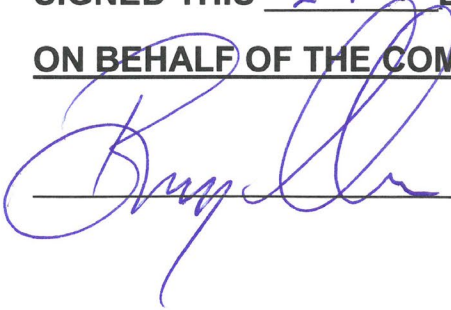
Shift Rotation (3-week rotation)

| | Crew | Schedule |
|---------------|------|----------|
| Week 1 | A | 1 |
| | B | 2 |
| | C | 3 |
| Week 2 | A | 2 |
| | B | 3 |
| | C | 1 |
| Week 3 | A | 3 |
| | B | 1 |
| | C | 2 |

SIGNED THIS 27 DAY OF FEB., 2015.

ON BEHALF OF THE COMPANY

ON BEHALF OF THE UNION





LETTER OF UNDERSTANDING #3

TRANSITION PERIOD

- A. The Company is building a new facility in Delta. It is anticipated that the new facility will become operational as early as 2020, although the date is still uncertain;
- B. For a period of time the Company will run the new facility in Delta and the existing facility in Burnaby, and then the Company will close its facility in Burnaby;
- C. It is in the interests of all parties (the Company, the Union, and the Employees) that the employees become trained to work in the new Delta facility to ensure that there is a seamless transition with a minimum of disruption.

THEREFORE, THE PARTIES AGREE AS FOLLOWS:

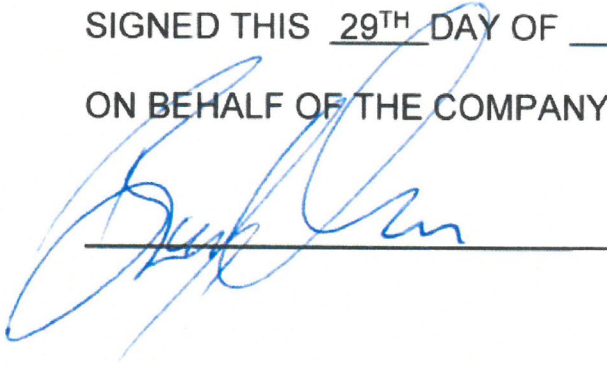
1. The “Transition Period” is expected to be a period of approximately three (3) months. Though the parties are not yet certain as to when it will commence, it is expected to commence in late 2019 or early 2020. As the time for the opening of the new facility approaches, the Company will inform the Union with greater certainty as to the start date of the Transition Period. The Company may extend the Transition Period for an additional three (3) months by notifying the Union within the first two (2) months of the Transition Period. If a longer Transition Period is needed [more than six (6) months], it will be by mutual agreement, and the Union will not unreasonably withhold its agreement.

2. During the Transition Period the Company will design a schedule for the employees that will include training shifts at either facility. The Company will post schedules two weeks in advance during the Transition Period and shall have the right to assign employees to either location subject to the commitment that it will not assign employees to work at both locations during the same shift (except in emergencies).
3. The Company may assign employees to work part of a day in training, and the remainder of the day in his/her regular duties. The Company will ensure that employees do not suffer any reduction in compensation in a pay period by participating in the training.
4. The Union agrees to cooperate with the Company in allowing for flexibility during the Transition Period.
5. The Company agrees that its intention is to minimize disruption to the regular work schedule of employees while they are not involved in training.
6. Any disputes or issues with regard to this Letter of Understanding will be dealt with at the ERC level. Any disputes or issues not resolved at the ERC level will then be subject to the Grievance Procedure in the Collective Agreement.
7. Once the Transition Period has been completed, employees will once again be scheduled as per the Collective Agreement schedules, and this Letter of Understanding will no longer have any force or effect.

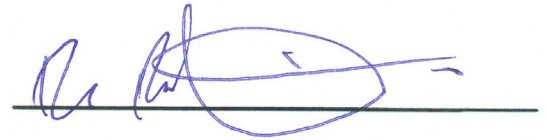
(Example: the Operators will be scheduled as per the posted scheduled attached as Letter of Understanding No. 3 Appendix "A").

SIGNED THIS 29TH DAY OF NOVEMBER, 2018.

ON BEHALF OF THE COMPANY:



ON BEHALF OF THE UNION:



LETTER OF UNDERSTANDING NO. 3 APPENDIX A

Posted Schedule for Operators and Shift Coverage

Shift Schedule:

| | | Mon | Tues | Wed | Thurs | Fri | Sat | Sun |
|---------------|-------|-----|------|-----|-------|-----|-----|-----|
| Week 1 | Day | A | A | C | C | B | B | B |
| | Night | E | E | F | F | E | E | E |
| Week 2 | Day | D | D | A | A | C | C | C |
| | Night | F | F | E | E | F | F | F |
| Week 3 | Day | B | B | D | D | A | A | A |
| | Night | E | E | F | F | E | E | E |
| Week 4 | Day | C | C | B | B | D | D | D |
| | Night | F | F | E | E | F | F | F |

(A), (B), (C) & (D) represent 3 Operator 1 on 12-hour continuous shift with one Operator1 on each line.

Operators on 2 weeks rotation through each line starting on their Monday shift.

(E) & (F) represent Operator 2 on 12-hour continuous shift.

Operators on rotation between Lines 1 & 2 and Line 3 starting on their Monday shift.

Rotation includes night shifts at Line 3.

A minimum of two (2) operators on all shifts for each facility when process in operation.

When operator's scheduled line is down, the operator with shift seniority to be scheduled to the line in operation.

(E) is the "designated relief" for (A) & (B). When not required to cover for absences of operator1 or operator2 on (A) or (B) the operator will be designated to the day shift following the (A) & (B) posted shift rotation or as otherwise required. For Statutory Holidays it is understood that (E) will be scheduled off on the designated Statutory Holiday, unless required to work by management. In this case, management will provide 14 days' notice prior to the designated Statutory Holiday that (E) will be required to work. Under the collective agreement, any employee has the option to decline working the Statutory Holiday and in this case, then management will determine if it is actually required, if so, they will follow the terms of the collective agreement under Article 5.2 (c).

(F) is the "Designated Relief" for (C) & (D). When not required to cover for absences of Operator 1 or Operator 2 on (C) or (D) the operator will be designated to the day shift following the (C) & (D) posted shift rotation or as otherwise required. For Statutory Holidays it is understood that (F) will be scheduled off on the designated Statutory Holiday, unless required to work by management. In this case, management will provide 14 days' notice prior to the designated Statutory Holiday that (F) will be required to work. Under the collective agreement, any employee has the option to decline working the Statutory Holiday and in this case, then management will determine if it is actually required, if so, they will follow the terms of the collective agreement under Article 5 .2 (c).

Additional Relief Operator

The "Additional Designated Relief" operator will work a mutually agreed upon flexible work schedule in order to provide coverage for all crews as required with fourteen (14) days' notice. For Statutory Holidays, the "Additional Designated Relief" will be scheduled off unless required under the collective agreement Article 5 .2 (c) and Letter of Understanding # 2 clause #5.

Shift Coverage Requirements:

Operators on the continuous posted shift shall provide notice of vacation requirements as defined in Article 10.4 "Vacation Scheduling" of the collective agreement.

The designated relief operators shall be given a minimum of fourteen (14) days' notice of the requirement to switch day shift to night shift on their designated crews.

When a continuous posted shift operator is absent, the designated relief operator for those crews will fill in as an Operator 1 or Operator 2 as required.

An operator on the continuous posted shift shall stay an extra two (2) hours to perform Operator 2 basic routine duties when the Operator 2 on the present and following shift is absent. Management may modify the duties performed and reduce overtime to one (1) hour.

Clarification of fourteen (14) days' notice - 1st day is the day notified, 14th day is the first day of the revised schedule. Clarification in place from the effective date forward.

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