



COLLECTIVE AGREEMENT

BETWEEN:

PARAGON PROTECTION LTD.
(Hereinafter referred to as the "Company")

- and -

UFCW CANADA LOCAL 333
(Hereinafter referred to as the "Union")

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ARTICLE 1 - PURPOSE

1.01 The general purpose of the Agreement between the Company and the Union is to establish and maintain:

- (a)** orderly collective bargaining relations;
- (b)** a procedure for the prompt and equitable handling of grievances;
- (c)** satisfactory working conditions, hours of work and wages, for all employees who are subject to the provisions of the Agreement, in recognition of the principle that an employee shall receive a fair day's pay for a fair day of work effort.

ARTICLE 2 - RECOGNITION AND SCOPE

2.01 (a) The Company recognizes the Union as the sole and exclusive bargaining agent for all security guards in its employ in the Province of Ontario, save and except supervisors and persons above the rank of supervisor.

(b) For the purpose of greater certainty a security guard is defined as any person licensed under the Private Investigator and Security Guard Act of Ontario R.S.O. 1980 (hereinafter referred to as P.I.S.G.A.). In the event that during the life of this agreement the term security guard is amended or the P.I.S.G.A is amended the term security guard will refer to any employee who would have been defined a security guard under the P.I.S.G.A.

2.02 For the purpose of this agreement;

- (a) "full-time employee" means an employee employed in the bargaining unit described in 2.01 who regularly works more than twenty-four (24) hours per week;
- (b) "part-time employee" means a part-time employee employed in the bargaining unit described in 2.01 who regularly works twenty-four (24) hours per week or less.
- (c) "casual employee" is an employee who works intermittently for the Company and who is designated as such by the Company.

2.03 The terms and conditions set forth in this Agreement shall have full force and effect for all full-time employees in the bargaining unit described in paragraph 2.01 herein. Only the following provisions apply to part-time employees and students employed during the school vacation period:

- (a) Article 5;
- (b) Article 8;
- (c) The probationary period in Article 10;
- (d) Article 11;
- (e) The wage rates set out in Schedule "A".

2.04 Employees of the Company in supervisory positions shall not perform or assume the duties of any unionized position except on an occasional and necessary basis for the purpose of training, and in circumstances beyond the Company's control.

2.05 The Company at no time shall use contracting out in order to intentionally subvert the bargaining unit position. If the Union so claims, they will have the right to appeal to the Labour Department for a Section 45 Arbitration and the decision of the Arbitration shall be final.

NOTE: Wherever the male gender appears, it shall also intend to imply the female gender.

ARTICLE 3 - NO DISCRIMINATION

3.01 The parties 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 the employees' membership or non-membership in the Union or by reason of age, race, creed, colour, national origin, religious affiliation or sex, as such terms are defined in the Ontario Human Rights Code.

3.02 The Union agrees that, except as provided for in this Agreement, there will be no Union activity on the premises of the Company and job sites except by agreement with the Company.

ARTICLE 4 - MANAGEMENT RIGHTS

4.01 Except, and to the extent specifically modified by this Agreement, all rights and prerogatives of management are retained by the Company and remain exclusively and without limitation within the rights of the Company and its management. There shall be no attempt by either party or an Arbitrator or a Board of Arbitration to read into the provisions of this Agreement a principle or authority whereby the process of collective bargaining has in any way usurped the rights of management. Without limiting the generality of the foregoing, the Company's

exclusive rights, power and authority shall include but shall not be confined to:

- (a) the right: to plan, direct, control and alter all operations; to designate, establish, revise or discontinue departments, to select and retain employees for positions excluded from the bargaining unit, subject to the express terms of the Collective Bargaining Agreement;
- (b) make, enforce and alter, from time to time, reasonable rules and regulations to be observed by the employees; hire, transfer, promote, demote, classify, assign duties, lay off, retire, recall, discharge, suspend or otherwise discipline employees, provided that a claim that an employee who has completed his probationary period has been discharged or disciplined without just cause or has been dealt with contrary to the provisions of this Agreement may be the subject of a grievance and dealt with as hereinafter provided;
- (c) the right, to determine the location and extent of the operations and their commencement, expansion, curtailment or discontinuance; the direction of the working forces, the services to be provided; the description of jobs; the subcontracting of work; the schedule of hours of work and of production; the number of shifts; the requirement of medical examinations at the Company's expense by a physician designated or approved by it; the qualification of employees; the use of improved methods; whether there shall be overtime and who shall perform such work; the number of employees needed by the Company at any time and how many shall work on any job; the number of hours to be worked; starting and quitting time period and generally, the right to manage the enterprise and its business without interference are solely and exclusively the right of the Company.

4.02 Where the rights, power and authority itemized above are modified or limited by the terms and provisions of this Agreement, they shall only be modified or limited

to the extent specifically provided for therein.

ARTICLE 5 - UNION SECURITY AND DUES

- 5.01** The Company agrees to deduct Union dues from the bi-weekly earnings of each employee.
- 5.02** The Union dues deducted will be a fixed dollar amount per pay which amount the Union will certify to the Company to be currently in effect according to the Union's constitution. The required deductions shall be made for each pay period and shall be remitted within fifteen (15) days after the month in which such deductions are made to the designated officer of the Union. The Union shall advise the Company of the name, position and address of the aforementioned designated officer and its failure to do so shall relieve the Company of its obligation to remit the deductions herein provided for until the Company is so advised.
- 5.03** The Union agrees to defend and hold the Company completely harmless against all claims and demands should any person at any time contend or claim that the Company has acted wrongfully or illegally in making the aforementioned deduction for Union dues.
- 5.04** The Company will not be responsible for the collection of any dues where because of any absence from work, the employee has no earnings from which the dues are required to be deducted.
- 5.05** An employee in the bargaining unit described in paragraph 2.01 shall become and remain a member in good standing of the Union as a condition of continued employment, upon the completion of his probationary period.

5.06 The Company shall deduct from the earnings of each employee who has completed the probationary period such initiation fee as the Union may prescribe from time to time by its constitution or by-laws. The Union will give the Company written notice of the amount of such initiation fee and, unless the Company is so notified, the Company is under no obligation to deduct such initiation fee.

5.07 The Company shall show the yearly union dues deductions on the employees' T-4 slip.

ARTICLE 6 - STRIKES AND LOCKOUTS

6.01 The parties having entered into this Collective Agreement in mutual good faith, the Company agrees there will be no lockout and the Union agrees there will be no strike, picketing, slow down or other concerted activity either complete or partial which could interfere with or restrict production during the term of this Agreement.

6.02 Security guards covered by this Collective Agreement shall not honour any picket lines at any location for which the Company provides security services. Security guards shall cross all such picket lines (subject to their own physical safety) but shall only be required to perform their regular duties and shall not be required to perform the work of any striking or picketing employees.

ARTICLE 7 - REPRESENTATION

7.01 The Company recognizes the right of the Union to elect or appoint one (1) Steward for each three hundred (300) members in the following geographical areas;

1. Greater Toronto area
2. Northern Ontario
3. Southwestern Ontario,

For the purpose of assisting other employees in the processing or presentation of grievances, the Stewards must have completed their probationary period. The Union shall at all times keep the Company notified in writing of the names of the employees who are acting in the capacity of Stewards. The Stewards shall deal with any grievance arising under this Agreement.

7.02 It is understood that the Steward will have to do the work assigned to him by the Company, and if it is necessary that he investigate a grievance during working hours, he will not leave his work before obtaining the permission of the supervisor in charge. When returning to his regular work, he will report himself to the supervisor, and if he is requested to do so, will give an explanation as to his absence and its length. If these conditions are met, the Company agrees that he will not lose pay in such circumstances. It is understood that whenever possible, the Steward will take care of grievances outside of his working hours, in order not to impede the production of his department.

7.03 The Union will, within fifteen (15) days after the date of signing of this Agreement, notify the Company, in writing, of the names of the Stewards. The Union will inform the Company, in writing, within ten (10) days when any change will take place in the Stewards. No Steward will be recognized by the Company unless the above procedure is carried out and no Steward shall be appointed or elected unless he has completed the probationary period.

7.04 A Business Agent of the Union, identified to the Company, in writing, wishing to discuss matters on Company premises with Company Representatives or with employees will whenever practical provide prior notice to the Company. When

prior notice is not possible, the Business Agent shall, upon entering the premises, notify the appropriate Company Official.

7.05 The Company will compensate Stewards at their regular straight time hourly rate of pay for time spent in grievance meetings with the Company.

Grievance meetings will normally be held during working hours provided such meetings do not unduly disrupt operations.

7.06 The Company will grant each duly elected or properly appointed shop steward one day off with pay per calendar year for the purpose of attending union sanctioned training seminars.

ARTICLE 8 - GRIEVANCE PROCEDURE

8.01 The parties to this Agreement are agreed that it is of the utmost importance to adjust complaints and grievances as quickly as possible. Accordingly, no grievance shall be arbitrable where the circumstances giving rise to it occurred or originated more than five (5) working days before the filing of the grievance.

8.02 It is generally understood that an employee has no complaint or grievance until he, either directly or through the Union, has first given his immediate Service Manager an opportunity to adjust the complaint.

8.03 If, after registering the complaint with the Service Manager and such complaint is not settled within two (2) regular working days or within any longer period which may have been agreed to by the parties, then the following Steps of the Grievance Procedure may be invoked:

Step #1:

The grievance shall be submitted in writing either directly or through the Union to the Company Designate within five (5) working days of the circumstances giving rise to the grievance. The Company Designate shall hold a meeting with the employee and Steward within a further five (5) working days and shall communicate his position to the employee within three (3) working days of such meeting.

Step #2:

If the matter is not settled, then within three (3) working days of the Company Designates reply, the Union Staff Representative may request a meeting with the President or his Designate. In such case the meeting shall be held between the Company Representative(s) and the Union Staff Representative and Union Steward involved as soon as practicably possible, but not later than two (2) weeks after the Company receives notification from the Union that such meeting is desired. If the matter is not disposed of at such meeting, and if the Union wishes to proceed to arbitration, the Union shall, within ten (10) days of the date of such meeting, but not thereafter, deliver to the Company a notice in writing stating that it wishes to take the matter to arbitration. The notice to arbitrate shall contain the name and address of the Union's proposed Arbitrators and the remedy sought. Thereafter the parties shall confer to select an agreeable Arbitrator.

8.04 Discharge

A claim by an employee other than a probationary employee that he has been unjustly discharged or suspended shall be treated as a grievance if a written statement of such grievance is lodged with the President or his Designate within five (5) working days after the employee ceases to work for the Company.

Such special grievance may be settled by:

- i) confirming the Management's action to discharge or suspend the employee, or
- ii) reinstating the employee with full seniority and compensation for lost wages and benefits, or
- iii) any other arrangement, which in the opinion of the conferring parties, or the Arbitrator, is just and equitable.

ARTICLE 9 – ARBITRATION

9.01 Where a difference arises between the parties relating to the interpretation, application or administration of this Agreement, including any question as to whether a matter is arbitrable, or where an allegation is made that this Agreement has been violated, either of the parties after properly exhausting all Steps of the Grievance Procedure set forth in this Agreement, may notify the other party in writing of its desire to submit the difference or allegation to arbitration and the notice shall contain the first party's suggestions for an impartial Arbitrator. The recipient of the notice shall within ten (10) working days inform the other party of the name of its suggestions. If the recipient of the notice fails to suggest an Arbitrator or if the parties fail to agree upon an Arbitrator within the time limit, the appointment shall be made by the Minister of Labour for the Province of Ontario upon the request of either party. The Arbitrator will hear and determine the difference or the allegation, shall issue a decision and the decision is final and binding upon the parties and upon the Company and any employee affected by it.

9.02 The Arbitrator shall not be authorized to make any decision which is contrary to, or inconsistent with, the provisions of this Agreement, nor to deal with any matter which is not covered by this Agreement. The decision of the Board of Arbitration or a majority thereof constituted in the above manner shall be binding on both parties.

9.03 The compensation and expenses of the Arbitrator shall in all cases be borne equally by the Company and Union.

ARTICLE 10 - PROBATIONARY EMPLOYEES

10.01 An employee will be considered as a probationary employee for his first five hundred and twenty (520) working hours of employment and will have no seniority rights during that period. After completion of his probationary period, the employee's seniority shall date from his most recent date of hire.

ARTICLE 11 – SENIORITY

11.01 Seniority lists will be posted by the Company for a period of thirty (30) calendar days within one (1) month after the signing of this Agreement. After such posting, the list shall become final as to the employees' names and dates designated on it, except as to any employee who has disputed the accuracy of his seniority date while the list is posted, in which case it will be subject to any adjustment under the Grievance Procedure if established to be inaccurate. The seniority lists will be brought up to date every six (6) months and a copy will be given to the Steward of the Local Union and a copy posted on the bulletin board.

11.02 An employee's seniority will be lost and the employee shall be deemed terminated if he:

- a) Quits the employ of the Company for any reason verbally or written;
- b) is discharged and is not reinstated through the Grievance Procedure or Arbitration;
- c) Is laid off for a continuous period exceeding the length of his seniority at the time of lay-off or a period exceeding six (6) months, whichever comes first;
- d) Fails to return to work within five (5) working days of being notified of recall. An employee shall be deemed to be notified of recall on the second (2nd) day following the posting of a registered letter to that effect addressed to the employee's most recent address on the Company's files;

NOTE: *It shall be the responsibility of the employee to keep the Company informed of his current address and telephone number.*

- e) Fails to return to work on the first scheduled day following the expiration of an authorized leave of absence, unless he has a reason satisfactory to the employer; or utilizes a leave of absence for purposes other than those for which the leave of absence was granted;
- f) Is absent for three (3) consecutive working days without notifying the Company or is absent for this period without a satisfactory reason to the employer;
- g) Is continuously absent due to illness or injury in excess of six (6) months;
- h) Retires or is retired; or
- i) Allows their required government licence(s) to expire or lapse for more than forty-five (45) days without a justifiable excuse or explanation.

11.03 In the cases of increases or decreases in the work force, senior employees shall be entitled to preference over junior employees provided that the senior employee has the ability and qualifications to perform the available work. Seniority rights

shall not be exercised, however, to displace an employee in a higher-rated classification. It is agreed that probationary and temporary employees will be laid off first.

11.04 In the event of a layoff due to the loss of a site, the Company shall make every effort to find a new location for laid off employees according to their seniority within two (2) working days of being laid off.

11.05 The Steward shall be the last person to be laid off provided that he has the ability and qualifications to perform the available work. This provision shall cease to apply to the Steward once he no longer holds the position.

11.06 In regard to any claim by an employee that he maintain seniority during a period of personal illness (subject to Article 11.02 (g)), it is understood that the Company shall have the right to require any employee affected to provide a satisfactory medical certificate. Where the Company requires a doctors note from an employee the Company shall pay for any costs incurred by the employee with proof of receipt.

11.07 It shall be the duty of employees to notify the Company promptly in writing of any change in their address and phone number. If an employee shall fail to do this, the Company will not be responsible for failure of any notice to reach such employee.

11.08 When two (2) or more employees commence work in the same day the procedure for determining their relative seniority date shall be as follows:

(a) The employee who commenced work at the earliest hour shall be senior.

(b) When the employees commenced work at the same hour the one who signed

the Company's application of employment form, first shall be senior.

- (c) All other things being equal they shall be placed on the seniority list as mutually agreed between the proper officers of the Company and the Union representative in charge of the bargaining unit.

ARTICLE 12 - JOB POSTING

12.01 In the event that a new job is created or a permanent vacancy occurs in an existing job which, the Company deems necessary to fill, the Company will post these openings at the Company's Operations Office for a period of seven (7) calendar days in order to allow seniority employees interested to apply in writing.

In addition the company shall allow employees to contact the company by telephone to check on available job postings. Employees interested in a posting will be permitted to bid on the job over the telephone.

The Company will undertake to make job postings and job bidding available to all employees via the internet within one calendar year of ratification of this agreement.

12.02 In the event that two (2) or more employees apply, the Company shall use seniority as the governing factor where the skill, qualifications, merit and ability of the applicants are relatively equal in the Company's judgment. If no applications are received from employees who the Company considers are qualified, the Company shall have the right to hire from outside the bargaining unit.

12.03 The Company will post at the Company's Operations Office the name of any successful applicant not later than ten (10) working days following expiration of

the posting period.

- 12.04** It is agreed that a successful applicant for a posting shall not be permitted to re-apply for another job for a period of six (6) months.
- 12.05** The Company shall have the right to remove a successful applicant for a job within the first thirty (30) days if he is unable to properly perform the job. In the event that an employee is deemed not suitable the company shall attempt to return the employee to his original site at their original rate of pay.
- 12.06** The job posting procedure provided for herein shall apply only to the original vacancy, and not to any subsequent vacancies created by the filling of the original vacancy.

ARTICLE 13 - LEAVE OF ABSENCE

- 13.01** The Company may grant leave of absence of up to two (2) months without pay to employees for personal reasons having due regard, however, to the operation of the work place, and provided any request for leave of absence is made in writing at least three (3) weeks prior to the start of such leave and the reason for leave of absence is stated.
- 13.02** Any permission or refusal for leave of absence must be given in writing within one week of the Company's receipt of the employee's written request.
- 13.03** The Company will arrange for the continued coverage of medical insurance if the employee leaves sufficient funds with the Company to cover the complete costs (including the Company's portion) for the duration of the granted leave of absence.

- 13.04** The Steward shall be granted unpaid leave of absence without loss of seniority to attend conventions or other official Union business. Such leaves shall be limited to ten (10) working days per contract. Leave shall be granted provided that written request for it is made at least two (2) weeks prior to the start of such leave and provided that the leave does not interfere with the Company's operations.
- 13.05** Leave of absence without pay will be granted for a period of up to one (1) year to an employee in order that he may engage in full-time activity with the Union. If requested, such leave of absence will be extended from year to year. Should the employee wish to conclude his leave of absence prior to the agreed expiry of the leave, he will provide three (3) weeks notice to the Company before returning to work.
- 13.06** The Company will grant up to one and one half (1 1/2) years leave of absence with no break in seniority for any employee called to active service in the Canadian Military or the United Nations or N.A.T.O. through the Canadian Military. An employee requesting such leave must provide written proof that his service is required.

ARTICLE 14 - HOURS OF WORK

- 14.01 (a)** Overtime at the rate of one and one-half (1 1/2) times the employee's straight-time hourly rate of pay will be paid after the employee works forty-four (44) hours in a week.
- (b)** The Company agrees not to use the equalizing of overtime system where the Company averages overtime over two (2) weeks to avoid paying overtime after forty-four (44) hours.

- 14.02** The Union and the employees recognize that the nature of the Company's operations frequently requires overtime work to be performed. Whenever practicable, overtime work assignments shall be offered on a rotating basis starting with the senior officer.
- 14.03** It is agreed that there shall be no pyramiding or duplication of overtime or premium pay rates under this agreement. Where two (2) or more premium pay provisions are applicable, only the greater provisions shall be paid.
- 14.04** The Employer will attempt to ensure that an employee will not be required to stay in excess of his shift in the event his replacement does not report for work. However the employee will not leave his post until a replacement is found.
- 14.05 (a)** In the event that an employee is removed from his or her work site as a result of a written client request said employee shall upon request receive a written explanation from the Company outlining the reason for the removal. In the event that the employee decides not to grieve the removal, the company shall make a reasonable effort to place the employee at another site immediately. No employee shall be assigned to a site that is an unreasonable distance from their home without the Employee's consent. In the event that the Company can not provide the Employee with a site within a reasonable distance of the Employee's home, or where the Employee is not willing or able to travel the distance to an available site, the Company shall properly layoff the employee as per the terms and conditions of this agreement.
- (b)** The parties agree that the nature of the security services business requires the Employer to transfer employees from one location to another. In the event the Company transfers an employee for any reason, the Company shall give the Employee three (3) choices of alternate work within a reasonable distance of the Employee's original site or place of residence whichever is available.

14.06 Whenever the Company obtains further contracts to provide security services at sites that were covered by a collective agreement with another union immediately prior and which now shall be covered by this Collective Agreement, the Company shall pay to the guards working at such sites the higher of either the wage rates provided under the former collective agreement with the other union.

14.07 Full-time employees who are not able to attain their maximum number of regular time hours in a week shall be placed on a preferential call in list, by contacting their area dispatch office. The Company shall call qualified Employees placed on such list in order of seniority for any available work.

ARTICLE 15 - PAID HOLIDAYS

15.01 For the purposes of this Agreement the following days will be recognized as holidays:

New Years Day	Thanksgiving Day
Labour Day	Christmas Day
Good Friday	Boxing Day
Victoria Day	Canada Day

15.02 The Company will pay each active full-time employee who has completed his probationary period, his normal shift's pay at his regular hourly rate for each such holiday provided that the employee works his full scheduled shift immediately preceding and immediately following the holiday unless excused from doing so by the Company.

15.03 If any of the above holidays fall within an employee's vacation period, the employee shall receive another day off with pay immediately following his

vacation. The Company may agree to grant the lieu day off immediately preceding the vacation period.

15.04 If an employee performs work on a recognized holiday, he may elect to receive another day off with pay in lieu of holiday pay for that day. The employee must inform the employer of his election to take a lieu day on or before the holiday worked and the substituted holiday shall be selected by mutual agreement no later than thirty (30) days following the holiday worked. Time and one-half (1 1/2) will be paid for all hours worked on a holiday listed in 15.01.

15.05 The Company shall not unreasonably withhold religious observance leave for employees who are members of non-Christian religions up to a maximum of three (3) calendar days per calendar year to observe spiritual or holy days; where the employee gives a minimum of two (2) weeks written notice to the Company. Where two (2) weeks written notice is not possible due to the unpredictable nature of the spiritual or holy day, as much notice as possible must be provided to the Company.

ARTICLE 16 - PAID VACATIONS

16.01 An employee in the active employ of the Company shall be entitled to an annual paid vacation on the following basis;

- (a) Employees having less than one (1) year of service shall receive vacation pay only, in accordance with the provisions of the Employment Standards Act.
- (b) An employee with more than twelve (12) months continuous service with the Company as of June 1 of each year shall be entitled to two (2) weeks at four percent (4%) of his gross earnings.

- (c) An employee with five (5) years or more of continuous service with the Company as of June 1 of each year shall be entitled to three (3) weeks vacation at six percent (6%) of his gross earnings.
 - (d) An employee with ten (10) years or more of continuous service with the Company as of June 1 of each year shall be entitled to four (4) weeks vacation at eight percent (8%) of his gross earnings.
- 16.02** For the purposes of determining increased vacation entitlement, the appropriate date shall be June 1 of each year.
- 16.03** An employee who leaves the service of the Company shall be given the vacation pay to which he was entitled at the time he left the service of the Company.
- 16.04** Vacation time is not cumulative and must be taken by the conclusion of the vacation year.
- 16.05** Requests for vacation time shall be made in writing to the Company's Operations Office at least six (6) weeks in advance of the start of the vacation. If this is done, vacation pay shall be paid on the pay day immediately preceding the start of the employee's vacation.
- 16.06** Twenty percent (20%) of employees per site will be allowed to take vacation at one time provided staffing on site is eight (8) Officers or less. If staffing exceeds eight (8) Officers, the percentage will be fifteen (15%) percent per site.
- 16.07** Vacation pay cheques will have proper tax adjustment to ensure members receive maximum net pay allowed by Revenue Canada.

ARTICLE 17 - HEALTH AND WELFARE

17.01 The Company agrees to pay forty-eight cents (\$.48) per hour for each full-time employee to the Union's Health and Welfare Fund.

Effective January 1, 2006 the Company agrees to pay fifty-three cents (\$.53) per hour for each full-time employee to the Union's Health and Welfare Fund.

17.02 The Company agrees to contribute twelve (\$.12) cents per hour into the Union's Education Fund for all employees.

ARTICLE 18 - PAY FOR INJURED EMPLOYEES

18.01 In the event that an employee is injured in the proper performance of his duties, he shall, to the extent that he is required to stop work and receive treatment, be paid his wages for the remainder of his shift.

In order to receive such payment, the employee must immediately report such injury to his manager and complete a W.S.I.B. form as per the requirements of the Workplace Safety and Insurance Act.

ARTICLE 19 - JURY DUTY AND CROWN WITNESS PAY

19.01 If an employee is called for jury duty or subpoenaed as a witness to give evidence on behalf of the Crown, he shall receive a regular day's pay for each day he is absent from his scheduled work provided that he signs over to the Company any jury duty fee or witness money he has received from the Court, this period not to exceed three (3) weeks.

19.02 If an employee is excused from jury or witness duty for one (1) or more scheduled

work days due to Court adjournment or other reasons, the employee must report for work on his regularly scheduled shift.

ARTICLE 20 - CALL-IN-PAY

20.01 When an employee is called back to work after the conclusion of his regular shift and he has left the Company premises, he shall receive a minimum of four (4) hours work or four (4) hours pay at his regular straight time rate.

20.02 The provisions of 20.01 above shall not apply when an employee is called in to work immediately prior to the start of his scheduled shift.

ARTICLE 21 - REPORTING PAY

21.01 An employee reporting for work at the commencement of his regularly scheduled shift, unless notified in advance not to do so, or unless he is returning to work without notice after an absence, shall receive four (4) hours work or four (4) hours pay at his regular hourly rate. This provision shall not apply when there is a lack of work due to a situation beyond the control of the Company.

ARTICLE 22 - BEREAVEMENT LEAVE

22.01 In the event of the death of an employee's immediate family member (child, spouse, father, mother, brother, sister, father-in-law, mother-in-law, sister-in-law, brother-in-law, grandparents and grandchildren), the Company shall grant bereavement leave of three (3) consecutive calendar days. This leave includes both working and non-working days. If the employee has completed their probationary period this leave shall be with pay. The Company may request satisfactory evidence of death to be provided by the Employee.

22.02 Employees may be granted a leave of absence without pay for one day (within 150 kilometres of the Employee's residence) to attend the funeral of a relative outside the immediate family. An additional day may be granted if the travel exceeds 150 kilometres from the Employee's residence. The Company may request satisfactory evidence of death to be provided by the Employee.

ARTICLE 23 - BULLETIN BOARD

23.01 The Company will provide a bulletin board in the Company's Operations Office for the convenience of the Union in posting notices of Union activities. All such notices must be signed by an authorized officer of the Union and submitted to the Manager and/or his authorized representative for approval before being posted.

ARTICLE 24 - HEALTH AND SAFETY

24.01 The Company shall continue to make all reasonable provisions for the safety and health of its employees during the hours of employment. The Union agrees to assist the Company in maintaining proper observation of all safety and health rules, and shall have the right to make recommendations to the Company respecting the safety and health of employees.

24.02 The Company shall provide all seniority employees with the following items as well as any necessary uniform items and equipment required by the Company to the employees for use *while on duty only*. (*on duty shall include travel directly to and from the work site.*) Such items shall be provided at no cost to the employees. The employee will be responsible for the laundering of uniforms,

- (1) one parka as required
- (2) one blazer as required
- (3) two pairs of pants as required

- (4) two ties as required
- (5) three shirts as required.

If rainwear is necessary the Company will provide necessary quantities and sizes on each site.

24.03 Worn or damaged uniform items shall be replaced by the company on a one for one exchange basis, and at no cost to the employees.

24.04 The Company shall provide a first aid kit at all sites as required. It will be the responsibility of the employees assigned to each site to notify the Company of any usage of supplies to ensure the Company can adequately replenish the first aid supplies.

ARTICLE 25 – DURATION

25.01 The Collective Agreement shall be effective from December 20, 2004 to December 19, 2007 and shall continue in force from year to year thereafter unless written notice to bargain is given not more than ninety (90) days before the expiry date by the party desiring change. On receipt of such written note, the parties agree to meet and bargain in good faith to reach a renewal Collective Agreement.

Dated at Toronto on the 4th day of March 2005.

On behalf of the Company

On behalf of the Union:

SCHEDULE “A”

WAGE RATES AND CLASSIFICATIONS

A1. The parties agree to the following wage rates and classifications:

Security Officer (Level One):

Shall be any employee who has completed their probationary period as well as first-aid, WHMIS and the basic health and safety program.

Security Officer Level One will receive not less than sixty (60%) percent of the bill rate.

Security Officer (Level Two):

Shall be any employee who has completed 4000 hours of work and completed courses in Fire Safety, Conflict Resolution, Use of Force, Public Relations, and Report Writing.

Security Officer Level Two will receive not less than sixty-five (65%) percent of the Bill Rate upon successful completion of the Canadian Security Industry Training Course Level Two as mutually agreed to by the Company and Union.

Security Officer (Level Three):

Shall be any employee who is a site supervisor and the Company retains sole discretion to appoint site supervisors.

Security Officer Level Three will receive not less than seventy (70%) percent of

the Bill Rate. Security Officer Level Three is a site supervisor and the Company retains sole discretion to appoint site supervisors.

The Employee and the Union agree that the wage formula as set out in Schedule “A” shall be maintained during the term of this agreement.

The Employer will permit on site visual inspection only of the Employer’s billing rates to its clients for verification purposes by the President of the Union in the presence of the Employer President. Such access is limited to normal business hours at the Company’s Head Office upon receipt by the Employer of notice no less than forty-eight (48) hours in advance of such inspection. It is agreed that the Union President and the Union are bound by an undertaking to the Employer not to disclose to any person or entity (other than an arbitrator appointed under the terms of this Agreement or the Labour Relations Act. R.S.O., 1980, c.228 as amended) the name or names of the Employer’s clients, their billing rate, or any other proprietary or confidential business information that the Union President may learn directly or indirectly as a result of such access.

- A2. Effective February 1, 2006 the Company will pay each employee a ten (\$.10) cent per hour raise provided that the employee has not received a raise in the previous twelve (12) months. In the event that the employee received a raise in the previous twelve (12) months of an amount less than ten (\$.10) cents per hour, the Company shall pay the employee the difference between the amount of the raise received and ten (\$.10) cents per hour.

Effective February 1, 2007 the Company will pay each employee a ten (\$.10) cent per hour raise provided that the employee has not received a raise in the previous twelve (12) months. In the event that the employee received a raise in the previous twelve (12) months of an amount less than ten (\$.10) cents per hour, the

Company shall pay the employee the difference between the amount of the raise received and ten (\$.10) cents per hour.

- A3. The Company agrees to pay all senior employees at their regular hourly rate of pay for any “mandatory” training where the employee must attend. (This shall include any and all training required by the company, client or otherwise to keep the employee assigned to his or her work site, but shall not include training agreed by an employee as a condition of employment).
- A4. The Company agrees that no payroll deductions other than those required by law will be made unless the employee has given written consent.
- A5. Payroll errors greater than fifty dollars (\$50.00) shall be paid to the employee within two (2) business days of such error being brought to the attention of the Company.
 - 1. There will not be any roll-back in wages if Security Officers are being paid over job rate.
 - 2. Any percentage increase will be passed on to the Security Officers on a prorata basis.
 - 3. Probationary and part-time employees may receive up to one dollar (\$1.00) less than employees who have attained seniority.

SCHEDULE "B"

- 1.** The pay date and method of payment shall not be altered during the term of this agreement unless mutually agreed between both the Union and the Company.

- 2.** All employees personnel records shall be purged of disciplinary reports after a period of twenty-four (24) months from the date of the alleged infraction. If the employee requests the Union Representative shall be present at any meetings dealing with this process.

LETTERS OF UNDERSTANDING

Paragon shall provide video training courses in conflict resolution, and public relations to all new employees and to all existing employees in the first year of this agreement at no cost to the employees.

The Company

The Union

It is the responsibility of the employee to ensure that the required government licensing form is completed annually and returned to the Company no later than September 30th of each year. In the event that such requirement is not met the Company shall not be liable for any lost wages incurred by the affected employee.

The Company

The Union

It is the responsibility of each employee to contact the Company with any information on shift changes or other scheduling deviations. The Company shall not be liable for any lost wages incurred by an employee resulting from lost time due to employee initiated scheduling changes.

The Company

The Union