

COLLECTIVE AGREEMENT

Between :

OAK LEAF CONFECTIONS CO.

- and -

**BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION,
LOCAL 264**

Effective: 22 November **2002**

Expiry: 21 November **2007**

11686 (03)

COLLECTIVE AGREEMENT

Between: OAK LEAF CONFECTIONS Co.
Toronto, Ontario.
(hereinafter referred to as
"the Company")

- and -

BAKERY, CONFECTIONERY, TOBACCO WORKERS AND
GRAIN MILLERS INTERNATIONAL UNION, LOCAL 264
(hereinafter referred to as "the Union")

Article 1 - RECOGNITION:

1 . 01 The Company recognizes the Union as the sole collective bargaining agent for all employees employed at its plant, save and except supervisors, persons above the rank of supervisor, office and sales staff, lab technicians, persons regularly employed for not more than twenty- four (24) hours each week and students working between June 15 and September 1.

1.02 Supervisors will not perform work that is normally done by employees in the bargaining unit except:

- a) in the case of emergency;
- b) where it is necessary to instruct or train employees;
- c) where it is necessary to carry on experimental or development work;
- d) where it is necessary to keep production operating because of the absence of regular employees from their jobs.

Article 2 - NO STRIKES OR LOCKOUTS:

2 . 01 In accordance with the terms of the Ontario Labour Relations Act, there shall be no strikes called by the Union nor shall employees participate in any strikes, slowdowns or other collective action which will hinder or interfere with production.

2 . 02 The Company shall not cause or direct any lockout of its employees in contravention of the said Ontario Labour Relations Act.

Article 3 - MANAGEMENT RIGHTS:

3 . 01 Except where specifically abridged by the terms of this Collective Agreement, it is the exclusive function and right of Management:

- (a) to maintain order, discipline and efficiency;

Article 3 (cont ' d)

- (b) to hire, discharge, discipline, promote, demote, transfer and classify and retire employees provided that, if there is a claim that an employee has been discharged or disciplined without just cause or that there has been a discriminatory promotion, demotion or transfer of an employee, such may be made the subject of a grievance and will be dealt with as hereinafter provided in the procedure for handling grievances.
- (c) generally to manage the enterprise in which the Company is engaged and, without restricting the generality of this statement, to determine the number and location of plants, the layout of such plants, the products to be manufactured, the processes of manufacture, the kind of machines and tools to be used, the schedules of production, the source and kinds of materials to be incorporated into the products, the areas in which the products are to be sold, the price at which the products will be sold to distributors, the methods of shipment and distribution of the Company's products and the number of employees required in the Company's operations.
- (d) to make and enforce rules and regulations governing the conduct of employees while on the premises of the Company or in any of its vehicles.

Article 4 - UNION COMMITTEE AND STEWARDS:

4. 01 The Union shall have the right to appoint or otherwise select a committee of four (4) employees to represent the Union in negotiations, discussion of grievances or other matters that may arise between the parties during the term of this Agreement which require discussion.

4. 02 The Union shall further have the right to appoint or otherwise select one (1) steward from amongst the employees in each of the following areas:

Packaging,
Processing,

Maintenance
Warehousing

4. 03 Members of the Union Committee, Stewards and such other employees that may hold office in the Union have regular duties to perform as employees of the Company. Therefore, such employees shall not leave their work or participate in any discussion of Union matters during working hours without first obtaining permission from their respective supervisor. Such permission shall not be unreasonably withheld.

4. 04 The Union shall keep the Company advised of the name of its stewards and committee members. No employee shall be recognized as such until the Company has received official notification from the Union.

4, 05 An employee shall not act as a steward or member of the Union Committee until after he/she has completed the probationary period.

4. 06 The Company will pay the negotiating committee for all regular hours lost from work in direct negotiations with the Company, including conciliation. Payment shall be at each employee's regular number of hours multiplied by the applicable hourly rate but exclusive of any premium payments.

4. 07 The Business Representative of the Union shall be granted permission to enter the Company's premises after receiving permission from the Plant Manager or his designate, and with the understanding that there will be no interference or interruption in production.

Article 5 – CHECK OFF OF UNION DUES:

5. 01 All present employees, and new employees who have completed the probationary period, shall have the regular Union dues deducted from pay accumulated to their credit for the first pay period of each calendar month. Each new employee, except students, shall have the initiation fee deducted from his/her pay upon completion of the probationary period.

5, 02 Dues and initiation fees will be forwarded to the Union within twelve (12) days after the deductions have been made. Where an employee is absent from work for an extended period, the Company will deduct dues owed when the employee returns in accordance with arrangements made with the Union.

5. 03 The Union will save the Company harmless from any and all claims which may be made against the Company by employees for amounts deducted from pay in accordance with the terms of this Article.

Article 6 – GRIEVANCE PROCEDURE:

6. 01 Step #1:

 If an employee has a grievance concerning any matter within the terms of this Agreement, he/she shall first take the grievance up orally with his supervisor. He/she may do this alone or he/she may, if he/she wishes, request his/her area steward to accompany him/her. The supervisor will give an oral reply within two (2) working days.

6. 02 Step #2:

If the oral reply of the supervisor is not satisfactory to the employee concerned, the grievance will be submitted, in writing dated and signed by the employee and the Area Steward within three (3) working days following the oral reply, to the supervisor. The supervisor will give a written reply within three (3) working days.

6. 03 Step #3

If the reply of the supervisor is not satisfactory to the employee concerned, it will, within three (3) working days, be referred to the Plant Manager. Within five (5) working days the Plant Manager and/or such other persons as may be designated by the Company, will meet with the Union Committee to discuss the grievance. At this meeting a full-time business representative of the Union will be present if his/her presence is requested by either the Union Committee or the Company representatives. A written reply to the grievance will be given within five (5) working days after this meeting has been held.

6. 04 If the reply given at Step #3 is not satisfactory to the employee concerned, either party to this Agreement may refer the grievance to arbitration. Such referral shall be made within ten (10) working days after the date of the said reply.

6. 05 The Company shall not be required to deal with any grievance, the alleged circumstances of which occurred or originated more than five (5) working days before the grievance was referred to the Supervisor.

6. 06 If either the Company or the Union has a claim that the Agreement is being violated or misinterpreted by the other party, they shall have the right to submit a grievance, in writing, through any of their respective full-time representatives within thirty (30) working days after the alleged occurrence. The discussion of such grievance shall commence at Step #3 of the Grievance Procedure. The terms hereof shall not be used by the Union to replace the regular grievance procedure as set out above, or shall it detract from the right of employees to lodge personal grievances.

6. 07 If the Union fails to observe any of the time limits set out herein, a grievance shall be considered as dropped. If the Company fails to observe the said time limits the grievance will automatically be advanced to the next step.

6. 08 For purpose of this Article, the term "working days" shall not include Saturdays, Sundays, Holidays or other days on which the Company offices are closed.

Article 7 – ARBITRATION

7. 01 Arbitration procedures shall be in accordance with the Ontario Labour Relations Act

7. 02 No person shall be appointed as an arbitrator who is employed by either the company or the Union, or who has been involved in any attempt to settle the grievance being referred to arbitration.

7. 03 The parties shall share equally any fees and expenses of the Arbitrator.

7. 04 An Arbitration Board shall not make any decision inconsistent with the provisions of this Agreement, nor shall the said Board add to, alter or amend any of the said provisions or deal with any matter not specifically referred to in the terms of this Agreement.

Article 8 – DISCHARGE CASES

8. 01 An employee who has completed the probationary period and who is subsequently discharged by the Company, may submit a written grievance, dated and signed, to the Plant Manager, provided such grievance is submitted within four (4) working days after the discharge occurs.

8. 02 Grievances relating to discharge may be settled by confirming the Company's action, or by reinstating the discharged person with full compensation or by any other arrangement which is just and equitable.

8. 03 The Chief Steward will be notified of any discharge within 24 hours after the action is taken. If the Chief Steward is not available, the Union office will be notified.

Article 9 – SENIORITY:

9. 01 An employee hired by the Company shall be on probation and shall not have any seniority standing until after he/she has completed sixty (60) days worked. A probationary employee may be terminated at the sole discretion of the Company.

9. 02 (a) Within thirty (30) days following the signing of this Agreement, the Company shall prepare and post in a conspicuous place, a seniority list showing the names and seniority dates of employees who have completed the probationary period. Any challenges employees may have concerning their respective seniority dates shall be made within ten (10) working days after the seniority list is first posted.

- (b) Revised seniority lists will be posted each six (6) calendar months after the first posting.
- (c) Seniority shall be measured in days, months and years of service.
- (d) The names of employees with the same seniority date shall be arranged in alphabetical order.
- (e) Seniority shall not be affected by a legal change of name.

9. 03 In all cases of layoff due to lack of work in excess of one (1) working day and recall to work following layoff, seniority shall govern and employees shall exercise their bumping rights as follows:

1. Where an employee is qualified (has worked on the job before and would not require training), subject to 2.(a), (i), (ii), (iii) & (iv) below, he/she may bump where his/her seniority will allow.
2. When an employee is not qualified, he/she may only bump into the same or a lower wage group subject to the following conditions:
 - (a) he/she may only bump within P.4 and P.5, but can not bump into the following positions:
 - (i) Warehouse Person;
 - (ii) Sanitation Person/Janitor;
 - (iii) Sample Preparation;
 - (iv) Forming Room Tray Handler.

Article 9. 03, 2. Continued

2. (b) he/she must bump the most junior employee left on the seniority list in the above groups; and
- (c) he/she will be given one (1) six (6) working day trial period. If the employee cannot qualify, he/she will be laid off.
3. All employees affected by bumping will be entitled to exercise their rights as in paragraphs 1 and 2 above.
4. Employees will receive at least two (2) working days advance notice of layoff except:
 - (a) in case of recall to temporary work where the employee is advised of the temporary nature of the work and approximate duration thereof;
 - (b) where failure to give such notice, or the reason for layoff, is beyond the control of the company;
 - (c) where the layoff is for two (2) working days or less.
5. The Union shall be advised prior to any layoff.
6. An employee exercising his/her seniority rights to avoid a layoff and takes work in a lower classification, shall receive the rate of the lower classification to which he/she is assigned.

9. 04 Recall to work following layoff due to lack of work shall first be attempted by telephone. If no contact can be made by telephone, contact will then be made by registered mail addressed to the last address recorded with the Company by the employee involved. An employee being recalled to work shall report for work within five (5) days after the notice of recall has been sent out or forfeit all claim to re-employment by the Company.

9. 05 Seniority previously accumulated to the credit of an employee shall be lost and an employee deemed terminated, whenever:

- (a) an employee quits his/her employment :
(An employee shall be deemed to have quit when he/she signifies his/her intention to do so).
- (b) an employee is discharged and such discharge is not reversed through the grievance procedure or arbitration;
- (c) an employee is laid off due to lack of work for twelve (12) consecutive months; or his/her length of service whichever is less.
- (d) an employee fails to report for work without an explanation satisfactory to the Company.
- (e) an employee who is employed for less than 10 years is absent from work for more than twelve (12) months or an employee employed for more than 10 years is absent from work for more than 24 months due to non-occupational accident or illness.
- (f) an employee is absent from work for more than twenty-four (24) months due to occupational accident or illness.

9. 07 Full time employees who are laid off may at the time of such layoff claim any regular scheduled work done by students or part-time employees, provided they are prepared to do such work on a regular and continuous basis. Employees who are unfamiliar with the work will be given instruction, and if they still cannot perform the work, will be removed from the job. All such work shall be at the employee's regular straight time rate of pay.

9. 08 Where the Company is required to accommodate an employee disability under the Ontario Human Rights Code or is participating in the rehabilitation of an employee who is returning to work from an absence covered by the Workers' Compensation Act, the parties agree to cooperate to the best of their abilities in facilitating such accommodations as may be required by law.

Article 10 – LEAVE OF ABSENCE

10. 01 Union Conventions:

Employees with more than six (6) months of service who are selected to attend Union Conventions or similar functions will be given leave of absence without pay, provided the request for leave is made two (2) weeks in advance of the date it is to become effective, and further provided not more than six (6) employees are granted such leave at a time. The total accumulation of leave under this provision shall not exceed twenty (20) working days in any twelve (12) month period. Notwithstanding the foregoing, it is understood that the specific employee or employees selected for such leave may not be granted leave if in the Company's opinion the employee or employees are required for the Company's operations.

10. 02 Bereavement Leave:

An employee who has completed the probationary period will be granted four (4) working days' leave of absence with pay in the event of the death of his/her spouse, child, mother or father; and three (3) working days' leave of absence with pay in the event of the death of his/her sister, brother, mother-in-law or father-in-law – to attend the mourning and/or the funeral. This will exclude a death occurring during an employee's vacation period or while on leave of absence. The amount of pay shall be the employee's regular hourly rate multiplied by eight (8) hours for each paid day of absence.

10. 03 Personal Leave of Absence:

Leave of absence without pay and without loss of seniority may be granted by the Company, in writing, to any employee for legitimate personal reasons. Such leave shall not exceed forty-five (45) calendar days plus vacation. Requests for such leave must be made in writing at least two (2) months in advance. Such leave will not be granted more often than once every two (2) years, except by mutual agreement between the Company and the Union.

10. 04 The Company will pay premiums to provide continuation of group insurance coverage for:

- (a) up to twelve (12) months for employees absent on Workers' Compensation;
- (b) up to six (6) months for employees absent on weekly indemnity; and,
- (c) until the end of the month following the month in which lay off notice was given for layoffs exceeding one month.

The Company shall not be required to maintain any benefits on behalf of employees on pregnancy/parental leave (except as otherwise required by the Employment Standards Act) or a personal leave of absence – i.e., they are covered only for Union Leave and Bereavement Leave. During such leave employees may elect to continue all such benefits by providing the Company with post-dated cheques prior to the leave.

Employees with more than ten (10) years of service may continue benefits under (b) above beyond six (6) months up to a maximum of two (2) years by providing the Company with post-dated cheques at the end of the sixth month of the leave.

Article 11 - BULLETIN BOARDS:

11. 01 The Company bulletin boards shall be available to the Union for posting notices of Union functions and meetings. All such notices shall be signed by a full-time representative of the Union and shall be submitted to the Plant Manager for approval before posting.

Article 12 - UNIFORMS AND SAFTY EQUIPMENT:

12. 01 Employees required by the Company to wear uniforms will have two (2) clean uniforms supplied each week. The supervisor may, at his/her discretion, issue more than two (2) uniforms each week in areas where more may be required. Uniforms supplied by the Company will only be worn in connections with an employee's work in the plant.

12. 02 (a) The Company will pay \$70.00 (\$100.00 effective from November 22, 2003) toward the cost of one (1) pair of safety boots each twelve (12) months worked. In the event a pair of safety boots lasts longer than twelve months an employee shall be required to retain such boots and will only be given a pair as required. However, where the Company is satisfied that conditions of work cause a pair of boots to wear out before twelve (12) months have elapsed, the Company will pay fifty-five dollars (\$55.00) towards a second pair even though the twelve (12) months have not elapsed. Safety boots shall only be worn in connection with work for the Company.

(b) The Company will provide at its expense, a hearing check on each pan room employee once a year.

12. 03 Employees who are required to wear safety eye protection in connection with their work, shall have such eye protection supplied by the Company. Anyone receiving eye protection equipment shall reimburse the Company to its full value if the equipment is lost while it is in his/her control, regardless of the reason for the loss.

12.04 Two (2) bargaining unit employees will be on the Company's Safety Committee. Copies of the minutes of the Safety Committee meetings will be given to the Committee members.

Article 13 – HOLIDAYS:

13.01 The following days, or days declared by the Company in lieu thereof, will be recognized as Paid Holidays:

New Year's Day
Good Friday
Victoria Day
Canada Day

Civic Holiday
Labour Day
Thanksgiving Day
Christmas Day
Day after Christmas Day

- Floater,
- Floater,
- Floater,

- - In addition to the foregoing specified holidays, the Company will grant three (3) further holidays between December 22nd and January 4th of each year. Employees will be notified by the Company, at least two (2) weeks in advance of the date these holidays are to be taken. In the event either the Provincial or Federal Government declares a holiday not now listed which must be observed and paid, such holiday will replace one referred to in this paragraph.

13.02 To be eligible to receive pay for the above holidays, an employee shall:

- (a) have completed the probationary period;
- (b) work the full schedule shifts on the work days immediately preceding and immediately succeeding the holiday, except where absence on either or both of these days or parts of these days only, was due to an employee having been granted written permission to be absent, or is absent due to verified personal illness; or any reason which is satisfactory to the Company. Where an employee is late for work on either or both of the said days for a period not exceeding one (1) hour; the Company may pay the employee for the holiday if the lateness was for a legitimate reason;

Article 13.02 continued

- (c) Employees on a personal leave of absence will only be paid for a paid holiday which occurs during the leave of absence if the paid holiday occurs immediately preceding or succeeding the leave of absence, and
- (d) have earned wages on a least twelve days during the four weeks immediately preceding the holiday.

13.03 The amount of pay for any holiday for which an employee is eligible shall be his/her regular hourly rate multiplied by eight (8).

13.04 Where a paid holiday occurs during an employee's vacation, the employee will be given the option of; either be paid a day's pay for the holiday, or be granted an additional day off with pay within sixty (60) days following vacation as arranged with the Supervisor. To qualify for this pay or day off, an employee shall work the full shifts immediately preceding and succeeding vacation unless permission in writing is obtained from the Company to be absent on these shifts.

Article 14 – VACATIONS:

14.01 Vacations with pay will be granted by the Company in the accordance with the following schedule:

- (a) One (1) year of continuous service – two (2) weeks;
- (b) Five (5) years of continuous service – three (3) weeks;
- (c) Ten (10) years of continuous service – four (4) weeks;
- (d) Nineteen (19) years of continuous service – five (5) weeks;
- (e) Twenty-nine (29) years of continuous service – six (6) weeks.

14.02 Employees with less than one (1) year of continuous service will be paid vacation pay in accordance with the Employee Standards Act of Ontario.

14.03 For purposes of computing vacation pay and vacation entitlement, continuous service shall be calculated as of June 30th in each year.

14.04 When the Company closes the plant for the vacation period, employees shall take that portion of their vacation which coincides with the closing of the plant. However, in the event that the Company does not close the plant for a vacation period, vacations will be granted during the period from January 1st to December 31st inclusive, and will, where practicable, be granted on a seniority basis by each department; provided this does not interfere with production schedules.

14.05 Vacations shall not be cumulative from one year to another.

14.06 Provided the employee has completed one (1) year or more of continuous service, pay for vacations shall be at the rate of two percent (2%) actual wages earned during the twelve (12) months preceding June 30th – for each week of vacation entitlement or one weeks pay for each week of vacation entitlement, whichever is greater. However, this shall not apply when employees have been laid off; granted unpaid leave of absence (except for pregnancy/parental leave); or have been on LTD benefits for twelve (12) months or more, in which circumstances the percentage payment only apply.

Article 15 – HOURS OF WORK:

15.01 The regular work week will consist of forty (40) hours to be worked in five (5) days of eight (8) hours each day, Monday to Friday, inclusive. This shall not constitute a guarantee of daily or weekly hours.

15.02. The work week for maintenance department employees may; at the discretion of the Company; be altered to provide a regular work week of Tuesday to Saturday inclusive. Sanitation employees may be required to work any five (5) consecutive days in a work week.

15.03 The starting and quitting times for any shift and the shifts to be worked each day or week will be determined by the Company in accordance with its requirement. The normal shift times will be:

7 a.m.	-	3 p.m.;
3 p.m.	-	11 p.m.;
11 p.m.	-	7 a.m.

but there will be exceptions such as two-shift operations and on weekly or shift start-ups.

15.04 The lunch period, which will be twenty (20) minutes with pay, will be granted at approximately the mid-point of each shift.

15.05 (a) One (1) paid rest period of twelve (12) minutes duration will be granted in each shift worked.

(b) Where an employee is required to work more than two (2) hours beyond the end of the shift without a break being granted, a further paid rest period of ten (10) minutes duration will be granted during the first hour of such overtime.

15.06 Each employee who has completed three (3) years or more of continuous service will be provided with the opportunity to earn the equivalent of forty (40) hours' pay at straight time hourly rate for each week in which the employee is required to work unless notified of a reduced work week or that no work is available at least forty-eight (48) hours in advance of the normal starting time for the week. To achieve this payment, an employee shall be required:

- (a) to report for work and remain at work for all of each working hour designated by the Company;
- (b) to perform whatever work the Company assigns.

The terms hereof shall not apply where the Company is prevented from providing work because of any circumstance beyond its control such as fire, flood, strike, explosion, breakdown of equipment, non-delivery of materials, etc.

Payment for holidays as set out in Article 13 shall be used in computing the forty (40) hours' pay.

Article 16 – OVERTIME:

16.01 All authorized time worked in excess of 40 regular hours in a work week or eight (8) hours per day in the regular work weeks set out in 15.01 and 15.02 above up to twelve (12) hours in a shift, will be paid at one and one-half (1½) times an employee's regular hourly rate of pay. Where a shift exceeds twelve hours, double time will be paid for those hours worked in excess of twelve (12).

16.02 Where an employee is required to work a seventh consecutive shift in a work week, he/she will be paid at double their regular hourly rate of pay for each hour so worked. Employees will be paid at the rate of 1 ½ times their regular rate of pay for hours worked on Sunday, excluding hours worked on shifts Sunday evening to begin the work week - e.g. 10:30 p.m. shift. Employees classified in the Maintenance Department shall be paid time and one-half (1 ½) their regular rate of pay for all hours worked on Saturday.

16.03 Overtime shall be distributed as equitably as possible among qualified and able employees within their shift, provided

- (a) such overtime shall be offered first to the employees in the department where the requirement exists;
- (b) should a requirement still exist overtime shall then be offered to employees in the classification;
- (c) should overtime still be available it shall be offered to employees plant wide;
- (d) if overtime is still available it shall be assigned to the least senior employee in the classification, using reverse seniority.

16.04 An employee required to work on a holiday as set out in Article 13 for which he/she is otherwise entitled to be paid, will be paid at one and one-half (1 ½) times their regular hourly rate for all hours so worked in addition to holiday pay.

Article 17 – REPORTING FOR WORK:

17.01 An employee who reports for work without having been notified in advance not to report will be given work or pay for a period not exceeding four (4) hours. This shall not apply where an employee is prevented from working because of fire, flood, strike, lack of power, breakdown of machinery or any other circumstances beyond the control of the Company. Furthermore, the terms hereof shall not apply if any employee does not keep the Company advised of his/her current address and telephone number if any.

Article 18 – CALL-IN PAY:

18.01 An employee who has left the Company premises and who is called into work to meet emergency conditions after having completed his/her shift and before the start of his/her next shift, will be guaranteed a minimum of four (4) hours' pay at time and one-half. Call-in pay will not apply to regularly assigned overtime work.

18.02 If the call-in occurs less than two (2) hours before the regular starting time, the call-in pay will be limited to the time remaining prior to the said regular starting time.

Article 19 – JURY DUTY:

19.01 An employee who has completed the probationary period and who is required to serve on a jury, or is subpoenaed as a Crown witness, will be paid the difference between his/her regular pay (exclusive of overtime or any premium) and that received for such service, provided he/she reports for work on any day he/she is not required to service on a jury or remain at the courtroom. The maximum payment under this clause shall not exceed fifteen (15) working days in any twelve (12) month's period.

Article 20 – INJURY ALLOWANCE:

20.01 An employee injured at work who required outside medical treatment and, as a result of such medical treatment, is not able to continue at work, will be paid for the balance of the shift on which the injury occurred. Payment shall be at the regular hourly rate exclusive of shift and lead hand premiums.

Article 21 – JOB POSTING:

21.01 Opportunities for promotions to higher paid jobs above the pay rank of P.5, will be posted on the Company bulletin boards for three (3) working days. During that period any employee who has completed the probationary period may apply, in writing, for promotion. A copy of job postings will be given to the Chief Steward.

21.02 (a) When assessing the applicants, the senior applicant shall be placed in the position, providing they possess the required skills, ability and qualifications to perform the job in question, all of which must be reasonably related to the essential duties of the position.

(b) The successful applicant, shall then be placed into the position and shall be trained for a period of up to five working days. If at any time during those training days, the Company determines that the applicant will be unable to become fully proficient in the position, the applicant shall be returned to his/her former position.

(c) If the first applicant proves to be unsuccessful then the second most senior applicant who meets the above criteria shall be given the same opportunity. If the second senior applicant also proves to be unsuccessful then the company may select any person for the job.

(d) The classification of machinist, maintenance mechanic, electrician and general maintenance are excluded from the above terms, and any promotions will be done on the basis of skill, ability and qualifications and where this is equal, the senior employee will be promoted.

(e) If none of the applicants for any job has the skill, ability and qualifications to fill the posted job, the Company may fill the job from any source available.

21.03 An employee who receives a job through the posting procedures shall not apply for another posting until six months have passed from the date of the original appointment.

21.04 Only the original vacancy and up two (2) successive vacancies from which transfer was made because of the posting shall be posted. Any other vacancies caused from the original posting will be filled by the Company at its discretion.

21.05 A job shall not be vacant for posting where it is of a temporary nature (not expected to exceed 30 working days), or where employees are absent due to vacation, illness, leave of absence, or on lay-off subject to recall to a particular job.

21.06 Employees in pay group P.5 will be given the first opportunity, based on seniority, to select a shift which becomes open in that group before a new employee is hired, provided the employee has the basic qualifications. Only the original and one successive shift will be open and this is not to be construed as a guarantee of shift times. The Company may, at its discretion, give a trial period of up to ten (10) working days for employees applying who do not have the basic qualifications. This Article does not apply to temporary jobs.

21.07 An employee who has been confirmed as having a permanent disability which prevents him from performing the essential duties of his job will be allowed, once only, to exercise his seniority rights under Article 21 in order to secure any vacant position consistent with the documented disability. This will be allowed only after consultation and agreement between the Union and the Company. An employee who has exercised their right under this provision will be limited thereafter to bid for positions that are compatible with their disability only.

Article 22 – APPENDIX:

22.01 Attached hereto and constituting a part of this Agreement is an Appendix setting out classifications, wages and other matters applicable thereto.

Article 23 – DURATION:

23.01 Wages as outlined shall be the maximum payable during the life of this agreement unless a change is negotiated between the Company and the Union.

This Agreement, which supersedes all previous Agreements or practices, written, express or implied, will continue in effect from and including the 22nd day of November 2002 to and including the 21st day of November 2007. Notice that either party wishes to amend the terms hereof or terminate the said Agreement may only be given a period of ninety (90) to thirty (30) days preceding the 21st day of November, 2007.

A P P E N D I X AND WAGE SCHEDULES

APPENDIX

Page 1

1. Wage rates are attached as follows:
 - **Schedule 1 for wage rates effective from November 22, 2002**
 - **Schedule 2 for wage rates effective from November 22, 2003**
 - **Schedule 3 for wage rates effective from November 22, 2004**
 - **Schedule 4 for wage rates effective from November 22, 2005**
 - **Schedule 5 for wage rates effective from November 22, 2006**

2. Progression between rates, in the appropriate Schedule noted above, will be based on calendar months, unless the employee has not been at work for 30 consecutive days, in which case the time not at work would be added to the time required to advance between the appropriate rate steps.

3. Should it become necessary for a Maintenance Mechanic or Machinist to replace a piece of equipment essential to the performance of the normal requirement of his job, the Company will pay the cost of replacement to a maximum of one hundred and fifty (\$150.00) per calendar year. The employee shall provide a suitable receipt showing the exact cost of the replaced equipment.

4. With the exception of Lead Hands in the Maintenance Department, Lead Hands appointed by the Company will receive effective on:
 - **November 22, 2002**, \$16.86 per hour
 - **November 22, 2003**, \$17.11 per hour
 - **November 22, 2004**, \$17.45 per hour
 - **November 22, 2005**, \$17.80 per hour
 - **November 22, 2006**, \$18.25 per hourLead Hands appointed by the Company for the Maintenance Department will receive thirty-five (35) cents per hour above their respective hourly rates of pay.

5. Shift premium will be 39 cents for the Second Shift and 46 cents for the Third Shift over the entire term of the collective agreement.

A second shift shall be one which commences not earlier than 1:00 p.m. and before 10:00 p.m.

A third shift shall be one which commences not earlier than 10:00 p.m. and before 5:00 a.m.

APPENDIX

Page2

6. BENEFITS

- (a) The amount of **Life Insurance** provided for employees will be \$15,000.00 . Each employee has the option to purchase a like amount at his/her expense.
- (b) The **Weekly Indemnity** will be sixty-six and two thirds per cent (66 2/3%) of regular weekly earnings with a maximum payment being equivalent of the maximum U.I.C. payment to unemployed persons. The Weekly Indemnity shall be on a 1-4-26 basis according to the policy issued.
- (c) **DENTAL PLAN:** The Company will pay the premiums for a basic dental plan. The plan will be subject to an annual maximum of \$1,000 per each member and insured dependent.

Effective January 1, 2003 the O.D.A. shall be updated to the 2002 O.D.A. rate. Effective January 1, 2004 the O.D.A. shall be updated to the 2003 O.D.A. rate. Effective January 1, 2005 the O.D.A. shall be updated to the 2004 O.D.A. rate. Effective January 1, 2006 the O.D.A. shall be updated to 2005 O.D.A. Effective January 1, 2007 the O.D.A. shall be updated to the 2006 O.D.A.

Coverage for root canal will continue.

Minimum check-up time (recall) will be every nine months.

- (d) **Long-Term Disability:**

The Company will pay 100% of the premium for the current L.T.D. plan for eligible bargaining unit employees.

- (e) **Vision Care**

The Company will continue insurance to provide vision care coverage at the rate of one hundred dollars (\$100.00) reimbursement for prescription eye glasses once in any 24 month period.

- (f) **Extended Health Care**

The Company will provide Extended Health Care coverage which includes a Drug Plan with 100% reimbursement, subject to a dispensing fee maximum of **\$6.50**. (The employee will be directly responsible for any amount above the **\$6.50** dispensing fee.) The maximum amount of coverage for drugs will be \$20,000.00 per employee per calendar year. This benefit will be available by use of a drug card as determined by the insurance policy. The overall maximum for Physiotherapists will be \$500.00 per calendar year.

(g) **Eligibility**

All new full-time employees hired will receive no benefits for their first six calendar months of work. For the purposes of clarity, they will only receive vacation pay and statutory holiday pay.

8. **GROUP RRSP**

The Group RRSP currently in effect shall be continued on a voluntary basis. It shall be based on future service and contributions. The Company contribution, during the life of this agreement, shall be twenty-four (24) cents per hour worked for each participating employee, to be matched by the employee. In the administration of the Group RRSP it is understood that any employee withdrawing money from the plan will have a waiting period of six (6) months, after such withdrawal, before being permitted to make any further contributions.

March 10, 2003

Mr. Ron Piercey
Bakery, Confectionery & Tobacco Workers
Int'l Union, Local 264
6655 Kitimat Road, Unit !11
Mississauga, Ontario
L5N 6J4

Dear Mr. Piercey:

Re: Rotation of Jobs for Packers

All classifications will continue their rotation as is currently practiced.

Yours very truly,
Oak Leaf Confections Ltd.

Guy DeCaro
Plant Manager

JOB CLASSIFICATIONS AND HOURLY RATES OF PAY

EFFECTIVE: NOVEMBER 22, 2002

Group	Positions	Hire Rate	After six (6) Months	After twelve (12) Months
P.1	Base Mixer Forming Room Set-up Operator Gum Mixer/Extruder Gum Printer Lab Colour & Flavour Set-up Person Woodman Operator Head Shipper/Receiver	\$14.88	\$15.90	\$16.21
P.2	Pan Operator **	\$14.44	\$15.47	\$15.80
P.3	Pill Press Operator Quality Control Inspector Sample Preparation Person Warehouse Person	\$14.10	\$15.13	\$15.46
P.4	Flavour Lab Helper Material Handler	\$13.38	\$14.40	\$14.71
P.5	Forming Room Tray Handler Sanitation Person/Janitor Machine Operator Utility Person	\$10.96	\$14.03	\$14.31
M.1	Industrial Electrician(Specialist) Machinist	\$20.49	\$21.51	\$23.83
M.2	Industrial Electrician Maintenance Mechanic Packaging Mechanic	\$19.27	\$20.30	\$22.60
M.3	General Maintenance	\$16.85	\$17.88	\$18.16
M.4	Maintenance - Helper	\$13.27	\$14.30	\$14.68

** cannot advance beyond this rate
unless can Finish & Gross

New: employees in prior 9 & 15 month steps
went to new 12 month step

JOB CLASSIFICATIONS AND HOURLY RATES OF PAY

EFFECTIVE: NOVEMBER 22, 2003

Group	Positions	Hire Rate	After six (6) Months	After twelve (12) Months
P.1	Base Mixer Forming Room Set-up Operator Gum Mixer/Extruder Gum Printer Lab Colour & Flavour Set-up Person Woodman Operator Head Shipper/Receiver	\$15.10	\$16.14	\$16.45
P.2	Pan Operator **	\$14.66	\$15.70	\$16.04
P.3	Pill Press Operator Quality Control Inspector Sample Preparation Person Warehouse Person	\$14.31	\$15.36	\$15.69
P.4	Flavour Lab Helper Material Handler	\$13.58	\$14.62	\$14.93
P.5	Forming Room Tray Handler Sanitation Person/Janitor Machine Operator Utility Person	\$11.12	\$14.24	\$14.52
M.1	Industrial Electrician(Specialist) Machinist	\$20.80	\$21.83	\$24.19
M.2	Industrial Electrician Maintenance Mechanic Packaging Mechanic	\$19.56	\$20.60	\$22.94
M.3	General Maintenance	\$17.10	\$18.15	\$18.43
M.4	Maintenance - Helper	\$13.47	\$14.51	\$14.90

** cannot advance beyond this rate
unless can Finish & Gross

JOB CLASSIFICATIONS AND HOURLY RATES OF PAY

EFFECTIVE: NOVEMBER 22, 2004

Group	Positions	Hire Rate	After six (6) Months	After twelve (12) Months
P.1	Base Mixer Forming Room Set-up Operator Gum Mixer/Extruder Gum Printer Lab Colour & Flavour Set-up Person Woodman Operator Head Shipper/Receiver	\$15.48	\$16.54	\$16.86
P.2	Pan Operator **	\$15.03	\$16.09	\$16.44
P.3	Pill Press Operator Quality Control Inspector Sample Preparation Person Warehouse Person	\$14.68	\$15.74	\$16.08
P.4	Flavour Lab Helper Material Handler	\$13.92	\$14.99	\$15.30
P.5	Forming Room Tray Handler Sanitation Person/Janitor Machine Operator Utility Person	\$11.40	\$14.60	\$14.88
M.1	Industrial Electrician(Specialist) Machinist	\$21.32	\$22.38	\$24.79
M.2	Industrial Electrician Maintenance Mechanic Packaging Mechanic	\$20.05	\$21.12	\$23.51
M.3	General Maintenance	\$17.53	\$18.60	\$18.89
M.4	Maintenance - Helper	\$13.81	\$14.87	\$15.27

** cannot advance beyond this rate
unless can Finish & Gross

JOB CLASSIFICATIONS AND HOURLY RATES OF PAY

EFFECTIVE: NOVEMBER 22, 2005

Group	Positions	Hire Rate	After six (6) Months	After twelve (12) Months
P.1	Base Mixer Forming Room Set-up Operator Gum Mixer/Extruder Gum Printer Lab Colour & Flavour Set-up Person Woodman Operator Head Shipper/Receiver	\$15.71	\$16.79	\$17.11
P.2	Pan Operator **	\$15.26	\$16.33	\$16.69
P.3	Pill Press Operator Quality Control Inspector Sample Preparation Person Warehouse Person	\$14.90	\$15.98	\$16.32
P.4	Flavour Lab Helper Material Handler	\$14.13	\$15.21	\$15.53
P.5	Forming Room Tray Handler Sanitation Person/Janitor Machine Operator Utility Person	\$11.57	\$14.82	\$15.10
M.1	Industrial Electrician(Specialist) Machinist	\$21.64	\$22.72	\$25.16
M.2	Industrial Electrician Maintenance Mechanic Packaging Mechanic	\$20.35	\$21.44	\$23.86
M.3	General Maintenance	\$17.79	\$18.88	\$19.17
M.4	Maintenance - Helper	\$14.02	\$15.09	\$15.50

** cannot advance beyond this rate
unless can Finish & Gross

EFFECTIVE: NOVEMBER 22, 2005

JOB CLASSIFICATIONS AND HOURLY RATES OF PAY

EFFECTIVE: NOVEMBER 22, 2006

Group	Positions	Hire Rate	After six (6) Months	After twelve (12) Months
P.1	Base Mixer Forming Room Set-up Operator Gum Mixer/Extruder Gum Printer Lab Colour & Flavour Set-up Person Woodman Operator Head Shipper/Receiver	\$16.10	\$17.21	\$17.54
P.2	Pan Operator **	\$15.64	\$16.74	\$17.11
P.3	Pill Press Operator Quality Control Inspector Sample Preparation Person Warehouse Person	\$15.27	\$16.38	\$16.73
P.4	Flavour Lab Helper Material Handler	\$14.48	\$15.59	\$15.92
P.5	Forming Room Tray Handler Sanitation Person/Janitor Machine Operator Utility Person	\$11.86	\$15.19	\$15.48
M.1	Industrial Electrician(Specialist) Machinist	\$22.18	\$23.29	\$25.79
M.2	Industrial Electrician Maintenance Mechanic Packaging Mechanic	\$20.86	\$21.98	\$24.46
M.3	General Maintenance	\$18.23	\$19.35	\$19.65
M.4	Maintenance - Helper	\$14.37	\$15.47	\$15.89

** cannot advance beyond this rate
unless can Finish & Gross

EFFECTIVE: NOVEMBER 22, 2006