

SOURCE	Union		
EFF.	95	05	0
TERM.	98	04	31
No. OF EMPLOYEES			
NOMBRE D'EMPLOYÉS			

COLLECTIVE AGREEMENT

BETWEEN

SIMMONS CANADA INC.

3636 - 11A Street S.E.

Calgary, Alberta

T2H 2H4

AND

INTERNATIONAL UNION OF OPERATING ENGINEERS

Local 955

May 1, 1995 to April 30, 1998

1022801

DEC 11 1995

COLLECTIVE AGREEMENT

BY AND BETWEEN:

SIMMONS CANADA INC.

3636 - 11A Street S.E.,

Calgary, Alberta.

T2H 2H4

(hereinafter referred to as the Company)

AND

INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 955

(hereinafter referred to as the Union)

TABLE OF CONTENTS

PURPOSE	5
ARTICLE 1.00 - RECOGNITION	5
ARTICLE 2.00 - DEDUCTION OF UNION DUES	5
ARTICLE 3.00 - MANAGEMENT RIGHTS	5
ARTICLE 4.00 - HOURS OF WORK	6
ARTICLE 5.00 - RATES OF PAY	7
ARTICLE 6.00 - VACATIONS WITH PAY	8
ARTICLE 7.00 - GENERAL HOLIDAYS	9
ARTICLE 8.00 - SENIORITY	10
ARTICLE 9.00 - BEREAVEMENT PAY	12
ARTICLE 10.00 - NO INTERRUPTION OF WORK	12
ARTICLE 11.00 - GRIEVANCE AND ARBITRATION PROCEDURE	13
ARTICLE 12.00 - LEAVE OF ABSENCE	15
ARTICLE 13.00 - GENERAL CONDITIONS	16
ARTICLE 14.00 - ACCIDENT PREVENTION AND SAFETY	17
ARTICLE 15.00-HEALTH AND WELFARE	17
ARTICLE 16.00 - GENERAL INFORMATION	18
ARTICLE 17.00 - LABOUR/MANAGEMENT RELATIONS COMMITTEE	19
ARTICLE 18.00 - PRODUCTIVITY PLAN	20
ARTICLE 19.00 - DURATION	21
APPENDIX "A"	22
JOB CLASSIFICATION AND BASE RATES	22

LETTER OF UNDERSTANDING #1 23

LETTER OF UNDERSTANDING #2 24

LETTER OF UNDERSTANDING #3 25

PURPOSE

The Company and the **Union** desire to **cooperate** in **establishing** and **maintaining** **conditions** which will promote **and** improve industrial and economic relations between the Company **and** the **employees** covered by this Agreement, and to **set** forth rates of pay, hours of **work** and provide methods for a fair **and** peaceful settlement of all disputes which may arise between them, **so as** to secure **full** employment, unrestricted operations and general stabilization of employment.

Now this Agreement **Witnesseth**:

ARTICLE 1.00 - RECOGNITION

1.01 The Union is recognized as the sole bargaining **agent** for all employees coming within the description of the unit of employees described in the Certification issued by the Board of Industrial Relations #96-77.

ARTICLE 2.00 - DEDUCTION OF UNION DUES

2.01 During the period of this Agreement, the Company agrees to **commence** deduction of the amount of **Union Dues** from the **second** pay period in each month **from** all employees covered by this Agreement **who** have completed thirty (30) days of employment.

In **all** subsequent **months** after the completion of the thirty (30) days of employment, the Company *shall* deduct dues from all employees **who** have completed **eighty (80)** hours of **work** in the **month** preceding the **month** in which the deduction is **made**.

2.02 All employees **shall** become members of the Union **within** thirty (30) days of **commencement** of employment within the **bargaining** unit, The **Union Stewards** will issue Union membership applications.

ARTICLE 3.00 - MANAGEMENT RIGHTS

3.01 **It** is the intent of the Company and the direction of the **work** forces **are** ;
 and exclusively in the Company and shall not be abridged, **except by specific**

restriction **as set** forth in this Agreement. The Management rights **as set** out **herein** should not be deemed to exclude the other rights of Management at common law. The Company **retains** the sole **and** exclusive control over all matters **concerning the operation**, management and administration of the business; the direction **and** control of employees, including **qualifications**; determination of quality and quantity **standards** particularly related to the Small Group Incentive Plan; the right to determine processes and methods and procedures to be employed including technological **change**; **the** right to make **and** enforce rules, including safety matters, and **to perform** other functions inherent in the administration **and** control of the business.

ARTICLE 4.00 - HOURS OF WORK

- 4.01** The standard work week shall consist of forty **(40)** hours comprised of five **(5)** consecutive **eight (8)** hour days, Monday to **Friday**.
- 4.02** **No** guarantee by the Company of a **full** week's working time is hereby given. If an employee shows up for **work** and the company did not tell him in **advance to stay** home, then the Company must pay **him** for four **(4)** hours wages at **his** applicable rate.
- 4.03** **There shall be** a fifteen **(15)** minute **rest** period from **work** in the morning. In lieu of a **fifteen(15)** minute rest period in the afternoon, the parties will **agree** to the **shift ending fifteen (15) minutes** early, which time would include a five **(5)** minute wash up. It **is further** agreed, when an employee must **finish** his job **between 3:00 p.m. and 3:15** p.m. and **with** the permission of **his** supervisor leave the property, he will not **be** docked more **than fifteen (15)** minutes. **There shall be** a fifteen **(15)** minute paid break **before** overtime begins.
- 4.04** An employee who is **called in to** work outside of **his** normal working hours **shall** receive a minimum of **two (2)** hours pay at time and a half.
- 4:05** The employee will have 24 hours before reporting to work without discipline **taken against** said employee.

ARTICLE 6.00 - VACATIONS WITH PAY

6.01 For the purpose of calculating entitlement to vacation and payment therefore, the vacation year shall be **from** May 1st in any given year to April 30th of the **succeeding year**. Vacation shall be **taken** in the vacation year **following** the year upon which the calculation is based.

All those employees with less than **five (5)** years continuous employment shall **receive vacation** with pay in accordance with the requirements of the Employment **Standards** Act governing vacations with pay.

- 6.02**
- a) All those employees with more than five **(5)** and less than eight **(8)** years of employment as of **May 1st** in any given year, shall be **entitled** to three **(3)** **weeks** vacation with pay; such pay being equal to **six percent (6%)** of the regular pay **earned by the** employee in the year for **which** the vacation is **given**.
 - b) **All those** employees with more than **eight (8)** and less than **eighteen (18)** years of employment as of May 1st in any given year, shall be **entitled** to **four (4)** **weeks** vacation with pay; such pay being equal to **eight percent (8%)** of the regular pay **earned by the** employee in the year **for which** the vacation is **given**.
 - c) All those **employees** with more than **eighteen (18)** years of employment **as of** May 1st in any **given** year shall be **entitled** to **five (5) weeks** vacation with pay; such pay being **equal** to **ten percent (10%)** of the **regular** pay **earned by the** employee in the year for which the vacation is given.
 - d) Vacation pay **to** be paid on a separate cheque on **commencement** day of Holidays. Employees may **ask** in advance the amount of **their** holiday pay.

6.03 **Because** of the nature of the **business** operations, no employee shall **have** more than two **(2)** consecutive **weeks'** vacation at any one time. Whereas the Company will attempt to take into consideration the wishes **of** the employees **as to** the time **when** vacation **can** be taken, it **reserves** unto itself the final decision **as to** the **time** of said vacations. The Company however, **assures** the Union that it will endeavour to **set annual** vacations during the **summer** months of each calendar year. **All** vacation requests will **be** considered, however, production requirements will take **priority**.

6.04 As of January 15 in any year the Company will post a notice on one notice board in the plant, inviting employees eligible for vacations in that year to indicate their preference for vacation assignment. This invitation will be held open from January 15th to March 15th. The Company will utilize the information entered on this document, as contemplated in subsection 6.03 above.

ARTICLE 7.00 - GENERAL HOLIDAYS

7.01 a) ~~The~~ following General ~~Holidays~~ shall be paid for if not worked, subject to the conditions hereinafter ~~set~~ forth:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Dominion Day	Christmas Day
August Civic Holiday	Boxing Day

Family Day will be observed as per Government Legislation.

b) ~~The~~ basis of pay for the above named holidays shall be eight (8) hours ~~times~~ their base hourly rate.

c) ~~An~~ employee shall not be eligible for payment of holiday pay when:

i) the employee has not worked for the Company a total of thirty (30) days during the preceding twelve (12) months, or

ii) the employee has absented himself from work without the consent of the Company of either his last regular working day preceding, or his first regular working day following the particular holiday, or

iii) the employee is on a leave of absence at the time the holiday falls, except where this provision is waived by the Company.

10

7.02 Should a General Holiday **fall** during the week **an** employee is **on vacation**, **an** additional day off with pay will be granted on the basis of the foregoing.

7.03 **When** one of the above granted general holidays falls on **an** employee's **regularly** scheduled day **off**, the following or preceding work day shall be observed **as the** holiday. The particular **day-in-lieu** shall be determined in advance by the Company.

ARTICLE 8.00 - SENIORITY

8.01 Seniority **shall be** established in terms of years, months and days **after** each **employee** has had **forty-five (45)** working days continuous **service** in a position **covered** by this Agreement. Such seniority shall **be effective** from the date of employment.

8.02 Employees with less than **forty-five (45)** working days continuous employment **shall** be considered probationary. During such probationary **period**, **employees may be discharged**, disciplined, or laid off **without** reference to grievance procedure **and** the Company **has** no obligation to **re-hire** such employees.

8.03 Any employee will lose **his** seniority rights under this agreement and **will be** considered **as a new** employee if he voluntarily leaves **his** employment **with** the Company; or if he is discharged; or if he has been laid off for a period of **six (6)** months; or if he **has** been laid off for a period of **less than six (6)** months and **fails to** return to work or to **give in** writing valid **reasons** for his inability to do so within **three** (3) days of the date he **has been** requested by the Company in writing to **return to** work; or if he **overstays a leave of absence granted** by the Company in writing **without securing** an extension of such **leave**; or if he absents himself **from his** work for **more**

than **three (3) days** without securing leave of absence or without producing **evidence** of a sufficient reason **satisfactory** to the Company.

8.04

When filling vacancies, other than on a temporary basis (**5** working days or less), plant-wide seniority will be considered providing ability, **experience and competence are equal** among the employees concerned, and **subject** to the right of the Company to make the final decision. **No** senior employee will be displaced for a job vacancy, if they **can work** to the engineering standard **for** that job.

In making appointments the company undertakes to look first at the **availability** of incumbent employees for the position. If, however, in the Company's opinion there **are no suitable incumbent employees, the appointment shall** be made from **any source**.

Any employee who applied to be appointed to a vacancy and was **refused the** appointment shall **have** the recourse to the grievance procedure on **the basis of an** allegation that in making the appointment **the** Company acted in bad faith.

8.05

In cases of **lay off** due to **shortage of work**, employees **shall be** demoted or laid off according to **plant-wide** seniority providing ability, experience and competence **are equal**. **Probationary employees** will be **laid off** first according to **plant-wide seniority** provided senior employees **have** the ability, experience and **competence** required. **No** senior employee will **be** displaced from a job, if they can work to **the engineering** standard for that job.

8.06

The Company shall post a **Seniority List** every **six (6)** months covering all regular **full-time** employees,

8.07 All vacancies **occurring** in regular full-time **jobs** shall be **posted** for a **minimum** of three (3) working **days**. Interested applicants must apply in writing to the **Plant Superintendent**. Vacancies will be filled **as and** when **necessary** pursuant to **Section 8.04** herein.

ARTICLE 9.00 - BEREAVEMENT PAY

9.01 ~~Provided an employee has~~ completed his probationary period, in the event of a death of a ~~Mother,~~ **Father, Spouse** or **Child** ~~an employee~~ shall **be** allowed up to a **maximum** of **five (5)** working **days' absence** without loss of pay for the purposes of ~~attending or making arrangements for the funeral.~~ In the event of a death in the immediate **family** ~~an employee~~ shall **be allowed** up to a maximum of three (3) working **days' absence** without loss of **pay** for the purposes of attending or making arrangements **for the funeral.** The term "immediate **family**" shall be deemed to include Brother or **Sister,** Mother-in-law, Father-in-law and Grandparents of the employee.

- [REDACTED] OF WORK

10.01 The Company ~~agrees they will not~~ **cause** or direct **any** lockout of their employees ~~and~~ the **Union** agrees that neither the Union nor the **members** of the **bargaining unit** ~~will~~ **cause** or take part in a **strike, slowdown** or other stoppage of or **interference** with work which would **cause any** interruption in production during the term of **this Agreement.** Further, it is **agreed** that there ~~shall~~ **be no secondary boycotts.**

ARTICLE 11.00 - GRIEVANCE AND ARBITRATION PROCEDURE

11.01 In the event that a dispute arises between the Company **and** the Union on **the** one hand OR the **Company** and one or more employees on the other **hand**, regarding the interpretation, application or **alleged** violation of this **Agreement**, such dispute **shall be settled** without stoppage of work or lockout **by** way of one of **the** following procedures of settlement **as** applicable:

By the Employee

Step 1 The employee or employees concerned, with or without **a** Job Steward **in** attendance, **shall first** seek **to** settle the dispute in discussion **with the** immediate supervisor.

Step 2 If the dispute is not resolved satisfactorily in Step 1, it then **becomes a grievance**. **Once a grievance** is filed, the Job Steward **will** be present. This **grievance shall** then be reduced to writing, **setting** forth

- a) **the nature of the grievance** and the **circumstances** out of which it arose;
- b) the **remedy** or correction required;
- c) **the** section or sections of the Agreement **infringed** upon, or **claimed** to have been violated.

The written grievance **shall** be submitted in **this** form to **the** Plant **Superintendent** or his **designee** within ten **(10)** days of the **act causing** the grievance. The **Plant** Superintendent or his **designee shall** make

known his decision to the grievor within five (5) days of receipt of the grievance.

Step 3 In the event that the reply in Step 2 is unsatisfactory to the grievor, he shall then submit the grievance to the General Manager within five (5) days of the receipt of the grievance in Step 2. The General Manager or his designee shall make known his decision to the grievor within five (5) days of his receipt of the grievance.

Step 4 In the event that the reply in Step 3 is unsatisfactory to the grievor, he may then submit the grievance to Arbitration within seven (7) days of receipt of the decision of the General Manager.

Arbitration proceedings shall be in accordance with the provisions of the applicable sections of the Alberta Labour Act.

By the Union or the Company

In the event that either the Company or the Union on their own behalf wish to process a grievance, such grievance shall be submitted by the one party to the other, in writing, and shall be submitted within ten (10) days of the act causing the grievance.

The party in receipt of the grievance must make known its decision regarding the grievance to the other party within ten (10) days of receipt. In the event that the grievance is not resolved at this time, either party may submit the grievance to Arbitration within seven (7) days of the rendering of the decision. The arbitration proceedings shall be in accordance with those applicable sections of the Labour Relations Act.

- 11.02** The time limits expressed in the foregoing shall be exclusive of Saturdays, **Sundays** and Statutory Holidays and normal time off
- 11.03**
- a) In the event the initiator of the grievance fails to follow the procedure and time limits established in this Article, the grievance **shall be deemed to be** abandoned.
 - b) Where the recipient of the grievance fails to respond within **the time limits** prescribed, the **grievance** shall advance to the next **step**.
- 11.04** The **Board** of Arbitration shall not be **vested** with the power to change, add to, delete or **amend the** terms of **this** Agreement.

ARTICLE 12.00 - LEAVE OF ABSENCE

- 12.01** Individual employees may, with the Company's consent in writing, obtain a leave of absence without pay when in the opinion of the Plant Superintendent or **General Manager**, conditions so warrant. The written *consent* will state the dates at which **the** leave **begins** and ends.
- 12.02** Application for leave of absence must be made to the Plant Superintendent. If **the** reasons for a leave of absence are of a personal nature, the employee may elect to **discuss** the **reasons** with the General Manager having first obtained permission to **do so** from the Plant Superintendent.
- 12.03** The Company will endeavour to accommodate an employee's request for all **leaves** of absence by responding in **writing** within five **(5) working** days **of** the request.

ARTICLE 13.00 - GENERAL CONDITIONS

- 13.01** **The** Company will provide **bulletin** boards in suitable locations which **may** be used by the Union for posting **notices** of their activities. All such notices will be submitted **to** the Plant Superintendent for approval, which approval shall not be **unreasonably withheld**, prior **to** posting. Such approval will be **signified** by the initials of the Plant Superintendent or **his designee appearing** on each notice.
- 13.02** **The** Company **undertakes to continue** its current practice in the **issuance** of protective clothing.
- 13.03** The Company shall provide clean, suitable, sanitary facilities and a clean, **heated** lunchroom, which shall not be **used** for storage of tools or equipment.
- 13.04** It is **recognized that** Job Stewards **may** require time away **from** their work stations **for** the processing of grievances. Such time **off** shall be **granted** subject to the Job Steward first **obtaining** permission **from** the Foreman. Permission **shall** not be unreasonable withheld. **The** Steward will receive **his** applicable rate in **carrying out** the Steward's duties. **No** more than three (3) in number and no **more than one (1)** employee **from** the **same** department, and shall be chosen **from** employees **who have more than two (2)** continuous years of **service** with the Company.
- 13.05** The **parties** agree **to** the principle of discipline for **just cause**.
- 13.06** The parties **agree** that there will be **no** discrimination on the **basis** of the **Individual Rights Protection Act**.
- 13.07** The Company **will** provide a **meal allowance** of \$7.00 or the Company **will supply a meal** to those **employees** working overtime after 6:00 p.m.

ARTICLE 14.00 - ACCIDENT PREVENTION AND SAFETY

- 14.01** The Company shall continue to make reasonable provision for the ~~safety and health~~ of its employees at the Plant during the hours of their employment.
- The Company shall provide transportation to and from a hospital for ~~any employee~~ incurring an ~~injury~~ at work that requires hospital treatment ~~and~~ transportation home.
- The name and ~~location~~ of the First Aid person is to be posted on the bulletin board.
- 14.02** The Company will ~~recognize two (2)~~ members of the bargaining unit as ~~representatives~~ of the Employees on a Safety Committee. ~~This committee shall meet~~ at least ~~once~~ per month at a mutually agreed time.
- 14.03** Should ~~an~~ employee suffer a compensable injury necessitating loss of ~~time from the~~ ~~work~~ place, he ~~shall be compensated for all time~~ lost on ~~the~~ day the accident occurred.
- 14.04** The Company will provide a ~~safety~~ shoe allowance to all full-time employees, upon receipt of proof of purchase, in the amount of:
- Effective May 1, 1995 - \$70.00 per year
- Effective May 1, 1996 - \$75.00 per year
- Effective May 1, 1997 - \$80.00 ~~per~~ year
- 14.05** Lifting as per O.H.S. Code.

ARTICLE 15.00 - HEALTH AND WELFARE

- 15.01** The Company will pay 100% of the premium for Alberta Health Care ~~Insurance~~.
- 15.02** The ~~Company~~ will ~~pay 100%~~ of the premium for the Health ~~and~~ Welfare ~~benefits~~ as ~~set~~ out below:

- 1) Life Insurance: Effective May 1, 1995 - \$35,000
Effective May 1, 1997 - \$40,000

Dependent Life Insurance: Effective May 1, 1995
- Spouse - \$2,000
- Each Dependent Child - \$1,000
- 2) Extended Health Care: Effective May 1, 1993 Extended Health Care coverage through Mutual Life of Canada to include prescription drugs, semi-private hospital, supplementary health care, vision - \$175/24 months. Effective May 1, 1994 vision - \$200/24 months. The deductible on prescription drugs will be: Single - \$10.00, Family - \$20.00 with 100% reimbursement of the balance.
- 3) **Dental Plan:** Effective May 1, 1989 there will be Basic Preventive Dental Plan for employees, 100% paid by the Employer. Effective May 1, 1991 the employer will pay 60% of the cost of restorative benefits. Rates will be based on the Canadian Dental Association schedule of rates for the current year.
- 4) **Long Term Disability:** To be discussed with employees April 20th, 1993 on an employee paid basis.

15.03 An employee is not eligible for benefits under this section (Article 15) until they complete their probationary period (Article 8 - Seniority).

ARTICLE 16.00 - GENERAL INFORMATION

16.01 Should new classifications of employees be introduced during the lifetime of this Agreement, the Company shall set the rate for the classifications. In the event that the

Union disagrees with the rate set, the issue will be negotiated and failing settlement shall be submitted to arbitration for final settlement. The rate determined by the Arbitration Board shall be effective the date the Union appealed the rate determined by the Company.

16.02 In cases of extreme emergency, foremen may do bargaining unit work provided a member of the bargaining unit from that Department is not available in the plant to do the work. An extreme emergency will be defined as the Company's need to service our customers on a just in time basis.

ARTICLE 17.00 - LABOUR/MANAGEMENT RELATIONS COMMITTEE

- 17.01** a) The Company and the Union agree to establish and maintain a Labour-Management Relations Committee consisting of no more than three (3) representatives of the Management of the Company and no more than three (3) representatives of the Union, one of the Management representatives to be the General Manager of the company or his designate, and one of the Union representatives to be the Chief Steward. The object of this Committee shall be to provide and facilitate cooperation and participation in bringing forward ways and means of improving productive efficiency, promoting fuller understanding and confidence between the Company and the Union and maintaining harmonious mutual relations between them.
- b) This Committee shall meet at least once each month at such time and place as shall from time to time be determined mutually by the members thereof. An

Agenda of the matters proposed to be discussed and considered **will be sent** to the parties at least three (3) days prior to the meeting.

- c) Matters of **mutual** concern pertaining to improvement of working conditions, safety and any problems which **arise** in the course of **administration of this Agreement** may be **referred to this Committee for discussion.**

ARTICLE 18.00 - PRODUCTIVITY PLAN

18.01 A Small Group Incentive Plan will be implemented **as of May 9, 1988.**

- a) Implement in the Cut and Sew *Area* smaller groups for incentive.

ARTICLE 19.00 - DURATION

19.01 This Agreement shall remain in force and effect from May 1, 1995 to April 30, 1998 and from year to year thereafter unless notification of termination or amendment be given in writing by either party not less than thirty (30) days and not more than ninety (90) days prior to its expiration date.

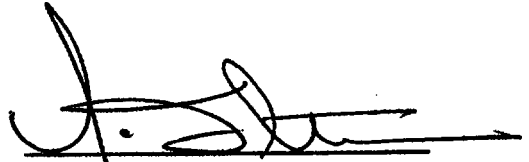
FOR THE COMPANY

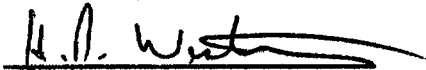
FOR THE UNION

SIMMONS CANADAINC.

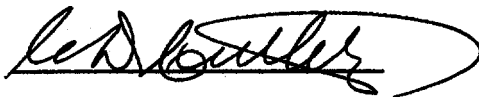
INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL 955













DATED THIS DAY, THE 1st OF September 1995

AT CALGARY, ALBERTA

APPENDIX "A"

JOB CLASSIFICATION AND BASE RATES


<u>ALL DEPARTMENTS</u>	<u>EFFECTIVE MAY 1/95</u>	<u>EFFECTIVE MAY 1/96</u>	<u>EFFECTIVE MAY 1/97</u>
Probationer	11.10	11.10	11.10
Trainee	11.35	11.35	11.35
General Labour	13.10	13.10	13.10
<u>NON-PRODUCTIVE DEPARTMEN</u>			
Warehouseman (Trucker included)	14.00	14.40	14.80
<u>INNER CONSTRUCTION DEPARTMENT</u>			
Coiler Operator/Assembler	14.50	14.90	15.30
Edgewire/Trimmer	14.50	14.90	15.30
Box Spring Construction Operator	14.50	14.90	15.30
Coiler Operator/Assembler (Pocket)	14.50	14.90	15.30
<u>MATTRESS DEPARTMENT</u>			
Sewing Machine Operator	13.75	14.15	14.55
Border Operator	14.50	14.90	15.30
Quilting Machine Operator	14.50	14.90	15.30
Cutter	14.50	14.90	15.30
Box Spring Finisher	14.50	14.90	15.30
Hogringer	14.50	14.90	15.30
Garnett Operator	14.00	14.40	14.80
Closer	14.90	15.30	15.70
Main Garnett Operator	14.50	14.90	15.30
Futon Assembler	13.50	13.90	14.30
<u>MAINTENANCE DEPARTMENT</u>			
Maintenance Mechanic - start	15.50	15.90	16.30
- after 3 months	17.00	17.40	17.80
- after 12 months	18.50	18.90	19.30
Mechanic Machinist - start	17.05	17.45	17.85
- after 3 months	18.40	18.80	19.20
- after 12 months	19.75	20.15	20.55

LETTER OF UNDERSTANDING #1


Commencing May 1, 1995:

The Company undertakes to train employees during the length of this Collective Agreement in the following way:

1. The Company will interview each employee to find out where that employee would like to train (minimum 2 jobs).
2. The Company will have training a minimum of one employee per week, unless our customer demands do not allow us to do this.
3. The Company and Union will meet before November 1, 1995 to discuss the training of employees.
4. Training will be done in accordance to seniority.



For the Employer



For the Union

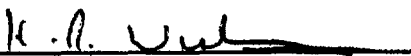
March 24, 1993

LETTER OF UNDERSTANDING #2


The Company undertakes with the Union to implement a rotation system in the cases of layoff due to shortage of work.

This rotation of work must be agreed to with the cooperation of all employees involved.

Also, the employees must still adhere to Article 8.05 of the Collective Agreement to be able to rotate.



For the Employer



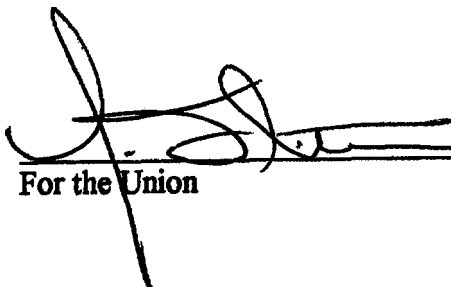
For the Union

LETTER OF UNDERSTANDING #3**PRODUCTIVITY COMMITTEE**

A committee consisting of Union and Management will meet to discuss employee problems regarding Engineered Standards/Small Group Excuses. The employee who is directly affected will be present. This committee will meet at the time that a problem arises.



For the Employer



For the Union



INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL 955, 955B, 955C

Norm Sliter, Business Manager & Financial Secretary

AF. of L.-C.I.O.-C.F.L.

HEAD OFFICE; 10350 - 172 Street, Edmonton, Alberta T5S 1G9

PHONE (403) 483-0954

FAX (403) 483-1998

September 1st, 1995

Labour Canada
3rd Floor, 10109 - 106 Street
Edmonton, Alberta T5J 3L7

Attention: Edmonton District Manager

Dear Sir:

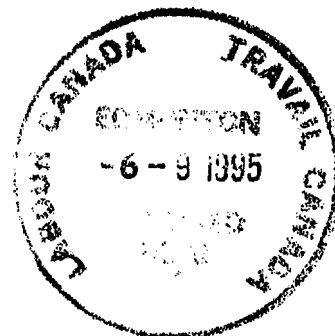
Enclosed please find a signed and sealed copy of the Collective Agreement between Simmons ~~Canada~~ Inc. and the International Union of Operating Engineers, Local 955 for the period May 1, 1995 to April 30th, 1998.

We trust the above meets with your approval, and remain,

Yours truly

Norm Sliter
Business Manager & Financial Secretary

DEC 11 1995



26

District #2 Office

#201, 1212 - 31 Avenue N.E.
Calgary, AB T2E 7S8
Phone 250-3840
Fax 250-3916

Mining Office

Box 6004
#28, 4924 - 1st Ave.
Edson, AB T7E 1T6
Phone 723-5955

Mining Office

#201, 122 Brewster Drive
Hinton, AB T7V 1B4
Phone 865-5184
Fax 865-1413

Northern Office

Room 203
8116 Manning Avenue
Ft. McMurray, AB T9H 1V
Phone 790-1713