COLLECTIVE AGREEMENT

BETWEEN

ENBRIDGE HOME SERVICES



AND

THE COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION



LOCAL 975

APRIL 1, 2001 TO MARCH 31, 2003

12613(62)

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ARTICLE 1 RECOGNITION

- 1.01 Enbridge Home Services, a division of Enbridge Services Inc. hereinafter referred to as the Company recognizes the Communications, Energy and Papetworkers Union Local 975, hereinafter referred to as the Union, as the sole bargaining agent for: all clerical and laboratory employees, save and except Niagara Region non operating employees, supervisors, those above the rank, residential/commercial sales associates, energy management consultants, account associates, secretaries to department managers, those above that rank, those employees in the Human Resource, Budget, Regulatory Affairs and Corporate Affairs departments, and clerical persons who normally work 24 hours per week or less in the Central Region of Enbridge Home Services.
- 1.02 Appliance sales representatives working in locations currently (as of **98-01**-01) represented by CEP Local **975** save and except supervisors and those above that rank.

All operations employees save and except supervisors, those above that rank and those working out of the Grimsby office.

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ARTICLE 2 UNION MANAGEMENT CO-OPERATION

- 2.01 Conferences between the Company representatives and the negotiating committee to discuss matters other than grievances shall be called when mutually agreed upon. Matters to be discussed at any such conference shall be listed in an agenda to be supplied by the patty requesting the conference to the other party not less than forty-eight (48)hours before the time for which the conference is arranged.
- 2.02 The Union Safety representatives may request meetings with Company Safety representatives and, sufficient notice having been given, such meetings shall be held as soon as possible thereafter. Either party or both parties may make recommendations to their principals, and pass on information resulting from these meetings.
- 2.03 The parties agree that the "Involvement Philosophy Statement" will be used to strengthen the relationship and reflect the way in which the parties will work together in the future. (See Letter of Understanding)
- 2.04 The Company and the Union recognize the importance of a strong commitment to the Health and Safety of its work force and therefore agree and commit to the following:
 - A) Compliance with a standard that, as a minimum, meets all applicable laws and regulations as of April, 1998, and reflect applicable industry standards.

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ARTICLE 2 UNION MANAGEMENT CO-OPERATION (Continued)

- B) That the Company will provide and maintain a safe and healthy work environment, safe equipment and will follow operating practices that will safeguard all employees and the public.
- C) The elimination of the source of dangers to the health, safety and physical well being of its employees is of paramount importance.
- D) That procedures are in place to ensure the efficient delivery of, and accessibility to, Health and Safety training.
- E) That the Company and the Union will work together to ensure all employees are aware of their rights and obligations with respect to these commitments.
- F) That unacceptable performance of health and safety responsibilities will not be tolerated.
- G) Development and communication of a Safety Management System.
- 2.05 The Company and the Union also recognize the importance of Joint Health and Safety Committees, comprised of knowledgeable employees, to achieving these commitments and agree to ensure that the committees have the necessary support to fulfil their role.

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ARTICLE 3 RESERVATIONSTO MANAGEMENT

- 3.01 The Union recognizes the right of the Company to operate and manage its (the Company's) business in all respects.
- **3.02** The right to hire, manage the working force and maintain order and efficiency is the exclusive responsibility of Management, provided there is no conflict with the terms of this Agreement.
- 3.03 The right to promote and the right to discipline and discharge for cause are likewise the exclusive responsibility of Management, provided that claims of discriminatory promotions and wrongful or unjust discipline or discharge shall be subject to the grievance procedure herein provided.

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ARTICLE 4 STRIKES OR LOCKOUTS

4.01 The Union and the Company recognize their respective responsibilities to the customer constantly being served by the Company and therefore, pledge that there shall not be any resort to lockouts, strikes or any other collective action which will interfere in any way with the operations of the Company during the term of this Agreement.

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ARTICLE 5 CHECK-OFF OF UNION DUES

- 5.01 The Company agrees that a check-off of the Union dues shall be made on a weekly basis from the salary of all Union members and that dues will commence from the first week of employment for all new employees.
- 5.02 The Union shall notify the Company of the amounts of dues on the effective date of this Agreement. Such amounts shall be subject to change at the request of the Union once each three-month period during the life of this Agreement. Such deductions will be remitted to the Secretary-Treasurer of the Union within one week of the deduction and shall be accompanied by a list of the employees from whom the deductions have been made and their addresses will be forwarded to the treasurer of the Union. Such deductions will be remitted into the Union.
- 5.03 Upon not less that 30 days' notice from the Secretary-Treasurer of the Union, the Company shall check off a special assessment of one or more weeks' duration from the salary of all Union members, no more than once in each three month period during the term of this Agreement, provided that a copy of the minutes relating assessment, certified by the Secretary of the Union, is forwarded with the requests. Such deductions will be remitted into the Union's account within one week of the deduction.

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ARTICLE 6 UNION SECURITY

- 6.01 Employees covered by the terms of this agreement who enter the Company's service shall, as a condition of continued employment, become members of the Union and remain members in good standing in accordance with the constitution and by-laws of the Union for the duration of this agreement.
- 6.02 An employee elected or appointed to a full-time office in the Union which requires a continuous and extended absence from regular work, shall upon written application therefore, be granted such leave of absence without pay, and without loss of seniority for such time as the office is held, to a maximum leave of two years, after which further leave may be granted at the discretion of the Company. It is the condition of reinstatement to their former position that the employee apply therefore within thirty (30) calendar days after the expiration of this term of office with the Union, and that they are competent to perform the work.
- 6.03 Members of the Union when delegated or elected to transact bonafide business pertaining to the Local Union, shall upon written application therefore made at least forty-eight (48) hours prior, be granted time off without pay.
- 6.04 With respect to business pertaining to the Communications, Energy and Paperworkers Union leaves will be granted provided 14 days' notice given. In the event that leaves of absence granted under this clause unduly interfere with the operation of a department,

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ARTICLE 6 UNION SECURITY (Continued)

the Company and the Union shall discuss possible alternate arrangements; however, failing to agree on alternate arrangements, said leaves of absence shall not be withheld. If a substitute is agreed upon as an alternate arrangement the substitute shall receive the same pay as the absent employee would have received. There is commitment not to interfere with operations.

- 6.05 The Company agrees that no employee shall suffer loss of normal salary while attending Company Union meetings.
- 6.06 The Company and the Union agree that there will be no discrimination against employees due to union involvement.
- 6.07 The Company recognizes the Local Union shall require a full-time officer.
- 6.08 The Company shall recognize Stewards, appointed by the Union. The Union shall provide the Company with an up to date list.
- 6.09 The Company agrees to provide bulletin boards, for the posting of Union notices it is understood that a copy of these notices shall be submitted to the Human Resources Department prior to posting.

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ARTICLE 7 NEGOTIATING COMMITTEE

7.01 The Company agrees that a Negotiating Committee not to exceed five (5) in number, selected by the Union, shall be recognized as the authorized representatives of the employees on any proposed renewal or revision of this Agreement. This committee may be augmented by representatives of the Communications, Energy and Papetworkers Union.

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ARTICLE 8 DURATION OF AGREEMENT

- 8.01 This Agreement shall become effective on April 1, 2001 and shall remain in effect until March 31, 2003, and thereafter shall continue in effect until one party hereto notifies the other party within 60 days of the anniversary date of this agreement or any extension thereof that such party elects to modify or amend this agreement.
- 8.02 Should this Agreement be allowed to continue in effect automatically after March 31, 2003 any or all of its provisions may be terminated at any time thereafter on two months' notice by either patty thereto, negotiations commencing no sooner than ten days and no later than thirty days from date of such notice.
- 8.03 All appendices to this Agreement shall form part of this Agreement.

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ARTICLE 8 DURATION OF AGREEMENT (Continued)

FOR THE UNION FOR TH Nom Larry Rya Dav mstrono 1 Mike Dave Moffat Cesare Ruscio Que

Dated this 23rd day of May in Markham, Ontario, 2001

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ARTICLE 9 NEW EMPLOYEES

9.01 New employees shall be considered to be on probation until they have completed three (3) months of continuousservice. Probationary employees have no rights under the collective agreement except for hours of work and rates of pay and statutory holidays. This three (3) month period may be extended by a maximum of three (3) months by agreement between the Company and the Union. The Company will notify the Union in writing of any termination of a probationary employee.

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ARTICLE 10 SENIORITY

- **10.01** The purpose of rules respecting seniority is to give employees an equitable measure of security based on length of service with the Company.
- **10.02** Upon completion of the probationary period, seniority shall become effective for new employees from the date of entry into the service of the Company.
- 10.03 For full time exempt, temporary and part time exempt employees entering the bargaining unit, seniority with respect to job postings and layoff will be calculated from the date of entry into the Bargaining Unit, unless otherwise negotiated.
- **10.04** Seniority shall not be broken by leave of absence in writing granted by an official of the Company or by illness attested to by a physician's certificate.
- **10.05** Seniority shall be lost for any of the following reasons:
 - the employee voluntarily leaves the employ of the Company;
 - B) if the employee is discharged and is not reinstated pursuant to the provisions of the grievance procedure;
 - c) in the event of a lay-off for a period of twenty-four consecutive months;

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ARTICLE 10 SENIORITY (Continued)

- if an employee voluntarily leaves Local 975 for a period of twenty four consecutive months;
- E) Is absent from work for a period of ten (10) working days without satisfactory notification to the Company. This shall be deemed a voluntary resignation. Circumstances beyond the control of the employee will be taken into consideration. The Union will be notified after five (5) days of no report.
- 10.06 Officers and Shop Stewards of the Union, during their terms of Office in the Union, shall head the seniority list. This clause will not apply when considering seniority for promotion or vacation.
- 10.07 A seniority list shall be posted showing Company service and identifying seniority, on all bulletin boards and a copy sent to the Union. This list shall be revised every six months.

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ARTICLE 11 JOB POSTINGS AND MOVEMENT OF STAFF

- 11.01 When a vacancy in a permanent job occurs it will be posted on all bulletin boards Company wide for a period of seven (7) days. A copy of this posting will be supplied to the secretary of the Union.
- 11.02 When a permanent vacancy exists in the service classification, the Company shall fill the vacancy as follows
 - When there is a requirement to post for a HVAC technician or advanced apprentice (4th or 5th year) the Company will:
 - A) Post the Job Vacancy Company wide. Where qualifications are equal, the applicant with the most seniority shall be awarded the position.
 - B) If no appropriate candidate is found, then the Company will hire externally.
 - When there is a requirement to post for a HVAC apprentice (1st, 2nd or 3rd year) the Company will:
 - A) Post the Job Vacancy Company wide. Where qualifications are equal, the applicant with the most seniority shall be awarded the position.

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ARTICLE 11 JOB POSTINGS AND MOVEMENT OF STAFF (Continued)

- 3) When there is a requirement to post for a Maintenance Technician, Installer, Service Technician, or Helper the Company will:
 - A) Post the Job Vacancy Company wide. Where qualifications are equal, the applicant with the most seniority shall be awarded the position.
 - B) If no appropriate candidate is found, then the Company will hire externally.
- 11.03 When a permanent vacancy exists in the Clerical or Customer Service Representative classification, the Company shall fill the vacancy as follows
 - A) Post the Job Vacancy Company wide. Where qualifications are equal, the applicant with the most seniority shall be awarded the position.
 - B) Any unsuccessful applicant, whose seniority is greater than the successful applicant has the right to apply for an opportunity to demonstrate their ability, provided the application is made within seven calendar days following written notice that the applicant was not accepted. Any decision made for filling of such vacancies inconsistent with this article would be subject of a grievance and processed under the grievance

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ARTICLE 11 JOB POSTINGS AND MOVEMENT OF STAFF (Continued)

procedure. The unsuccessful applicant with seniority may request and will be advised of the reasons they were not accepted.

- C) If no appropriate candidate is found, then the Company will hire externally.
- 11.04 When a permanent vacancy exists in the Retail Salesperson classification, the Company shall fill the vacancy as follows
 - Post the Job Vacancy Company wide.
 Where qualifications are equal, the applicant with the most seniority shall be awarded the position.
 - B) If no appropriate candidate is found, then the Company will hire externally.
- 11.05 A Temporary position shall be defined as one which shall not extend beyond a total period of sixty calendar days, save and except for the following:
 - temporary employees hired for a maximum of forty weeks for maternity/parental leave coverage;
 - B) It is the intent of the Company to hire temporary employees for illness, accident; or as otherwise agreed to by the parties.

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ARTICLE 11 JOB POSTINGS AND MOVEMENT OF STAFF (Continued)

- C) A temporary employee hired on contract to fill a temporary position shall be laid off in accordance with the conditions stated above.
- 11.06 A vacancy in a permanent position may be filled for a period of thirty (30) working days. An employee so transferred will receive the applicable rate of pay.
- 11.07 Copies of all postings covered by this agreement and notices of award shall be posted throughout the Company and copies sent to the Local Union President.
- 11.08 In the event that a successful applicant proves unsuitable on a postedjob, the Company will attempt to relocate the employee to a suitable position.
- 11.09 Within ten working days of such original posting, the Company will re-postthe notice indicating thereon the successful applicant for the position and the Union will be advised of all applicants.
- 11.10 Time periods may be extended by mutual agreement.

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ARTICLE 12 TEMPORARY EMPLOYEES

12.01 Temporary employees have no rights under this collective agreement except for hours of work, rates of pay and statutory holidays, and the grievance procedure as it relates to these issues.

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ARTICLE 13 LAYOFF/RECALL

- 13.01 In the event of a lay-off the principle of seniority shall apply.
- 13.02 In the event of a lay-off the Company and the Union will endeavor to place displaced employees in other jobs. The Company shall give the employees who are subject to lay-off and the Union sixty days' notice
- 13.03 Employees in the job concerned shall be given lay-off notice. An employee with seniority who is laid-off can displace an employee with less seniority provided the employee is qualified to perform the job.
- **13.04** If a change in methods or operations occurs which may result in the lay-off of employees, the Company agrees to, in consultation with the Union, make a reasonable effort to train and adapt such employees in the operation of the new equipment or methods.
- 13.05 Employees who are laid-off will be retained on a recall list, and will maintain and accrue seniority, if not on lay-off for more than 24 months. When work is available, employees on the recall list will be recalled in order of seniority of their unit, provided that the employee to be recalled is qualified and able to do the work.
- 13.06 Notice of recall to work shall be directed by registered mail to the employee's last known address, unless he/she has received prior notice by telephone, which will be confirmed by registered mail. It shall be the employee's responsibility to keep the Company informed of his/her address.

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ARTICLE 13 LAYOFF/RECALL (Continued)

- 13.07 The recalled employee must notify the Company of his/her intention to return to work within 5 days of the date of recall notice, and must return to work within 10 working days of date of recall notice or make alternate arrangements satisfactory to the Company.
- 13.08 An employee who refuses recall to a job will not lose seniority, but will lose future claim to the job which he/she has refused to accept.
- **13.09** Prior to re-employment, employees in order of seniority who have bumped into other positions shall be given the first opportunity to return to their previous position when a vacancy occurs.

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ARTICLE 14 EMPLOYEE BENEFITS

- 14.01 Benefit Coverage The Company agrees to provide pension and welfare benefits as described in the Company Booklets, benefit plan documents or policies of insurancefor the duration of the Agreement.
- 14.02 Pension Plan The terms of the Pension Plan form part of this Agreement. All employees must enroll in the Pension Plan in accordance with its terms and conditions.
- 14.03 Hospital, Surgical, and Medical Benefits
 - A) Employees are eligible to enroll in the Provincial Government's Health Insurance Plan in conformity with Provincial Legislation. The Company will pay 100% of the cost of such plan. In the event of elimination of the (Provincial) O.H.I.P. Plan the Company will provide comparable coverage.
 - B) Employees after three months' service will be eligible to enroll in the extended health benefits plan and the semi-private hospital coverage plan for employees and their dependants. The Company will pay 100% of the cost for such plans.
- 14.04 Group Life Insurance
 - A) Employees must enroll in the Company's Group Life Insurance Plan, which will provide for the payment of \$40,000 to the beneficiary in case of the death of a participating employee. The Company will pay 100% of the cost for such plan.

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ARTICLE 14 EMPLOYEE BENEFITS(Continued)

- B) An employee may elect to apply for Optional Life Insurance coverage in accordance with the terms and conditions of the Life Insurance Plan. Such optional life insurance will become effective after three months of employment and shall be fully paid for by the employee.
- C) An employee may elect to apply for Optional Dependant Life Insurance to insure a spouse and each dependant child in accordance with the terms and conditions of the Lie Insurance Plan. Such optional insurance shall be effective after three months of employment and shall be fully paid for the employee.

14.05 Dental Plan

Upon the completion of three months' employment an eligible employee will be enrolled in a Dental Plan which will provide dental benefits for employees and dependants. The Company will pay 100% of the premium of such plan.

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ARTICLE 15 SICK BENEFITS

- 15.01 Eligible employees will receive Sickness, Disability and RehabilitationBenefits in accordance with the terms and conditions outlined in the SDR Plan Text, a copy of which has been supplied to the Union. The SDR plan forms part of this CollectiveAgreement.
 - 5.02 An employee will be eligible for Sickness, Disability and Rehabilitation Benefits after three (3) continuous months **d** employment.
- 5.03 The Company reserves the right to demand reasonable proof of illness before paying any benefits. The Company will reimburse the cost of any medical certificate requested.
- 15.04 An employee absent on account of illness or accident shall receive basic pay from the first day of absence. Sickness, Disability and Rehabilitation Benefits will be paid in accordance with the following Schedule for any one illness or accident.

SERVICE

Less than one (1) year	Full pay for 2 weeks 66 2/3% pay after 2 weeks Nil pay after 26 weeks
1 year to 2 years	Full pay for 6 weeks 66 2/3% pay after 6 weeks
2 years to 4 years	Full pay for 8 weeks 66 2/3% pay after 8 weeks

SDR BENEFIT

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ARTICLE 15 SICK BENEFITS (Continued)

4 years to 6 years	Full pay for 12 weeks 66 2/3 % pay after 12 weeks
6 years to 8 years	Full pay for 16 weeks 66 2/3% pay after 16 weeks
8 years to 10 years	Full pay for 20 weeks 66 2/3% pay after 20 weeks
10 years and over	Full pay for 26 weeks 66 2/3% pay after 26 weeks

15.05 An employee who is absent on account of illness or other causes must notify the Company as directed on the inside front cover of this Agreement prior to the start of such absence or as soon as physically possible indicating the duration and nature of such absence. In the case of failure to so report, the absence will be considered to commence only from the time that proper notification is received for the purpose of computing sick benefits under Article 15.4. If the original notification reported the absence to be less than one (1) week and subsequently such absence is extended, notification shall be given to the Company of such extension as soon as it is known. An employee must report progression of illness every seven (7) calendar days on an illness or disability extending over a period unless other notification is arranged with the employee's Supervisor.

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ARTICLE 15 SICK BENEFITS (Continued)

- 15.06 An employee who is injured at work will receive a full days' pay for the day of the accident.
- 15.07 An employee receiving benefits under the terms of the Workplace Safety and Insurance Board benefits will receive an amount necessary to make up normal net pay.
- 15.08 Employees incapacitated by reason of advanced age or general impairment of health for the efficient performance of their regular duties may be placed in any job they are capable of filling, regardless of seniority, by mutual agreement of the parties to this Agreement. Employees thus re-assigned to a lower classification shall be red-circled.

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ARTICLE 16 ANNUAL VACATIONS

- 16.01 Employees with less than one year's service by December 31 will be entitled to one day's vacation for each complete month of service computed to December 31; to be taken within the calendar year.
- 16.02 An employee will be entitled to two weeks' vacation with pay upon completion of one full year of service prior to December 31, and provided such vacation is taken in the year in which it is due less any vacation credits received.
- 16.03 Employees who shall have completed three years or more service prior to December 31 in the year in which the vacation is due, shall receive three week's vacation with pay.
- 16.04 Employees who shall have completed ten years or more of service prior to December 31 of the year in which it is to be taken shall receive four weeks vacation with pay.
- 16.05 Employees who have completed eighteen years or more service prior to December 31 of the year in which the vacation is to be taken shall receive five weeks' vacation with pay.
- 16.06 Employees who have completed thirty years or more service prior to December 31 in the year in which the vacation is to be taken shall receive six weeks' vacation with pay.
- 16.07 Employees will receive two weeks additional vacation in the year in which they retire.

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ARTICLE 16 ANNUAL VACATIONS (Continued)

- 16.08 Vacation pay shall be based on the employee's weekly pay, shift premiums being excluded except for those employees on a permanent shift.
- 16.09 All deductions normally made from an employee's regular pay shall be deducted from the employee's vacation pay.
- 16.10 The holiday schedule shall be arranged by groups with proper regardfor seniority and providing for the continuous and efficient operation of the department.
- 16.11 For those who request and are eligible for, a minimum of two weeks vacation will be granted in any year between May 15th and September 15th. A department may require vacation requests to be completed by March 1st. In these instances the vacation list will be posted by April 15.
- 16.12 Employees who leave the Company's service before having received their annual vacation for the year in which they leave, will be paid vacation credits as follows:

Less than one year's service - 4% of earnings from December 31 in the preceding year.

More than one year's service but less that three year's service - 4% of earnings from December 31 in the preceding year."

Three years' service or more - 6% of earnings from December 31 in the preceding year.

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ARTICLE 16 ANNUAL VACATIONS (Continued)

Ten years' service or more - 8% of earnings from December 31 in the preceding year.

Eighteen years' service or more -10% earnings from December 31 of the preceding year.

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ARTICLE 17 PUBLIC HOLIDAYS

17.01 With respect to the following Holidays: New Year's Day Labour Day Good Friday Thanksgiving Day Victoria Day Christmas Day Canada Day Boxing Day Civic Holiday

> It is understood that employees, who have been employed for one (1) calendar month or more, shall receive a day off with pay for each of such holidays.

- 17.02 For time worked on a holiday recognized in this Agreement, an employee entitled to holiday pay shall receive double time for all hours worked, plus one day's holiday pay or a day in lieu thereof as determined by mutual agreement with their manager. Lieu days to be taken within one year of the actual holiday. If not taken within one year, the Company will designate a lieu day.
- 17.03 Employees "called out" to work on a holiday recognized in this Agreement will be paid a minimum of four (4) hours at double time for the first such "call out" on a holiday. Subsequent "call outs" on a holiday will be paid at double time for hours worked.
- 17.04 When any of the above listed holidays fall within an employee's vacation period or scheduled day off, such employee shall be granted an alternate day off with pay, within 12 months, at a time mutually agreed upon between the employee and the supervisor.

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ARTICLE 18 FLOATER DAYS

- 18.01 The Company will recognize 7 paid days off at straight time in each contract year. These days will not be taken while on shift or standby. This restriction will not apply to permanent shifts.
- 18.02 Employees hired after the anniversary date in each contract year will be granted one floater day for each 7 weeks of completed service.
- 18.03 These days to be arranged by mutual agreement between the employee and the supervisor.

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ARTICLE 19 LEAVE OF ABSENCE

- 19.01 The Company may, at its discretion, grant a leave of absence with pay, to an employee for personal reasons.
- 19.02 Work and other operating conditions permitting, leave of absences not otherwise provided for will be given consideration. Such leaves of absence are to be without pay and will be deemed temporary leaves of absence.
- 19.03 An employee when called for jury duty or subpoenaed as a witness shall be paid full salary.
- 19.04 The Company will grant leave of absence with pay to ex-servicepersons who wish to attend Remembrance Day services or may be participating in Remembrance Day ceremonies.
- 19.05 An employee shall be granted at the time of his/her marriage three days off with pay, provided the employee has completed 3 months or more continuous service. If because of legal, landlord or other requirements an employee is required to change residents on a working day, the Company co-operates by providing a day off with pay. One day off with pay in a twelve month period is allowed for this purpose.
- 19.06 An employee shall be granted a day off with pay in order to attend their Canadian citizenship proceedings.

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ARTICLE 20 BEREAVEMENT LEAVE

- 20.01 An employee shall be allowed three days with pay, if scheduled to work, in the event of death in the immediate family, i.e. brother, sister, spouse, parents, parent-in-law, child, son-in-law, daughter-in-law, grandparent, or grandchild or other relative living in the home of the employee. Time off shall not extend beyond two days of the funeral.
- 20.02 Employees shall be allowed one day off with pay for the purpose of attending the funeral of the employee's aunts, uncles, brother-in-law or sisters-in-law.
- 20.03 At the Company's discretion, an employee shall be allowed one day with pay where the deceased is not an immediate member of the family, but the relationship is close enough, and the attending circumstances such as to justify payment.

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ARTICLE 21 GENERAL CLAUSES

- 21.01 Employees shall be supplied with replacement of necessary tools, worn out, broken or lost doing Company work, subject to the approval of their Manager.
- 21.02 Clothing destroyed or damaged by other than normal use in the course of employment shall be replaced or repaired by the Company. For those who have Company issued clothing a cleaning allowance will be given.
- 21.03 Employees temporarily transferred from their normal base of operations to another shall receive travelling time allowances for such period. Any additional travel expenses shall be paid as per the Transportation Policy Manual.
- 21.04 Supervisors shall not perform work normally performed by employees in the bargaining unit unless it is for either of the following reasons:
 - (i) When instructing, assisting or training employees.
 - When an emergency occurs and it is necessary for the supervisor to act for the safety of personnel, safety of equipment, and the continuation or prompt restoration of operation.
- 21.05 Non-consecutive fifteen-minute break period(s) shall be allowed to all employees on each shift.
- 21.06 All licenses or certifications required to perform their normal duties shall be reimbursed by the Company.

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ARTICLE 21 GENERAL CLAUSES (Continued)

21.07 Where specific footwear is required by the Company as part of a uniform, the footwear will be provided by the Company.

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ARTICLE 22 HOURS OF WORK

22.01 Those employees in the classification of HVAC Technician, HVAC Apprentice, the hours of work (exclusive of meal period) shall be based on a forty (40) hour work week, eight (8) hours per day, five (5) consecutive days per week.

> Those employees in the classifications of HVAC Technician, HVAC Apprentice or Service Technician shall follow the schedule provided in the Shift Addendum as follows:

> October 1st to April 1st - Shift Addendum "A April 1st to September 30th - Shift Addendum "B"

- 22.02 Those employees in the classification of Maintenance Technician, Installer, or Helper, the hours of work (exclusive of meal period) shall be based on a forty (40) hour work week, eight (8) hours per day, five (5) consecutive days per week.
- 22.03 Those employees in the Clerical classifications, the hours of work (exclusive of meal period) shall be based on a thirty-five (35) hour work week, seven (7) hours per day, five (5) consecutive days per week.
- 22.04 Shift classifications for the purpose of determining shift differentials will be based on:

Day Shift A shift that begins and ends between 7:00 am and 5:30 pm

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ARTICLE 22 HOURS OF WORK (Continued)

Evening Shift	A shift that begins at or later than 12:00 noon
Night Shift	Shift that begins at or later than 5:30 pm but before 6:00 am

22.05 A) The shift differentials for all HVAC and Service Technicians shall be:

Evening Shift	5.5% of the HVAC Technician's Hourly rate
Night Shift	8.0% of the HVAC Technician's Hourly rate
Saturday	16.5% of the HVAC Technician's Hourly rate
Sunday	Time and one-half of the employee's job rate with no additional shift premiums paid

B) The shift differentials for all Clerical classificationsshall be:

Evening Shift	\$1.10
Night Shift	\$1.60
Saturday and	
Sunday	\$1.75

- 22.06 The Union recognizes the requirement of maintaining quality customer service and will endeavor to cooperate with shift adjustments when required.
- 22.07 Employees for reason of impairment of health may apply to be excused from shift work and/or call outs.

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ARTICLE 22 HOURS OF WORK (Continued)

- 22.08 Shift premiums at the applicable rates will be paid for all hours worked and for vacations, floaters, lieu days and authorized absence days for all permanent shift employees.
- 22.09 It is understoodthat there will be a standby requirement for emergency calls outside of the shift schedule. Standby will be staffed by volunteers from those qualified to do the work. In the event that standby requirements can not be sufficiently staffed with volunteers, the Company may assign an employee to the standby shift. Standby will be distributed as evenly as possible, and the principle of seniority shall apply.
- 22.10 Standby pay shall be 100% of one hour at the HVAC Technician's rate for each standby shift. Standby pay for a public holiday shall be 200% of one hour at the HVAC Technician's rate.
- 22. 1 Those employees in the Retail Salesperson classification will be governed by Hours of Work in Appendix "B".
- 22. 2 It is understood that the preferred shift shall be days and will be made available as frequently as possible.

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ARTICLE 23 OVERTIME

- 23.01 All employees whose basic work week is 35 hours shall be paid overtime in excess of the regularly assigned hours in any one day or one week on the basis of the regular rate of pay (straight time) calculated on an hourly basis, for the first five hours in **a** week and double time thereafter.
- 23.02 All employees whose basic work week is 40 hours or more shall be paid overtime in excess of the regularly assigned hours in any one day or one week at the rate of double time calculated on an hourly basis.
- 23.03 Shift premiums or change of routine premiums will not be applied when calculating overtime.
- 23.04 Employees who are required to work 3 or more consecutive hours will be allowed \$8.50 for a meal and for each successive four (4) hours overtime an additional \$8.50 for a meal.
- 23.05 Employees who work three and one-half or more hours overtime that is not continuous with their regular work period will be allowed \$8.50 for a meal and for each successive four hours overtime an additional \$8.50 for a meal.
- 23.06 Any employee called out after the regular scheduled day will be guaranteed a minimum of three hours at the applicable rate. Employees called upon to work two (2) shifts in any twenty-four (24) hour period shall be paid at overtime rates for the second shift, unless second shift be called for by their regular work schedule, in which case it shall be paid **for** at straight time.

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ARTICLE 23 OVERTIME (Continued)

- 23.07 Overtime work shall be evenly distributed among those normally performing the same kind of work as far as possible. Overtime work will be done on a voluntary basis as far as possible.
- 23.08 The Company shall make every effort to ensure that:
 - A) an employee shall not be required to work in excess of eight (8) hours overtime continuous with his/her regular shift;
 - B) an employee will have eight (8) hours off between shifts.
- 23.09 Employees "called out" to work will be paid an allowance for travelling time from leaving home to arriving on the job at the overtime rate of double time.
- 23.10 Employees temporarily transferred to another position will be governed by the regularly scheduled hours on work of the new position. Overtime rates will be paid only for those hours worked in excess of aforesaid schedule.

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ARTICLE 23 OVERTIME (Continued)

- 23.11 Employees may bank their overtime for future time off rather than receive monetary compensation according to the following guidelines: These are guidelines that may be amended with mutual agreement.
 - A) Overtime banks will be calculated to the equivalent time earned for time off. The banked overtime shall not exceed 24 hours at any given time.
 - B) Employees can request a maximum of one working day off or a minimum of half a day.
 - C) Time off arrangements are by mutual agreement between the employee and the supervisor.
 - D) Supper money will be paid when entitled at the time the overtime is worked.
 - E) Payout of banked overtime will occur when an employee changes jobs, is terminated or the day prior to each contract anniversary of the Collective Agreement.

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ARTICLE 24 DISCIPLINARY ACTION

- 24.01 An employee will not be disciplined in a manner involving a suspension or dismissal without a fair and impartial hearing at which the employee shall have the assistance of up to three Union representatives who shall be allowed to offer such arguments as they desire in defense of such employee. Union representatives will be given as much notice as is possible under the circumstances.
- 24.02 In the case where an employee is dismissed or suspended for cause, the Company shall, within two (2) working days notify the Union in writing, giving the reasons for such actions, their extent and intended duration.
- 24.03 An employee with seniority claiming unjust discharge or suspension may submit a grievance within seven (7) calendar days of the imposition of the discipline. Such grievance shall commence at step 3 of the grievance procedure.
- 24.04 The Company and the Union by mutual agreement may waive the time limits provided in the above section.
- 24.05 If a reprimandor notation is placed **on** an employee's record the employee shall receive a copy of the reprimand or notation and the Union will be promptly notified.
- 24.06 A notation placed on an employee's file shall be removed after two (2) years provided no further notations have been placed on the file.

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ARTICLE 25 GRIEVANCE PROCEDURE

- 25.01 A grievance may arise only from a dispute concerning the interpretation, application, and administration of alleged violation of this Agreement. An earnest effort will be made on the part of both parties to settle such a grievance promptly through the following steps.
- 25.02 Step 1. If an employee has a grievance, the first step is to advise the appropriate supervisor within five working days of the employee being aware of the act originating the grievance and if desired may have the assistance of a Steward. If a settlement is not arrived at within three working days the employee may proceed to the next step.
- 25.03 Step 2. The grievance will be submitted in written form to the employee's Manager by the employee and a Steward. The Manager will respond in writing within seven (7) working days.
- 25.04 Step 3. An appeal from that decision may be made in writing within seven (7) working days by the Union. Both parties agree that upon request by either patty for a meeting that such a meeting shall take place within ten (10) working days. The Company will give its decision in writing within ten (10) working days after the date of such meeting. If the decision does not bring a satisfactory settlement of the grievance, either party may refer it to arbitration.

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ARTICLE 25 GRIEVANCE PROCEDURE (Continued)

- 25.05 The Company and the Union by mutual agreement may waive the time limits provided in the above steps.
- 25.06 If the Company or the Union has a policy concerning an alleged violation of this Agreement, the complaint shall be lodged in writing starting at Step 3.

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ARTICLE 26 ARBITRATION

- 26.01 Failing agreement through the above procedure, either party may then submit the matter to arbitration within a period of twenty days.
- 26.02 A Board of Arbitration shall be composed of one nominee of the Company, one nominee of the Union, and a third person who shall act as Chairperson on the joint recommendation of the two nominees. In the event of failure to agree upon a Chairperson an application shall be made to the Minister of Labour for Ontario. Each party will bear the expense of its own nominee and the parties will jointly share the expenses, if any, of the Chairperson, No person may be appointed as an Arbitrator who has been involved in an attempt to negotiate or settle the grievance. It is agreed that the decision of the Board of Arbitration shall be final and binding upon the Company and the Union.
- **26.03** Should the Company and the Union agree, this provision shall not preclude the appointment of a single impartial arbitrator. Such arbitrator to be selected by mutual agreement of the parties.
- 26.04 It is agreed that the Board of Arbitration shall not have any authority or jurisdiction to alter this Agreement or to deal with any matter not covered by this Agreement.

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ARTICLE 27 CLASSIFICATIONS AND RATES OF PAY

27.01 Effective upon ratification, all non-temporary employees will receive four hundred (\$400) dollars in the form of a lump sum payment.

27.02 Technical Classifications

Classification HVAC Technician HVAC Technician – Leswyn HVAC Technician – Leswyn		Rate \$24.25 \$25.00 \$26.00
5th year HVAC Apprentice 4th year HVAC Apprentice 3rd year HVAC Apprentice 2nd year HVAC Apprentice 1st year HVAC Apprentice	80% of the HVAC Technicia 70% of the HVAC Technicia 60% of the HVAC Technicia 50% of the HVAC Technicia 40% of the HVAC Technicia	n Rate n Rate n Rate
Service Technician I Service Technician II Service Technician III		\$23.43 \$22.17 \$20.56
MaintenanceTechnician Installer Helper	100% of Task Rates 65% of Task Rate 35% of Task Rate	

27.03

- A) Task Rates as per the Task Rate addendum which forms part of this Agreement.
- B) The Company agrees to pay the existing Task Rate as described in the Task Rate Addendum for all customer owned equipment.

27.04 Clerical Classifications

	Start	6 mths	12 mths	18 mths	24 mths	30 mths	36 mths
Range	STEP1	STEP2	STEP3	STEP4	STEP5	STEP6	STEP7
1					\$16.20		
2	\$15.51	\$ 16.26	\$ 17.01	\$17.76	\$ 18.51	\$ 19.26	\$ 20.01
3	\$17.31	\$ 18.10	\$ 18.88	\$19.67	\$ 20.45	\$ 21.24	\$ 22.02

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ARTICLE **27** CLASSIFICATIONS AND RATES OF PAY (Continued)

27.05 Application of Clerical Rates

- A) Employees who are the successful applicant to a position with a higher range will have their rate of pay moved to the next highest step rate in the higher range.
- B) Employees who are the successful applicant to a position with a lower range, will have their rate of pay moved to a lower range in the same step.
- C) Employees who transfer to Consumersfirst as per the transition agreement, will have their rate of pay red-circled until such time as the actual rate of the position catches up to their rate or until such time that they post out of that position.
- 27.06 Clerical Ranges
 - 3 Material Centre Rep Stockkeeper Shipper/Receiver
 - 2 Home Improvements Coordinator Coordinator, Mdse Purchasing Financial Reporting Clerk DistrictAdmin Clerk Reporting Clerk MandL Coordinator Workload Planning Coordinator Team Leader, Home ImprovementsMkts

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ARTICLE 27 CLASSIFICATIONS AND RATES OF PAY (Continued)

1 Inventory Control Accounts Payable/Receivable Delivery Administrative Lead Management Admin Coordinator Receptionist Facilities Administrator Contract Processing Clerk

27.07 Retail Sales Representative

Commissions Structure

(Effective June 1, 2001 on all written sales)

Base Salary \$11,200

Commission	Incentive% of Total Sales
15% of ESP	
4.5% of Fireplaces	\$600,000 - 799,999 = .4%
5.0% of Mantles/Surrounds	\$800,000 - 999,000 = .6%
3.0% of BBQs	\$1,000,000 + = .75%
3.0% of Whitegoods	
2.5% of Installations	
5.0% of Water Products	

• The Company reserves the right to adjust commissions for special sales or designated promotions.

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SHIFT ADDENDUM "A" WINTER SCHEDULE

Option #1

Team Monday Tuesday Wednesday Thursday Friday Saturday Sunday

1	1600-2400 1600-2400	1600-2400	1600-2400	1600-2400	
2	0800-1640 0800-1640	0800-1640	0800-1640	cam1640	
3	0800-1630 0800-1630	0800-1630	0800-1630	0800-1630	
4	1600-2400 1600-2400	1600-2400	1600-2400	1600-2400	
5	0800-1630 0800-1630	0800-1630	cam1630	0800-1630	
6	0800-1630 0800-1630	0800-1630	0800-1630	0800-1630	
7	1600-2400 1600-2400	1600-2400	1600-2400	1600-2400	
8	0800-1630 0800-1630	0800-1630	0800-1630	0800-1630	
9	0800-1630 0800-1630	0800-1630	0800-1630	0800-1630	
10	0200-2400 0200-2400	0200-2400			0200-2400 0200-2400
11	0800-1800	0800-1800			0800-1800 0800-1800
12	0800-1800 0800-1800				0800-1800 0800-1800
13		0800-1800	0800-1800	0800-1800	

Opt	ion #2						
Team	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
1	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630	on	on
2	Off	0800-1800	0800-1800	0800-1800	on	0800-1800 1300-2300	0800-1800
3	1300-2300	1300-2300	1300-2300	Off	Off	Off	Off
4	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630	Off	on
5	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630	on	Mi
6	1500-2300	1500-2300	1500-2300	1500-2300	1500-2300	on	Mi
7	0800-1800	0800-1800	0800-1800	on	on		0800-1800 1300-2300
8	1300-2300	1300-2300	1300-2300	1300-2300	1300-2300	on	on
9	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630	on	on
10	Off	0800-1800	0800-1800	0800-1800	0800-1800	Off	Mi
11	1500-2300	1500-2300	1500-2300	1500-2300	1500-2300	on	Off
12	0800-1800	0800-1800	0800-1800	Off	Mi		1800-1800 1300-2300
13	1300-2300	1300-2300	1300-2300	Off	Off	Off	Off

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SHIFT ADDENDUM "B" SUMMER SCHEDULE

Option #1

Team	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
1	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630		
2	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630		
3	0800-1630	0800-1630	0600-1630	0800-1630	0800-1630		
4	1500-2300	1500-2300	1500-2300	1500-2300	1500-2300		
5	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630		
6	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630		
7	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630		
8	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630		
9	0800-1630	0800-1630	0800-1630	0800-1630	0800-1630		
10	1500-2300	1500-2300	1500-2300	1500-2300	1500-2300		
11	0800-1800	0800-1800	0800-1800			0800-1800	0800-1800
						0100-2300	0100-2300
12				0800-1800	0800-1800	0800-1800	0800-1800
						0100-2300	0100-2300
13		0800-1800	0800-1800	0800-1800			

Option #2

Team Monday Tuesday Wednesday Thursday Friday Saturday Sunday 1 0800-1630 0800-1630 0800-1630 0800-1630 0800-1630 2 0800-1630 0800-1630 0800-1630 0800-1630 0800-1630 0800-1800 0800-1800 1300-2300 3 0800-1800 0800-1800 0800-1800 0800-1800 4 0800-1630 0800-1630 0800-1630 0800-1630 0800-1630 1300-2300 1300-2300 1300-2300 5 6 0800-1800 0800-1800 1300-2300 1300-2300 7 1300-2300 1300-2300 1300-2300 0800-1800 0800-1800 0800-1800 0800-1800 8 9 0600-1600 0600-1600 0600-1600 0600-1600 10 0800-1630 0800-1630 0800-1630 0800-1630 0800-1630 11 0600-1630 0800-1630 0800-1800 0800-1800 12 0800-1800 0800-1800 0800-1800 0800-1800 0800-1800 0100-2300 0100-2300 13 0800-1800 0800-1800 0800-1800

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NEW APPENDIX "A" EMPLOYEE GAINSHARING PROGRAM

Effective July 1, 2001, the Company will introduce a Gainsharing Program. This Gainsharing Program will be based on district targets, these targets will be established in the areas of financial performance and Key success indicators(KSI's) and based on a matrix below:

	DISTRICT FINANCIAL	TRUCK PARTS %	REPEAT CALL %	<u>% PAST</u> PRIORITY	<u>% FIRE</u> PLACE CLOSING	FIELD INV. BACKLOG
TARGETS 2001		85%	12%	5%	80%	5 Days
TAGETS 2002		88%	10%	5%	85%	5 Days
%PAYOUT	50%	10%	10%	10%	10%	10%

The Gainsharing amount will be paid out quarterly to all non-temporary employees on payroll on the date the payout is made. The payout will be the last pay period of the month following the end of the quarter if district and KSI targets are achieved. If not all of the targets are met, the respective payout will be made for the measures that are achieved.

The quarterly payouts will be based on amounts listed below

Classification	Amount
HVAC Technician	\$550
Installer	\$550
Service Technician I	\$500
Service Technician II	\$500
Service Technician III	\$500
Maintenance Technician	\$500
Helper	\$400

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NEW APPENDIX "A" EMPLOYEE GAINSHARING PROGRAM (Continued)

Classification	Amount
Clerical Range Three	\$400
Clerical Range Two	\$365
Clerical Range One	\$325
Part-time Clerical Range Three	\$275
Part-time Clerical Range Two	\$250
Part-time Clerical Range One	\$225

Corporate employees will be measured against the aggregate of all district and commercial financials and district KSI results.

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APPENDIX "B" SPECIAL TERMS AND CONDITIONS FOR RETAIL SALES REPRESENTATIVE

Miscellaneous

Special Events and Home Shows Per Diem \$40.00 per diem will be paid in advance of each show to the rep. There will be no pyramiding of benefits on top of the per diem • i.e. no supper money allowance, no mileage.

Statutory Holidays

Effective January 1, 2002, all Retail Sales Representatives will have the following Holidays designated:

New Year's Day	Good Friday	Easter Sunday
Victoria Day	Canada Day	Labour Day
Thanksgiving Day	Christmas Day	Boxing Day

Shift Committee

The Company and the Union agree to establish a joint committee to study, review and implement schedules and scheduling practices that effectively meet the needs of our customers, our employees and the competitive elements of the retail business.

Committee Members

1 Manager of Store Operations, 1 Area Sales Manager, 2 Store Managers, 3 Sales Reps, 1 Union Representative

Committee Objectives:

- establish schedules for multiple numbers of reps (4,6,8,10, etc.)
- -tailor schedules to local store hours, labour complement, competitive landscape

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APPENDIX "B" SPECIAL TERMS AND CONDITIONS FOR RETAIL SALES REPRESENTATIVE (Continued)

- match labour to sales trends/customer traffic patterns
- establish posting requirements
- establish schedule change request and approval process requirements
- establish clear vacation request process
- prepare guidelines to managers on how to effectively manage training requirements within the schedule
- prepare a summary of all other Time Reporting issues

Daily Average Commission

Full salary will refer to the previous year's commissions divided by the number of days worked plus basic pay.

Employees who had no days worked in the previous year will be paid the average full salary as per formula.

Formula: Commissions / 52x5 Less Vacation Statutory Holidays Sickness Compassionate Leave Workers' Compensation Marriage Leave Bereavement Leave Jury Duty Union Business Leave Time Not Employed

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APPENDIX "C" SPECIAL TERMS AND CONDITIONS FOR INSTALLER / HELPER / MAINTENANCE TECHNICIAN

It is understood and agreed that the following special terms and conditions apply only to employees in the Installer/Helper classifications. It is further agreed that the parties will meet no latter than March 31, 2000 to review the volume of installation work being performed and, the ability of the Company to attract and retain qualified employees in these classifications.

1 Task Rates of Pay

Employees in these classifications will be paid task rates of pay in accordance with the schedule contained in Article 27.

2 Down Time

- A) Availability of Work It is the intent of the Company to hire sufficient staff to meet the demands of the installation business. The Company will make every effort to ensure work is made available to these employees on an ongoing basis.
- B) Training, Meetings, Sick days, Bereavement Leave and Jury Duty – Subject to the criteria contained in the Collective Agreement, employees in these classificationswho are in training, attending a meeting, are sick, entitled to bereavement leave or jury duty will receive pay based on the following flat daily amounts.

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APPENDIX "C" SPECIAL TERMS AND CONDITIONS FOR INSTALLER / HELPER / MAINTENANCE TECHNICIAN (Continued)

C) If an employee reports for work as scheduled, and there is no task work available, the employee will be paid the applicable down time rate as described below.

Installer	Maintenance Technician	Helper
\$160.00 per day	\$100.00 per day	\$84.00 per day
\$ 80.00 per_day	\$ 50.00 per-day	\$42.00 per-day

3 Vacation

- A) Pay Vacation pay will be paid out at the applicable rate, in the current year, in each pay period.
- B) Time Off Each employee will be required to take at least two (2) weeks off as per the vacation schedule, however the rest of the entitlement will be voluntary, as per the Vacation Schedule.

4 Statutory Holidays

- A) Pay Will be based on the current legislated standard of the "thirteen (13) week average".
- B) Time Off Will be as per the Collective Agreement.

5 Floater Days

 A) Pay – Will be paid out at the applicable percentage rate, in the current year, in each pay period.

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APPENDIX "C" SPECIAL TERMS AND CONDITIONS FOR INSTALLER / HELPER / MAINTENANCE TECHNICIAN (Continued)

B) Time Off – There will be no time off (not mandatory), however if time off is requested and approved the corresponding time off will be without pay.

6 Hours of Work

The hours of work will be Monday to Saturday 8:00 AM to 6:00 PM, five consecutive days per week.

7 Union Dues

Union dues will be deducted **on** a weekly basis based on the applicable percentage rate.

8 Task Work

HVAC Technicians who are required to do installation work will be paid their current hourly rate of pay.

HVAC Technicians or Service Technicians who become Installers will be covered by Appendix "C".

9 Union / Management Task Committee Mandate

Purpose:

To review and determine task rates for unanticipated items of work and any new installation items.

This committee will review code 20, 40, 50 for Maintenance Technicians, provided evidence is produced to prove significant negative impact on earning opportunity.

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APPENDIX "C" SPECIAL TERMS AND CONDITIONS FOR INSTALLER / HELPER / MAINTENANCE TECHNICIAN (Continued)

The committee will not re-negotiate existing task rates but will examine the existing definitions and applications.

This committee will meet within 4 weeks of ratification to commence discussions and will determine future meeting schedules at that time.

A/C cleanings and water products are identified as new installs and are retroactive back to ratification of this Agreement.

Travel:

The Union/Management Task Committee will review ways to determine distances that might limit a technician's ability to complete a pre-defined number of jobs within a shift.

Extras:

The committee will define the best way of documenting HVAC extras on a cost sheet so that install crews are compensated appropriately.

Members:

3 Union and 3 Management Committee Members determined by the respective parties.

Task Rates:

The Committee will clarify hole drilling and its application.

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LETTER OF UNDERSTANDING# 1 DRIVER'S LICENCE

In the event that an employee who requires a valid driver's licence to carry out normal job duties loses their licence for a period of time, the Company will attempt to provide reasonable accommodation such an employee. If no reasonable accommodation is possible, the employee will be placed on leave of absence without **pay.**

The affected employee has three (3) principal responsibilities throughout:

- to advise their manager of any Highway Traffic Act violation when operating a Company vehicle and advise their manager of a potential loss of licence and the time frame thereof,
- 2. to provide sufficient documentation of the loss, and
- 3. to advise the Company at least 30 days prior to the estimated date of return of licence.

The specifics of each case will be discussed with the Local Union President as soon as possible.

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LETTER OF UNDERSTANDING#2 GROWING THE BUSINESS

The Company is committed to successfully growing its competitive sales and services business with our own employees in our franchise area. Inherent in this commitment is the belief that providing exceptional customer service is critical to our success and that the most effective way to deliver this service is through dedicated and enthusiastic employees who are personally committed to our service goals and values.

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LETTER OF UNDERSTANDING#3 EMPLOYEE SECURITY

The Company will continually need to change in order to pro-actively respond to changes in our business environment. The Company recognizes that these changes impact employees and are committed to working with the Union to assist employees to adapt to these changes and to provide them with enhanced personal security. The Company recognizes that enhancing personal security facilitates enhanced employee contribution and satisfaction.

This commitment includes but is not limited to: providing timely and full information on anticipated and planned changes; providing access for all employees to training which assists them in dealing with change and in career planning, redeployment processes to ensure best efforts are made to move employees whose positions have been eliminated into new roles; severance for employees whose jobs have been eliminated and for whom no redeploymentoption is available, and access to training to assist in future job search if required.

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LETTER OF UNDERSTANDING #4 INVOLVEMENT PHILOSOPHY

Business Imperative for Involvement

We, the Union and Management, jointly recognize that the future success of our business is tied directly to the individual and collective actions of our employees. To be successful in a rapidly changing environment, we will need all employees to take personal accountability for helping us identify how we need to change and for implementing the changes that need to be made. If we are successful in focusing the knowledge, commitment and contribution of all employees to making changes we will succeed against the competition.

Beliefs about Involvement

We believe that employees at all levels of our Company have valuable insights to contribute to our change efforts and that through involving them and their union in the Company's change process we will make better decisions and achieve a higher rate of implementation success. We further believe that employees want to contribute to making our Company successful.

We recognize that employees who understand the rationale for change, the vision for the future, and who are involved in defining the path to get there are more likely to support the changes, than those who were not involved. We further believe that investing in involvement at the beginning of the change process will result in less investment at the end of the process in overcoming resistance to the changes.

We recognize that in the current business environment we must have the organizational capability to make sound change decisions quickly and then execute them quickly.

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LETTER OF UNDERSTANDING #4 INVOLVEMENT PHILOSOPHY (Continued)

Our involvement processes must facilitate the achievement of both of these objectives. This will require us to design and implement a variety of involvement approaches that reflect the scope and impact of the changes that need to be made.

Beliefs about Work Environment that Facilitate Involvement

We recognize that to maximize employee involvement and contribution we must be relentless in creating a work environment where:

business information is shared with employees at all levels

the potential of all employees is recognized, stimulated and developed

ideas are valued

collaboration, trust and mutual respect are fostered

individual and group successes are celebrated

Results of an Involvement Strategy

Involvement processes create opportunities for employees to take personal accountability for contributing to the success of the organization.

By involving all employees and their Union in our change processes we will increase employee resilience to change and their confidence that all future changes can be successfully navigated. We will also allow

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LETTER OF UNDERSTANDING #4 INVOLVEMENT PHILOSOPHY (Continued)

opportunities for employees te create a better work experience for themselves. This, in turn, will create a workforce that is energized, personally committed to contributing to our collective u and fulfilled by their contribution to ϵ success.

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LETTER OF UNDERSTANDING#5 PHILOSOPHY STATEMENT RE: LEARNING AND DEVELOPMENT

The parties have identified a common interest in developing a learning strategy that will ensure the economic viability of both employees and the Company by working in a co-operative manner while taking into account the interests of all stakeholders.

Whereas employees respond differently to certain situations, the broadest possible platform for learning must be established so that they can feel the highest degree of security as they undergo training for the jobs of the future. At the same time and not exclusively, the Company must be able to maximize the return on their investment in training that is tied to solving business issues.

Continuous learning can be viewed as a requirement under two distinct situations. Firstly, ongoing enhancement of skills and competencies that are directly required to perform the tasks associated with current jobs and recognizing that tasks and skills continuously evolve. Secondly, and whereas it is agreed that learning is a life long experience, there is the development of skills that enhance an employee's future employability and their personal need for growth. The employee and the Company have a shared accountability for achieving success in both areas.

The Company will create an atmosphere for learning through a strategic training plan and will ensure that quality training is made available to all employees on Company time and at Company expense. Further, this training will be viewed as part of a development process and as such, measures will be put in place to gauge its effectiveness. Employees caught up in the changing

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LETTER OF UNDERSTANDING#5 PHILOSOPHY STATEMENT RE: LEARNING AND DEVELOPMENT (Continued)

nature of the workplace will, whenever possible, receive retraining as part of an overall redeployment strategy.

It is expected that employees will upgrade work-related skills and personal development at their own pace. This may include courses, seminars or other learning methods for which they receive financial support only. It is recognized that in not all cases will the new skills enhance an employee's progression in the Company, but where relevant, they will be given consideration through in-house recruiting opportunities.

This philosophy statement is designed to set guidelines for the timely and effective delivery of training. When formally agreed to, the Company will communicate this philosophy to all employees and take steps to ensure equitable access.

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LETTER OF UNDERSTANDING#6 SHIFTS

In an effort to obtain input from all Districts, each District has been asked to set up a local shift committee to develop a shift that would work for them and cover their local needs.

If the local committees cannot develop a shift that is agreeable they will select from the alternative shifts developed by the overall Union / Management shift committee.

Attached you will find 2 summer options and 2 winter options. The District fall back will be the selection of one of these summer and winter shifts if they have been unable to develop a local shift to their satisfaction.

Shifts continue to be on a rotational basis.

General holidays will be staffed as Sundays. No vacation days shall be taken when "on shift" unless a mutual switch is arranged by the employee.

The schedule can be adjusted by + or – one hour based on mutual agreement.

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LETTER OF UNDERSTANDING#7 SPECIAL INCENTIVE FUND "SPIFF" PROGRAM

It is understood and agreed to by both parties that the Company will implement a special incentive program to stimulate additional activity from all employees promoting and generating "sales opportunities" (leads) across a core group of products and services. This program will recognize and reward employee participation by paying a "SPIFF on all closed sales.

The Company will determine the product category and "SPIFF" amounts and will provide the Union with a copy of such list prior to ratification of this Agreement.

The Company will provide the Union with two (2) weeks advance notice of all additions and special promotions to this "SPIFF" list.

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LETTER OF UNDERSTANDING #8 APPLICATION OF ARTICLE 1.02 (RETAIL STORES)

It is understood and agreed that in addition to retail stores in Metropolitan Toronto, Brampton, Mississauga, Vaughan, Whitby, Ottawa and Nepean, the following retail stores in Peterborough, Richmond Hill, Oakville and Pickering will be included in the application of Article 1.02 of the Collective Agreement.

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LETTER OF UNDERSTANDING #9 VACATION SETTLEMENT FOR RETAIL SALES REPRESENTATIVES

The Company agrees to pay a vacation settlement related to the unbundling transition on October 1999.

Eligibility

Retail Sales Representatives transferred from Enbridge Consumers Gas on October 1, 2000 as part of unbundling of Retail Sales and Services from Enbridge Consumers Gas.

Payment

This payment will be equal to one-half of the payment made on July 1, 2000 related to vacation on commission earned from July 1, 1999 to June 30, 2000. Payment will be made before June 30, 2001.

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LETTER OF INTENT LOCAL UNION PRESIDENT

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It is understood and agreed that the Company will continue to recognize and conduct business with the President of C.E.P. Local 975. As such, 90% of his salary will continue to be paid for by the Company.

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