

**AGREEMENT
BETWEEN
THE
CANADA MALTING CO. LIMITED
CALGARY, ALBERTA
AND
THE UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION CLC
LOCAL NO. 1118
APRIL 1, 2010 – MARCH 31, 2013
CALGARY, ALBERTA**

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AGREEMENT

BETWEEN

CANADA MALTING CO. LIMITED, Calgary, Alberta, Canada, hereinafter called the Employer, and United Food and Commercial Workers Union, Local 1118, hereinafter called the Union.

INTERPRETATION

It is agreed that where the masculine is used in this Agreement it shall be deemed to include the feminine and vice versa, where the context so requires.

0.0 MANAGEMENT'S RIGHT CLAUSE

0.01 The management of the Company and the direction of the working force, including the right to plan, direct and control plant operations; to schedule and assign work to Employees; to determine the means, methods, processes, materials, and schedules of production; to determine the products to be manufactured; to choose the location of its plants and the continuance of its operating departments; to establish production standards and to maintain the efficiency of Employees; to establish and require Employees to observe Company rules and regulations; to hire, layoff or relieve Employees from duties; and to maintain order and to suspend, demote, discipline and discharge Employees for just cause, are the recognized reserved rights of the Company. The Company and the Union agree to act reasonably in the interpretation and the application of the collective agreement as a whole.

The foregoing enumeration of management's rights shall not be deemed to exclude other rights of management not specifically set forth, the Company therefore retaining all rights not otherwise specifically restricted by this agreement.

The exercise by the Company of any of the foregoing rights shall not alter any of the specific provisions of this agreement; nor shall they be used to discriminate against any member of the Union or bargaining unit.

1.0 MEMBERSHIP

1.01 Only members in good standing with United Food and Commercial Workers Union, Local 1118, shall be employed by the Undersigned Employer after the signing of this Agreement. The Company hereby recognizes the Union as the sole and exclusive bargaining agent for all Employees in the certified bargaining unit.

- 1.02 An employee will in writing on a form provided by the Union authorize the Company to deduct from the Employee's pay, the amount due to the Union by the Employee for union dues, initiation fees, and assessments. The Company will transmit to the authorized representatives of the Union total deduction from the pay with a list in duplicate of all Employees so deducted.
- 1.03 The Company agrees to notify the Union in writing of the names, addresses and contact numbers of newly hired Employees within fourteen (14) calendar days of the date of hiring any such new Employee.
- 1.04 The Company agrees to notify the Union in writing of the names of Employees who terminate their employment with the Company within fourteen (14) calendar days of the date of termination.
- 1.05 A Union Representative or his or her designate will be provided access to the site for the purpose of observing compliance with the terms of this Agreement as well as to adjust any grievances or complaints arising hereunder. Upon entering the site, said Representative must notify the Plant Manager or designate. At all times while on the site premises, Union Representatives will comply with the Company's safety and security policies and practices.

2.0 BARGAINING UNIT WORK

- 2.01 Supervisors shall be exempt from this Agreement and shall not do the work of regular Union Employees unless required to do so in order to perform their supervisory duties or in unforeseen circumstances that call for immediate action.
- 2.02 No Employee who is excluded from the bargaining unit shall perform the work of regular Union Employees except for reasonable purposes of training or in unforeseen circumstances that call for immediate action.

3.0 HIRINGS, POSTINGS AND TRANSFERS

- 3.01 A probationary Employee shall attain seniority status and rights after he has worked 132 days within any twelve month period, at which time his name will be added to the seniority list.

An Employee shall be given seniority date back-dated one hundred and thirty-two (132) working days, including holidays, counting five (5) days per week. If the probationary Employee has been working a twelve (12) hour shift pattern, he shall be given a seniority date back dated eighty eight (88) working days, including holidays, counting one and one-half (1-1/2) days per shift paid. In no event shall his seniority date precede his original starting date with the Company.

On completion of the probationary period, Employees will become eligible for all the normal benefits given to Employees having seniority, including enrollment in the Group Insurance and Pension Plans.

3.02A Vacant Positions

All new permanent positions and vacancies in permanent positions shall be filled immediately on a temporary basis by current available Employees who are qualified or able to demonstrate reasonable competence.

Permanent Replacements

In the choice of applicants for new permanent positions and vacancies in permanent positions seniority shall govern provided the Employee is qualified or able to demonstrate reasonable competence. Choices of candidates will not be done on an arbitrary basis.

Job Postings

- (a) All positions shall be posted on the bulletin boards within fourteen (14) calendar days after they have become permanently vacant.
- (b) All such new permanent positions or vacancies in permanent positions will be posted on the bulletin boards fourteen (14) calendar days so that all Employees who have acquired seniority have an opportunity to make an application. The Company will mail out the job posting notices to absent Employees within two (2) working days of the job being posted and accept applications over the phone for the posting.
- (c) The names of the applicants and successful applicant will be posted on the bulletin boards with a copy sent to the Union. The successful applicant will be placed in said position within 4 weeks of date of posting where practicable.
- (d) Posting notices will include a Job Description of the vacancy and a brief description of the requirements of successful candidates. Candidates must be able to demonstrate reasonable competence in the requirements and should consult with the Supervisor of the Department concerned if they wish explanations.
- (e) In the event that a job posting does not get filled, the Company will assign the junior non posted Employee to said posting. The assigned Employee will be eligible to immediately bid on any further postings that may arise.

- 3.02B In the event an Employee has successfully posted for a job, the Employee and his supervisor will review the Employees' development after thirty (30) working days of assuming the new job. The employee will be provided a Union Representative if so requested.

At this time, the Company can extend the review period another thirty (30) calendar days. Within the above mentioned review periods an Employee shall be entitled to return to his former job. Within the above mentioned review periods the Company can return the Employee to his former job.

A successful bidder shall be eligible to bid on yet another posting provided that he has not begun training on the job for which he had just successfully bid. In the event the Employee successfully bids into another job during this period, the first job that he successfully bid into would revert to the next applicant on the previous posting. If he remains on the job beyond thirty (30) days, he shall not be eligible for any other posting for five (5) months. After completion of six (6) months on the job, he shall be eligible to post on the same basis as any other Employee. The vacant position created by the posting shall be posted within fourteen (14) calendar days.

- 3.02C A senior Employee wishing to change crews or shifts within his/her job classification may do so provided the company and union agree. The Company will not unreasonably deny the change.

- 3.03 When an Employee vacates a day shift position, it shall be posted in the Plant in accordance with Section 3.02A (a). Under this circumstance all seniority Employees are eligible to bid on the vacancy.

- 3.04 If an Employee is or has been transferred to a position excluded from the coverage of this Agreement, such Employee shall retain his seniority as of the date of transfer and in the event that he is subsequently transferred back to a position covered by this Agreement, he shall be credited with the seniority which he had on the date of original transfer from the bargaining unit plus all seniority accumulated while working in the excluded capacity up to a maximum of six (6) months.

An Employee who is transferred out of the bargaining unit may if he so wishes, return to his former job in the bargaining unit within six months.

An Employee will only be transferred back into the bargaining unit once during the duration of the collective agreement.

Employees in the bargaining unit shall not be transferred outside the bargaining unit for temporary replacement of supervisory personnel except in cases of emergencies.

4.0 WORK PERFORMANCE

- 4.01 Employees are required to perform work of any nature in or about the Employer's premises, unless an Employee has medical proof satisfactory to the Company of his inability to do so. Employees will not be reassigned from their posted position to fill another position unless the Company made other reasonable efforts to fill the job.

5.0 DISCIPLINE AND DISCHARGE

- 5.01 No Employee shall be subject to a disciplinary interview or be given a written reprimand, warning letter, be suspended or discharged except in the presence of a shop steward, or in his or her absence, another elected member of the bargaining unit.
- 5.02 Disciplinary records shall not be referred to after a period of two (2) year's from the date of issuance of such discipline.

Any Employee shall have the right to see his or her file in the presence of a Supervisor and a Union Representative at a mutually convenient time.

6.0 LAYOFFS, RECALLS, TERMINATIONS, PLANT CLOSURES, PARTIAL PLANT CLOSURES, POSITIONS AFFECTED BY VOLUME LOSS OR PRODUCTION ADJUSTMENTS

- 6.01 Any Employee laid off due to seasonal or other reasons beyond the Employer's control, shall be entitled to his or her former position when operations are resumed.
- 6.02 (a) When staff is being reduced, non-seniority Employees shall be laid off first, and then regular Employees shall be laid off in reverse order of seniority subject to the employer's requirement to maintain sufficient qualified or reasonably competent staff to operate the plant. When staff is being recalled, the employer shall do so in order of seniority subject to the qualifications or reasonable competence of the Employees concerned to perform the job.
- (b) Seniority shall cease and employment shall be terminated for any of the following reasons:
1. If an Employee voluntarily leaves the employ of the Employer.
 2. If an Employee is discharged for just cause.
 3. In case of a layoff for a period longer than twelve (12) months, or twenty-four (24) months if the Employee has five (5) years' seniority.

4. If an Employee on layoff withdraws his contributions to the "Retirement Plan for Employees of Canada Malting Co. Limited."
5. If an Employee on layoff fails to report to work within seven (7) days after receiving notice of a permanent vacancy from the Company by registered mail to his last known address, unless he has advised the Company and produces medical evidence of his being unable to report.

(c) Seniority List

The Company shall provide an updated seniority list to the Union during the months of January and July of each year. The Company shall post a copy on the bulletin boards.

6.03 Technological Change

Technological change is defined as any process innovation resulting from equipment change, upgrade, or renovation that is implemented with the specific purpose of creating a permanent reduction in the workforce or a permanent job elimination.

In the event that Employees with seniority status are displaced through technological change, the following steps shall occur:

- (a) The Employee shall state his preference of work location
 - π Malthouse
 - π Malt Handling Facility
 - π Barley Elevator
 - π Maintenance
 - π Laboratory providing the Employee has the required qualifications as defined in the job posting criteria.
- (b) The Employee shall state his preference of shift if he exercises his bumping right into an eight (8) hour shift pattern.
 - π Day
 - π Afternoon
 - π Night.
- (c) The displaced senior Employee shall bump the most junior Employee in the selected department from sub-section (a). If the displaced senior Employee is exercising his bumping right into the eight (8) hour shift pattern he will bump the most junior Employee as per sub-sections (a) and (b).
- (d) The most junior bumped Employee will repeat steps (a), (b) and (c) if his seniority permits him to do so. In the circumstance where his seniority does not deliver a bumping right, he shall be laid off as per Section 6.02(a) of the Collective Agreement.

In the event that the Company is planning on introducing a technological change that will result in permanent job loss, the Company will meet with the Union to review the scope of the project, the number of positions to be eliminated, and the terms of severance.

6.04 (a) Plant Closure

In the event of termination of employment as a result of plant closure the Company will immediately commence negotiations with the Union.

The Company will give the Union at least sixteen (16) weeks notice of plant closure. The parties agree to immediately institute an adjustment committee to assist Employees in finding new employment.

In the case of plant closure, those Employees who are participating in the defined benefit pension plan and whose age and service equal eighty (80) or more years of service will qualify for fully accrued pension benefits without actuarial reduction with this pension guaranteed for a minimum of five (5) years.

Employees terminated as a result of plant closure or technological change are subject to the scale below (52 week maximum):

1 to 8 years service	- 1 week's pay for each year
9 to 15 years service	- 2 week's pay for each year (for years of service above 15, add 1 additional week i.e., 3 week's for each year over 15 years).

All Employees will qualify for severance pay based on either three (3) weeks pay for each year of service with a maximum of twenty six (26) weeks or severance pay based on the new scale above whichever is greater.

A senior Employee will have an option to terminate his employment and receive the severance pay entitlement due to a junior Employee scheduled for termination and who would by virtue of this option remain employed. For sake of clarity, the senior Employee would then receive the severance pay of the junior Employee, based on the junior Employee's years of service and the junior Employee's pay.

(b) Lab Closure

In the event of a lab closure, lab members are to receive a severance package as per Section 6.04A.

6.05 Partial Plant or Department Closure

- (a) When a partial plant or department closure occurs, Employees posted to these jobs, will have the right to immediately bump to other departments of the plant where their seniority carries them.
- (b) In the event that a department of the plant is closed longer than one year, the department will be considered permanently closed. All Employees laid off as a result of this closure, and who remain on the call back list will be eligible for severance pay in accordance with Section 6.04.
- (c) If operations resume in that department after one year, all jobs in that area will be re-posted.

6.06 Positions Affected by Volume Loss or Production Adjustments

The Company and the Union agree to establish a bumping right for Employees who lose their bid position due to volume loss, or production adjustments or efficiency improvements.

The following process will be applied:

The Employee shall state his preference of working location;

Malthouse House Malt Handling Facility Barley Elevator
 Maintenance Laboratory

providing the Employee has the required qualifications as defined in the job posting criteria. In addition, the Employee shall state his preference of shift he exercises his bumping right into an eight (8) hour shift pattern;

Day Afternoon Evening

The displaced Employee shall bump the most junior Employee in the selected job. If the displaced Employee is exercising his bumping right into the eight (8) hour shift pattern he will bump the most junior Employee.

The most junior bumped Employee will repeat the above steps if his seniority permits him to do so. In the circumstance where his seniority does not deliver a bumping right, he shall be laid off as per Section 6.02 (a) of the Collective Agreement.

7.0 CLOTHING AND EQUIPMENT

7.01 Rubber boots, waterproof suits for washing purposes, and clothing deemed necessary by the Company to provide adequate protection against dust and other potential work or cleaning hazards, shall be provided by the Employer. In addition, the Company will furnish all necessary personal protective equipment (PPE) to all Employees to maintain safety standards. This will include safety glasses, prescription safety glasses to all seniority Employees on an as needed basis, molded ear plugs, and hard hats. It is the responsibility of the Employee to maintain in good order all items issued.

Probationary Employees will be reimbursed personal protective equipment (PPE) costs immediately upon the completion of their probationary period.

7.02 The Company will provide a reasonable number of uniforms at Company expense to all Employees. Furthermore, the Company will provide a weekly laundry service. This benefit is extended to all operators and maintenance staff. The Lab Technician classification will continue to receive white lab coats. The Company will replace jackets on an “as needed” basis.

7.03 Safety Footwear – Effective April 1, 2010, \$300 per year will be available over the life of the Collective Agreement for all seniority Employees. The Company will allow the carry over of this reimbursement allowance from one year to the next. In addition to safety footwear, the allowance will include the purchase of work socks, liners, insoles etc.

7.04 The Company will provide sufficient lockers for all Employees.

8.0 HOURS OF WORK

8.01A The normal work week shall be forty (40) hours consisting of five (5) days or shifts and the normal work day or shift shall be eight (8) hours.

The forty (40) hour pay week will be completed within the period 00.01 AM Monday to midnight Sunday.

Except for relief men, the work days shall be consecutive and shall consist of five (5) like shifts. The work schedule shall not deny relief men a normal forty (40) hour work week.

8.01B All production Employees shall be allowed a twenty (20) minute paid lunch break which shall be included in the working hours above stipulated.

Every Employee shall receive two (2) fifteen (15) minute rest periods in each eight (8) hour shift.

All Employees shall receive a fifteen (15) minute rest period before commencing one (1) hour of overtime work and shall receive an additional fifteen (15) minute rest period after each additional two (2) hour period.

Employees who are required to work more than two (2) hours of unplanned overtime continuous with their regular shift shall be granted a meal and an additional half (1/2) hour overtime pay. The Employee will receive an additional half (1/2) hour pay for each four (4) hours thereafter.

Eight (8) hour day shift Employees shall receive their meal, should they be required to work past 1700. Employees scheduled to work other eight (8) hour shifts shall receive a meal should they be required to work more than two (2) hours of overtime continuous with their shift.

8.01C 12-HOUR SHIFT WORK

GENERAL UNDERSTANDING

1. To operate at no extra cost to the Company or Employees.
2. To maintain a high standard of product quality, while working in a safe and efficient manner.
3. It is understood by all participants, that we are involved in a continuous production process. Twelve hour shifts do not permit working double shifts.
4. Either party to the Contract, may at any time during the life of the current Contract, call a meeting to discuss means of terminating the 12-hour shift system, if any part of the General Understanding fails.

GENERAL OPERATING CONDITIONS

1. The system involves four shifts on, followed by four shifts off, on a continuing basis.
2. The shifts will start at 6:00 a.m. and 6:00 p.m., except where Employees are already working under an alternate schedule.
3. Pay will be made on the basis of hours worked within the existing and normal 14 day pay period.
4. Overtime will be at the rate of 1 1/2 times for hours worked after 12, and up to and including 15. After fifteen, double time will apply.
5. Reasonable notification of absence from work will become even more important. It was agreed that the maximum possible warning should be given, with a minimum being two hours.
6. Anyone scheduled to work during a normal four-day rest period shall be paid at a rate of time and one-half except for the first and fourth day (last day), when double time shall be paid. Anyone called into work during a normal four-day rest period shall be paid a minimum of four hours pay at the rate of time and one half and when the duration exceeds four hours on the fourth day of rest, shall be paid at the rate of double time for his hours worked.

7. Statutory holidays – days worked will be paid at 8 hours single time and 12 hours at time and a half for the equivalent of 26 hours pay for a 12 hour shift worked. Eight hours pay will be made to Employees not working.
8. 12-hour shift Employees will be entitled to the specified number of calendar weeks off work for vacation time each year based on their years of seniority. Vacation pay will equal 2% of annual gross pay per week of entitlement.
9. A premium of \$1.00 cents/hour shall be paid to all Employees who work a shift starting at 6:00 p.m.
10. A full shift commencing within 11 hours of the completion of the previous shift shall be paid for at the rate of time and one half.
11. All other sections of the Collective Agreement remain in effect.
12. Those Employees forming part of a 12-hour shift system may, (instead of receiving holiday pay) bank six statutory holidays in a calendar year, for the purpose of taking time off in lieu of statutory holidays in blocks of four shifts.
13. For the purpose of computing overtime, the normal week shall be forty-eight (48) hours consisting of four (4) days or shifts in any 96 hour period, and the normal work day or shift shall be 12 hours. Except for relief men, the work days shall be consecutive and the work week shall consist of four like shifts. The work schedule shall not deny relief men a normal 48 hour work week.

OVERTIME

- 8.02 Time and a half will be paid for all time worked in excess of forty (40) hours in any one week or eight hours in any one shift. All time worked in excess of eleven (11) consecutive hours shall be paid for at the rate of double time.
- 8.03 If an Employee is called back to work by the Employer after his regular shift is completed, he shall be paid a minimum of four (4) hours pay at the rate of time and one-half except when a call-in occurs on his second assigned day off and the duration exceeds four (4) hours in which case he will be paid at the rate of double time for his hours worked.
- 8.04 Employees required to work on their first assigned day off shall be paid at the rate of time and one-half. Should an Employee be scheduled to work on his second assigned day off, he shall be paid at the rate of double time.
- 8.05 A full shift commencing within 13 hours of the completion of the previous shift shall be paid for at the rate of time and one-half.
- 8.06 If an Employee's shift is changed with less than 24 hours notice for the convenience of the Company, he shall be paid time and one-half for the first shift worked. It is understood that where an Employee's shift is changed for the convenience of the Employee, overtime will not be paid.

8.07 Overtime hours worked and payment for statutory holidays shall not be used to offset any Employee's work week.

8.08 All Employees, with seniority, will have the same opportunity to participate in overtime work providing that in the opinion of the Company the Employees concerned are equally capable of performing the work and the overall efficiency is not impaired. It is agreed that the Company will continue to have the right to require an Employee to work overtime. However, if an Employee wishes to be excused from an overtime assignment he may approach the Company and the Company will endeavour to assign a suitable replacement in order of seniority.

Overtime will be distributed as equally as possible within a department.

Probationary Employees and Students will not be offered overtime until attempts to fill the job with seniority Employees have been made.

8.08(b) The Company will not include premiums paid to employees that are scheduled to work on statutory holidays as overtime worked in determining equal distribution.

8.09 Hours of Work- Laboratory

The normal work week shall be forty (40) hours which is made up of five (5) eight (8) hour shifts. The day shift runs Monday to Friday and the afternoon shift runs Tuesday to Saturday.

If an Employee is called in to work on his days off, he will be paid according to the following schedule:

Shift	1 st Day	Rate	2 nd Day	Rate	3 rd Day	Rate
Days (Mon-Fri) Week 1	Sat	1.5 X	Sun	2X		
Days (Mon – Fri) Week 2	Sat	1.5X	Sun	1.5X	Mon (see Note 1)	2X
Afternoons (Tues – Sat) Week 3	Sun	1.5X	Mon	2X		
Afternoons (Tues – Sat) Week 4	Sun (see Note 2)	2X				

Note 1 When switching from day shift to afternoon shift.

Note 2 When switching from afternoon shift to day shift.

The Employee's second day off will be compensated at double (2X) time, regardless of whether the day is Sunday or Monday. If Sunday is the first day off, the applicable rate is time and one-half (1-1/2x). After completion of the eleventh hour of work, all further hours worked are at the rate of double (2X) time as per Section 8.02. If a full shift is started within thirteen (13) hours of the completion of the previous shift, the rate of pay is at time and one-half (1-1/2X) as per Section 8.05.

Time and one half will be paid after eight hours worked in one day and after forty hours worked in one week.

All work performed on Sunday will be paid at double time.

If an Employee is called in to work and returns home prior to starting his regular shift, he will be paid on the basis of a guaranteed minimum of four hours overtime at time and one half or overtime for the hours worked whichever is greater.

If the normally scheduled work week changes the Company will, prior to the change, negotiate shift premium and overtime changes with the Union.

Note: All laboratory Employees will be given equal opportunity to train on all routine tests.

8.10 Call Back/Call In

The Company and the Union agree to establish a Call Back/Call In Procedure in order for the Plant to respond to emergency situations.

If an Employee is called back to work by the Employer after his regular shift is completed, he shall be paid a minimum of four (4) hours pay at the rate of time and one-half except when a call-in occurs on his second assigned day off and the duration exceeds four (4) hours in which case he will be paid at the rate of double time for his hours worked.

1. Rest Time

An Employee coming back in for a Call Back or Call In (and is scheduled to work his regular shift the following day) that commences after 11 PM will be allowed to have rest time equal to the time worked during the call back/call-in and will be compensated for those rest hours at straight time. The rest time will be time worked plus one hour of travelling time (minimum of 2 hours). The rest time paid out to Employees will not exceed the hours the Employee would otherwise have worked if he was not called in.

2. Emergency Breakdowns

If an Employee is at work on a Call Back/Call-In and another emergency breakdown occurs prior to his departure from the plant property, once the Employee completes the first emergency, he will then carry out repairing the second emergency. If the work on both the first and the second emergency is completed within four (4) hours, the Employee will be paid only the initial four (4) hours call

back/call-in pay. If the second emergency breakdown takes him beyond the four (4) hours he will be compensated by paying for a second Call Back/Call-In.

In order for the Plant to guarantee coverage of off shifts the maintenance Employees will agree to carry a cell phone on a rotating basis. Employees will not be required to carry the cell phone during their vacation. The Employee carrying the cell phone will be compensated with pay equaling 2 Call-Ins. The first 4 hours of the 1st call-in are at no pay for the Employee carrying the cell-phone. However, if the number of Employees in any given maintenance trade falls below 5, then carrying the cell phone will be optional for that trade.

9.0 HOLIDAYS

9.01 The following days shall be observed as statutory holidays:

New Year's Day	Civic Day
Family Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
Canada Day	Christmas Day
Stampede Parade Day	Boxing Day

Should an Employee scheduled to work on any of the above mentioned holidays or on his scheduled regular day of work preceding or following the holiday be absent without permission on any of these days, such Employee shall forfeit his regular holiday pay.

9.02 Should it become necessary to work any of the aforementioned holidays, it shall be paid for at the regular rate of pay plus time and one-half. An Employee working an eight (8) hour shift pattern who works on a statutory holiday may elect to take the statutory holiday as a lieu day or he can accept the statutory holiday pay as laid out above. The lieu day must be taken at a mutually convenient time.

On eight (8) hour shifts worked during a statutory holiday, work in excess of eight (8) hours will be paid at double time.

9.03 Should a statutory holiday fall on an Employee's normal posted day off, he shall receive an additional eight hour pay for that day.

9.04 Should the Provincial or Federal Governments declare by statute an additional public holiday during the term of this Agreement, it shall be granted.

9.05 The Company will post a list of statutory holidays and the day they will be observed on October 1st of the preceding year.

10.0 WAGES

10.01 Employees will have their pay directly deposited to a Financial Institution of their choice. Until electronic posting of pay stubs is available, the Company will mail the cheque stubs to the Employees' last known address.

Wages are to be paid every second Thursday covering the two week period ending the previous Sunday Midnight. When a statutory holiday occurs on a Friday, every effort will be made to have their wages paid on the Wednesday prior to such holiday.

10.02 Wage Schedule:

WAGE CLASSIFICATIONS AND RATES PER HOUR:

Classification April 1, 2010

Operator 27.33	Laboratory 21.66	Student 17.00
Maintenance 32.64	Probationer 23.00	

Classification April 1, 2011

Operator 27.88	Laboratory 22.09	Student 17.00
Maintenance 33.29	Probationer 23.00	

Classification April 1, 2012

Operator 28.44	Laboratory 22.53	Student 17.00
Maintenance 33.96	Probationer 23.00	

Lead hands will be paid a premium of \$1.50 per hour upon ratification of contract.

10.03 Probationers and Students

All new Employees hired will be categorized as probationers with the exception of Summer Students.

Preference for full time work will be given to probationary Employees who have demonstrated competence with the employer. If competence is equal, preference will be given to the Employee with the longest service.

Probationary maintenance and laboratory Employees will be paid the full classification rate.

“Student Employee” shall refer to an Employee who is hired to work between the months of April 1 and September 1 or December 1 to January 15. Student Employees will be paid \$17.00 per hour. Student Employees working past September 1 or January 15 shall be considered Probationary and time worked as a Summer Student will be counted toward their Probationary period.

10.04 Off-Shift Bonus

A premium of 60 cents per hour will be paid to all Employees who work a shift commencing after 12 noon or before 9:00 p.m. A premium of 70 cents per hour will be paid to all Employees who work a shift commencing after 9:00 p.m. or before 5:00 a.m.

An additional premium of \$1.15 per hour will be paid for all Sunday work. These premiums will also apply on a full overtime shift which calls for such a premium to be paid but they will not be added to the basic rate in computing the overtime rate.

10.05 Where an Employee qualifies for maternity and/or parental leave under the *Canada Labour Code*, the basis of time loss payment will be governed by the applicable legislation.

10.06 Substituting Of Higher or Lower Rated Jobs

An Employee requested to work on a higher rated job shall receive the higher rate of pay while so doing, but any Employee requested to work in a lower rated job shall not have his regular rate of pay reduced.

10.07 New or Revised Job Classifications

If the Company creates a new job classification, or combines existing job classifications, or substantially changes the duties of existing job classifications, the Company will establish a wage for such new or changed job classification and notify the Union within thirty (30) days. The Union has seven (7) calendar days thereafter to object to the rate set, and the matter will then be subject to negotiations between the Company and the Union. If negotiations do not successfully resolve the matter, the matter will be subject to the Grievance Procedure.

11.0 PERSONAL DAYS OFF AND LEAVE OF ABSENCE

11.01 The Employer’s policy of sympathetic consideration of request for days off, for personal, urgent legal or other unforeseen circumstances be continued. Whenever possible, such requests will continue to be granted

and they will not be unreasonably denied. Such days taken shall be from the Employee's outstanding vacation entitlement. Whenever possible, the Employee is required to provide five (5) full working days notice.

11.02 Following completion of the probation period, if all vacation entitlement and accrued days have been scheduled, the Employer may grant an unpaid leave of absence for personal reasons. Requests will not be unreasonably denied. Leave of absence for military service will be granted. Seniority will continue to accrue during all approved leaves of absence.

If such leave is granted, an Employee's health insurance, dental insurance, life insurance and pension contributions may be continued at his option and at his sole expense payable monthly in advance.

11.03 Compassionate Care Leave

Employees are entitled to an unpaid leave of absence from employment of up to 8 weeks to provide care or support to a family member of the Employee. This leave is subject to the following:

1. The request for leave must be supported by a certificate from a qualified medical practitioner stating that the family member has a serious medical condition with a significant risk of death within 26 weeks from the date the certificate is issued or the day the leave is commenced.
2. A leave of absence under this section may only be taken in periods of not less than one week's duration.
3. The aggregate amount of leave that may be taken by two or more Employees under this section in respect of the care or support of the same family member shall not exceed 8 weeks.
4. The following definitions apply to compassionate care leave:

"common law partner" means a person who is cohabiting with the Employee in a conjugal relationship for a period of at least one year;

"family member" in relation to an Employee means:

- (a) a spouse or common law partner of the Employee;
- (b) a child of the Employee or a child of the Employee's spouse or common law partner;

- (c) a parent of the Employee or parent of the Employee's spouse or common law partner;
- (d) any other person who is defined as a "family member" in subsection 23.1(1) of the Employment Insurance Act or any amendment.

"qualified medical practitioner" is defined in section 23.1(3) of the Employment Insurance Act, and any amendment of that section.

- 5. Employees may be eligible for benefits under the Employment Insurance Act.

12.0 VACATIONS

12.01(a) Effective January 1, 2001, vacation entitlement will be granted on a calendar year basis.

12.01(b) After one (1) year's continuous employment, an Employee's anniversary date, for purposes of computing vacations, will be set back to the January 1st immediately preceding his latest employment date. Employees shall be entitled to vacations as follows:

<u>Years of Seniority</u>	<u>Weeks of Vacation</u>
1	2
3	3
8	4
15	5
20	6

12.02 Employees who have been paid less than 2,080 regular hours in the preceding calendar year shall receive vacation pay on a pro rata basis, in accordance with their years of service.

There is no pro rata reduction for the following:

- a) Weekly Indemnity
- b) Workers' Compensation
- c) Banked Statutory Holidays
- d) Sick Leave
- e) Vacation
- f) Union business (to a maximum of 20 working days per calendar year except during negotiations)
- g) Maternity/Paternity Leave
- h) Long Term Disability
- i) Compassionate Leave

12.03 A working week's vacation with pay shall be five days' pay in seven calendar days off or 2% of annual gross pay per week of entitlement, whichever is greater. The Employee must utilize their vacation entitlement within the calendar year.

12.04 Vacation lists shall be posted in each department. Employees shall denote on the vacation schedule their choice of vacation pick in accordance with their respective seniority.

12.05 Notice will be posted in each department on or before October 1st advising Employees they will be called upon to state their choice of vacation dates and indicating the number of Employees who may be on vacation at one time. Vacation dates will be assigned by seniority after posting.

12.06A The summer vacation schedule will run from June 1st through September 30th.

The following chart outlines the vacation entitlement for each Employee by department.

Malthouse	2 Blks/EE	Jun/Jul/Aug/Sep
Maintenance	2 Wks/EE	Jun/Jul/Aug/Sep
Barley Elevator	2 Wks/EE	Jun/Jul/Aug/Sep
Malt Handling	2 Wks/EE	Jun/Jul/Aug/Sep
Lab	2 Wks/EE	Jun/Jul/Aug/Sep

B For the two (2) week Easter period, the months of June, July, August, September and December where practicable, two (2) Employees from each department shall be allowed to take vacation at any one time.

12.07 Each Employee in order of seniority will be called upon beginning November 1st to state his choice of dates. Employees who fail to state their preferences within forty-eight (48) hours will not be allowed to post again until less senior Employees have been given their choice. Otherwise, all remaining unscheduled vacation time will be assigned by management to fit into the year around vacation schedule. Once scheduled, vacation dates cannot be over ridden by senior Employees.

12.08 An Employee will be allowed to reschedule vacation days lost due to being hospitalized during his vacation or due to a bereavement occurring during his vacation provided that proof, satisfactory to the Company, is presented by the Employee. In the case of major illness or injury, the Company will reschedule any vacation time lost due to illness or injury.

12.09 The Company reserves the right to reduce the number of Employees absent on vacation at any one time due to emergency operating requirements. If a scheduled vacation is cancelled by the Company, the

Employee's vacation will be rescheduled at that time. All non-refundable and non-insured expenses, verified through receipts, incurred by the Employee due to this cancellation will be reimbursed.

- 12.10 Employees successfully bidding onto a job in another department cannot be guaranteed vacation dates scheduled while in their previous positions. However, the Company will make every effort to maintain the date granted.
- 12.11 Once vacation dates have been approved by the Company, every reasonable effort shall be made to maintain dates granted to an Employee. Any changes must be mutually agreed upon by the Employee and the Company.
- 12.12 Employees with vacation allowance greater than three (3) weeks, solely at the Employees discretion, will be allowed to sell back all vacation weeks over three (3) weeks per year.

12.13 Vacation Schedule Vacancies/Cancellations

After the initial vacation selection has taken place, any remaining vacation openings during June, July, August, September or December can be booked by Employees in order of seniority. Furthermore, if an Employee cancels or cashes out vacation scheduled during June, July, August, September and December, the Company will post the week(s) available. All Employees are eligible to bid to take their vacation at this time providing they have entitlement remaining. The successful bid will be determined by seniority. An employee is limited to a single opportunity for either one week or one block of time.

13.0 UNION LEAVE OF ABSENCE

- 13.01 Upon written application by the Local Union the Company agrees to grant an educational leave of absence, without loss of regular pay, of a maximum of four (4) normal working days per contract year, to a member of the Union Local chosen by the Union Executive. Such educational leave will be so arranged between the Union and the Company so as to minimize disruption of the Company's operations.
- 13.02 Upon written request by the Local Union, the Company will consider a leave of absence without pay for Union purposes provided ten (10) working days notice where possible is given. The seniority of Employees taking such leave will not be affected.
- 13.03 Employees representing the Union during negotiation of a collective agreement, including conciliation procedures and in processing grievances on the plant site shall be paid their regular rate of pay for their normal working hours.

14.00 JURY DUTY AND BEREAVEMENT LEAVE

14.01 An Employee who is called for jury duty will receive the difference between his straight time wages and the payment he received for such duties for those days he would actually have been at work during his service as a juror.

The Company agrees to pay the difference between straight time wages and payment received for any Employee who is subpoenaed as a Crown Witness and who is not a party to the action. Payment will be for hours he would have normally worked during his service as a witness.

14.02 Should a bereavement occur in an Employee's immediate family, members of his household, parents, brothers, sisters, grandparents, mother-in-law, father-in-law, common-law partner which means a person who is cohabiting with the Employee in a conjugal relationship for a period of at least one year or grandchildren, he may request a bereavement leave and he shall be granted such time off with pay as is reasonable under the circumstances to enable him to look after funeral arrangements, to attend the funeral or memorial service. The general standard of bereavement leave shall be three (3) working days, however, the extent of such leave shall be at the discretion of the Company, after consultation with the Union, taking into consideration the time of the bereavement in relation to his regular time off, the distance to be traveled, etc.

Employees asked to be pallbearers at a funeral shall be granted such time off with pay as is reasonable to attend the funeral, not however to exceed one (1) day. In addition, one (1) day will be granted for aunts, uncles, nieces and nephews.

15.0 HEALTH & SAFETY

15.01 The Company shall institute and maintain all reasonable precautions for safeguarding the health and safety of its Employees. Both the Company and the Union recognize their mutual obligation to assist in the prevention, correction and elimination of unhealthy and unsafe working conditions and practices. All Employees shall adhere to all safe work practices. Wearing of approved safety footwear, hearing protection, safety eyewear and hard hats is mandatory, as is other safety equipment outlined in Section 7.01 of the current Contract.

15.02 All injuries sustained during work hours, no matter how trivial, must be reported to the Supervisor or Lead Hand before completion of the shift.

15.03 In cases of sickness or accidents, which necessitate absence from work, the Employee shall immediately notify the Supervisor concerned.

15.04 The Union and the Company agree to maintain the existing Health and Safety Committee for the duration of this Agreement and minutes of the meetings will be made available.

15.05 Government Safety Standards and Regulations will govern the use and storage of cleaning compounds, chemicals and designated substances.

15.06 Right to Refuse Work If Dangerous

A Subject to subsection B, an Employee may refuse to use or operate a machine or thing, to work in a place or to perform an activity, if the Employee while at work has reasonable cause to believe that:

- i) The use or operation of a machine constitutes a danger to the Employee or to another Employee;
- ii) A condition exists in the place that constitutes a danger to the Employee; or
- iii) The performance of the activity constitutes a danger to the Employee or to another Employee.

B. However, an Employee may not refuse to use or operate a machine or thing, to work in a place or to perform an activity if:

- i) The refusal puts the life, health or safety of another person directly in danger; or
- ii) The danger referred to is a normal condition of employment.

C. An Employee who refuses to use or operate a machine or thing, work in a place or perform an activity under this subsection shall report the circumstances to his supervisor (or another manager of the Company) without delay.

D. Where an Employee makes a report under subsection C, the Employee shall inform the Company, in writing, within seven (7) days, whether the Employee intends to exercise recourse under this collective agreement or the Canada Labour Code (Part 2 – Occupation Health and Safety) section 128. Once made, the selection of recourse is irrevocable unless the company and the employee agree otherwise.

E. If the Company agrees that a danger exists, the Company shall take immediate action to protect the Employees from the danger. The Company shall inform the Workplace Committee or the Health and Safety representative of the matter and the action taken to resolve it.

- F. If the matter is not resolved under the subsection E, the Employee may, if otherwise entitled to under this section, continue the refusal and the Employee shall without delay report the circumstances of the matter to the Company Plant Manager, and to the Workplace Committee or the Health and Safety Representative.
- G. The Company shall, immediately after being informed of the continued refusal under subsection F, investigate the matter in the presence of the Employee who reported it and of:
 - i) at least one member of the Workplace Committee who does not exercise managerial functions;
 - ii) the Health and Safety Representative; and/or
 - iii) if neither of the above persons are available, at least one person from the workplace who is selected by the Employee.
- H. If more than one Employee has made a report of a similar nature under this section, those Employees may designate one Employee from among themselves to be present at the investigation.
- I. The Company may proceed with an investigation in the absence of the Employee who reported the matter, or if the person designated under this subsection, chooses not to be present.
- J. If an Employer disputes a matter reported under this subsection, or fails to take steps to protect Employees from the danger, and the Employee has reasonable cause to believe that the danger continues to exist, the Employee may continue to refuse to use or operate the machine or thing, work in that place or perform that activity. On being informed of the continued refusal, the Company shall notify a Health and Safety Officer under the Canada Labour Code (Part 3 – Occupational Health and Safety). The Employer shall also inform the Workplace Committee or the Health and Safety Representative.
- K. Employees who are affected by a stoppage of work arising from this subsection, for the purposes of calculating wages and benefits, are deemed to be at work during the stoppage until the work resumes or until the end of the scheduled work period or shift, whichever period is shorter.
- L. The Company may assign reasonable alternative work to Employees who are affected by the refusal to work pursuant to this section.

- M. An Employee who exercises his or her rights under this subsection, knowing that no circumstances existed that would warrant it, shall be required to repay those wages and benefits paid to Employees in accordance with this subsection, after all avenues of redress have been exhausted by the Employee who exercised his or her rights under this subsection.
- N. If the Employee and the Supervisor cannot agree on a remedy to the work refusal, then the matter must be reported to a Federal Health and Safety Officer pursuant to section 128(13) of the Canada Labour Code (Part 3-Occupational Health and Safety).
- O. No Employee shall be discharged, penalized, coerced, intimidated or disciplined for refusing hazardous work pursuant to this section unless the Employee exercised his or her rights knowing that no circumstances existed that would warrant it.
- P. The Company shall ensure that no other worker is asked or permitted to perform the work of the worker who refused, unless the second worker is advised of the reasons for the work refusal in the presence of an Employee member of the Workplace Committee and the refusing worker.

16.0 INSURANCE, HEALTH AND PENSION BENEFITS

The Company reserves the right to select carriers that provide the most efficient and qualified service for all negotiated benefits. The Company agrees to discuss a change in the carrier prior to implementation. The present level of benefits and services will not be reduced as a result of change in carrier.

The Company shall provide the Union, upon request, with current copies of the Plan Text from the benefit providers.

A summary of the Health and Welfare Plans, as provided by the Company, is set out below. These plans are governed by the policies issued by the insurance companies concerned, the provisions of the Pension Plan, and the rulings of the appropriate government authority.

16.01 Alberta Health Care Insurance Plan

16.02 Short Term Disability Plan (70% of basic weekly wage). Coverage to begin on the first day if absence is caused due to an accident or if hospitalized. A waiting period of 3 days is in effect if absence is due to illness.

16.02(b) Effective January 1, 2011 all Employees will be entitled to 24 hours sick pay by the employer each calendar year.

16.03 Long Term Disability Plan (65% of basic wage after 3 years of service)

16.04 Extended Health and Benefit Drug Plan. Employees will be provided with a drug plan card. The plan will cover 100% of generic drugs and brand name drugs where no generic exists. Where a generic is available, the plan will cover 80% of the brand name drug.

16.05 Dental Plan

The Dental Plan is defined as the “Sun Life Financial” Plan. Claims will be paid based on the Sun Life Dental Fee Schedule.

16.06 Group Life Insurance

Effective Upon Ratification

Before Retirement:

Term Life \$100,000

AD&D \$100,000

After Retirement:

Permanent Life \$2,000

Total disability benefit to remain basis \$10,500.

16.07 Pension Plan

Defined Benefit

Employees hired prior to January 1, 2008 will have the option to continue to participate in the Defined Benefit Pension Plan subject to the following employee contribution schedule:

Effective upon ratification of the collective agreement, operators and maintenance employees will contribute \$0.75 per straight time hour worked to a maximum of 2080 hours to the pension plan.

Effective April 1, 2011, operators and maintenance employees will contribute \$1.25 per straight time hour worked to a maximum of 2080 hours to the pension plan.

Effective April 1, 2012, operators and maintenance employees will contribute \$1.50 per straight time hour worked to a maximum of 2080 hours to the pension plan.

Effective upon ratification of the collective agreement, laboratory employees will contribute \$0.75 per straight time hour worked to a maximum of 2080 hours to the pension plan.

Effective April 1, 2011, laboratory employees will contribute \$1.00 per straight time hour worked to a maximum of 2080 hours to the pension plan.

Effective April 1, 2012, laboratory employees will contribute \$1.25 per straight time hour worked to a maximum of 2080 hours to the pension plan.

1. Normal Retirement – Age 65
2. Full Retirement Benefits will be as follows retroactive to all credited service in the pension plan.

For all operators and maintenance employees participating in the defined benefit plan, effective April 1, 2010 pension benefits will be \$80.00 per month per year of credited service.

For all Lab Employees participating in the defined benefit plan, effective April 1, 2010 pension benefits will be \$73.00 per month per year of credited service.

3. Early Retirement – Minimum age 60 and 20 years continuous credited service, there will be no reductions to the above benefits

Reductions will apply as follows:

- (i) For age between 55 years and 60 years with 25 years of credited service, the pension will be reduced at the rate of 4.0% per year from sixty (60) years of age.
- (ii) For age between 55 and 60 years with less than 25 years of credited service (minimum 20 years), the pension will be reduced at the rate of 4.0% per year from sixty (60) years of age, and for credited service reduced pro rata to 25 years.

Defined Contribution Plan

Effective January 1, 2011, all employees hired on or after January 1, 2008 must participate in a defined contribution (Group RRSP) plan for which the employer will contribute 5% of the employee's earnings based on the employee's straight time hourly rate, up to a maximum of 2080 hours per year. The employee may, but is not required to make additional contributions into the plan, subject to RRSP contribution room.

Employees hired prior to January 1, 2008 will have a one-time option, exercisable on not less than 60 days notice to the company, effective January 1 of any calendar year, to cease participating in the defined benefit pension plan and begin to participate in the defined contribution plan with the employer contributing 5% of the employee's earnings based on their straight time hourly rate, up to a maximum of 2080 hours per year. The employee may, but is not required to make additional contributions into the plan, subject to RRSP contribution room.

16.08 Milestone Recognition

The Company shall provide milestone recognition after 5 years of service and every 5 years thereafter.

16.09 Vision Care Plan

Effective April 1, 2007 the Company agrees to provide hourly Employees with Vision Care Insurance providing a \$250.00 benefit over three years for each Employee who has seniority in the bargaining unit and for each of his dependents. Employees holding seniority for less than the full three year period will enjoy a benefit, pro rata based, from the date of attaining seniority.

16.10 The Company will reimburse upon presentation of a receipt any fees charged for the filling out of forms by doctors for examinations requested by the Employer or its insurance company.

17.0 GRIEVANCE PROCEDURE

17.01 A Grievance is defined as a difference between the Company and an Employee or the Union as to the interpretation, application, or alleged violation of any provision of this Agreement.

In the event the Local Union or any employee believes that they have been unjustly disciplined or that any provision of the Agreement has been or is being violated, an earnest effort shall be made to adjust such grievance as quickly as possible.

Grievances must be signed by a member of the Union Executive, a Shop Steward or duly appointed Representative before submission to the Company.

A Grievance involving discharge shall be put in writing and filed with the Plant Manager within five (5) working days and will be lodged at Step 2 of the Grievance Procedure. All non-discharge grievances are to be submitted to the Company within 10 working days. Employer grievances must be submitted within 10 working days from the time the grievance became known or should have become known.

Step 1:

A Union Representative, with or without the employee, shall first take the issue to the immediate Supervisor of the area where the alleged breach occurred. If this does not resolve the issue within five (5) business days, the Grievance will be supplied in writing and filed with the Plant Manager.

Step 2:

The Union Grievance Committee of not more than three (3) Union Representatives, which may include a full time Union Representative, with or without the Grievor, and the Company Representatives of not more than three (3), will meet within five (5) business days of the Grievance being filed with the Plant Manager.

If no settlement is arrived at, the Plant Manager or his designate shall state his reasons in writing to the Union within five (5) business days following the meeting.

Representation

The Company acknowledges the right of the Union to select a reasonable number of Union Representatives to assist Employees in presenting complaints or grievances to the Company.

The Union acknowledges that the Employer shall have the right to submit a grievance on any matter pertaining to this Agreement.

Time Limit

- a) Any case not taken beyond the completion of Step No. 1 and 2 within the time limit allowed shall be considered settled.
- b) All reference made to the number of days of time limit, unless otherwise specified, in the different steps of the grievance procedures shall exclude Saturdays, Sundays and Holidays.
- c) Time limits referred to in this Article may be extended by mutual agreement and must be specified in writing.
- d) The time limits referred in this Article are not applicable to any Grievances filed prior to August 11, 2010.

Request for Arbitration

Should the parties fail to reach agreement in the final step of the grievance procedure, upon written request the grievance may be referred to

arbitration within twenty (20) full working days of the second step grievance answer, upon written request of the Union.

It is agreed that any issue to be arbitrated shall be submitted to a single arbitrator that is satisfactory to both parties. In the event an agreement to the arbitrator cannot be reached, either party may apply to the appropriate Minister of Labour for a list of five (5) prospective arbitrators to be forwarded to each of the parties. Upon receiving the list, the parties have up to ten (10) full working days to accept an arbitrator from the list. If the acceptable arbitrator is unable to act or agreement cannot be reached on any of the remaining names on the list, the appropriate Minister of Labour will appoint an arbitrator, and he will be accepted by both parties.

The Arbitrator shall not have the right or power, to add to, take away, amend, modify, change or disregard any of the provisions of this Agreement, and he may consider and decide only the particular grievance presented.

The Arbitrator, however in respect to a grievance involving a penalty, shall be entitled to modify such penalty as in the opinion of the Arbitrator is just.

The decision of the Arbitrator shall be final and binding upon both parties.

The expense and fee of the Arbitrator shall be borne equally by the Company and the Union.

17.02 Strikes or Lockouts

It is agreed that there will be no strikes or lockouts instigated, endorsed or condoned by either party for the duration of this Agreement.

18.0 DURATION – TERMINATION

18.01 This Agreement shall be in full force and effect as of the 1st day of April, 2010 and continue in full force and effect through the 31st day of March, 2013 and from year to year thereafter as hereinafter provided.

18.02 When notice to commence collective bargaining has been served, the collective agreement shall be deemed to continue to apply to the parties, notwithstanding any termination date in the agreement, until a new collective agreement is concluded or a strike or lockout commences.

18.03 Either party wishing to amend this Agreement shall give notice in writing of such desire to the other party, specifying the desired change, not less than 60 days prior to the anniversary date of this Agreement.

18.04 No less than seven (7) days notice shall be given from the date of a legal lockout or strike position before any lockout or strike.

18.05 Any conclusions reached in the aforementioned negotiations shall, if so agreed, be made retroactive to the said anniversary date or the said termination date.

19.0 CONTRACTING OUT

The Employer shall not contract out bargaining unit work except in cases where contracting out would not result in the loss of any bargaining unit hours, in the failure to recall an Employee who has been laid off, nor in the loss of any hours which could be worked by Employees in the bargaining unit.

20.0 TRAINING COMMITTEE

Mission Statement – The objective of this Committee is to facilitate an improvement in the skills of the Employees of Canada Malting Co., in order to enhance individual growth and the global competitiveness of the Company. This will be accomplished by creating a positive learning environment that encourages Employees to succeed.

The Company and the Union agree that there is value in delivering appropriate training programs to the workforce. Both parties agree, within thirty (30) days of ratifying the Contract, the Training Committee will be reactivated to develop and implement training opportunities for maintenance, production and laboratory staff. Specifically, the training committee will give consideration to developing a production operator training program.

Components of this program could include and would not be limited to the following:

- 1) Company malting standards.
- 2) Company safety, health & environmental standards
- 3) Malting knowledge
- 4) Sampling, laboratory analysis and recordkeeping
- 5) Mechanical concepts
- 6) Lubrication requirements
- 7) Computer PLC fundamentals.

All recommendations must be agreed upon by both parties prior to implementation.

Dated at Calgary, Alberta this _____ day of _____, 2010.

FOR THE EMPLOYER:

FOR THE UNION:

CANADA MALTING CO. LTD.

UFCW LOCAL 1118

Keith Todd
Director Of Operations
And Engineering

Peter Frost
Secretary Treasurer

Armand Parisien
Plant Manager

Albert Johnson
Union President

Mark Hudak
Director of Human Resources

Robert McCuaig
Committee Member

Kim Berry
Committee Member

Bentley Bloodworth
Committee Member

Bill Caron
Committee Member

Letter of Understanding #1

Re: Apprenticeship

The Company and the Union agree to continue an Apprenticeship Program for the life of this contract. The number of candidates entering the program, and the type(s) of trades required, will be determined by the Company's needs in the maintenance shop.

A joint Apprenticeship Selection Committee (ASC) will be established to review each applicant against the criteria listed below. This committee will be tasked with evaluating and selecting the best candidates for the Apprenticeship Program.

The ASC will apply the following selection criteria:

- 50% Seniority
- 25% Past performance
- 25% Success in a reading comprehension and mechanical aptitude test developed and approved by the ASC

The Company agrees to pay, on an annual basis, all costs for tuition, books and lab fees for each of the four periods that an apprentice is required to attend technical training at SAIT. In addition to this, the company will pay the salary of an employee during technical training on the basis of a standard 40-hour week, and at the percent rate they qualify for under the terms of "Letter of Understanding #1" of the collective agreement. Statutory holidays that fall during an apprentice's training will be paid in the normal course of events when they occur. The Company will not pay, or reimburse, any costs for transportation, parking, or student activities while attending technical training.

The Union agrees to endorse the program and encourage the on-site tradesmen to work with and train the apprentices on-the-job.

The pay scale for the Apprenticeship Program will be as follows:

From indenture to the completion of 1st year requirements -70% of the shop journeyman rate.

From completion of 1st year to the completion of 2nd year – 80% of the shop journeyman rate.

From completion of 2nd year to completion of 3rd year – 90% of the shop journeyman rate.

From completion of 3rd year to journeyman certification – 95% of the shop journeyman rate.

All employees are eligible to bid on an apprenticeship placement, except for employees who are already in the apprenticeship program or already employed as journeymen in the shop.

Should an employee fail at any stage of the Apprenticeship Program, or wish to terminate his involvement in the Program, he will be allowed to displace the most junior Employee on the seniority list from their job, provided he is capable of performing that job and has greater seniority than that employee.

Signed this _____ day of _____, _____

For the Employer:
Canada Malting Co. Limited

For the Union:
UFCW Local 1118

LETTER OF UNDERSTANDING #2

Re: Permanent Lay-Offs

The Company agrees to meet and discuss with the Union all permanent lay-offs that will take place in the workforce. The topics for discussion will include but not be limited to terms of separation from the Company.

Signed this ____ day of _____, 2010.

**FOR THE EMPLOYER:
CANADA MALTING CO. LTD.**

**FOR THE UNION:
UFCW LOCAL 1118**

**Armand Parisien
Plant Manager**

**Albert Johnson
Union President**

LETTER OF UNDERSTANDING #3

Re: Wing Pun Wage Freeze

It is understood that the above Employees wage rate is frozen until such time as the Laboratory Technician pay rate surpasses his current rate of pay.

Signed this ____ day of _____, 2010.

**FOR THE EMPLOYER:
CANADA MALTING CO. LTD.**

**FOR THE UNION:
UFCW LOCAL 1118**

**Armand Parisien
Plant Manager**

**Peter Frost
Secretary Treasurer**

LETTER OF UNDERSTANDING #4

Re: Compressed Work Week for the Malt Handling Facility

The Company and Union agree to meet and discuss the possibility of implementing a compressed work week (4-10 hour shifts) for the Malt Handling Facility.

Signed this ____ day of _____, 2010.

**FOR THE EMPLOYER:
CANADA MALTING CO. LTD.**

**FOR THE UNION:
UFCW LOCAL 1118**

**Armand Parisien
Plant Manager**

**Albert Johnson
Union President**

LETTER OF UNDERSTANDING #5

In the interest of providing a positive atmosphere, the Company, agrees to commit to ongoing updates through information sessions which shall be held at least every 6 months.

Signed this ____ day of _____, 2010.

**FOR THE EMPLOYER:
CANADA MALTING CO. LTD.**

**FOR THE UNION:
UFCW LOCAL 1118**

**Armand Parisien
Plant Manager**

**Albert Johnson
Union President**

LETTER OF UNDERSTANDING #6

Within 180 days of the ratification of this agreement the Company and the Union will form a committee to review the benefit plan. The intent of this Committee is to determine if any changes can be made to better reflect the needs of the employees. Any recommendations made by the Committee will not be binding on the Company.

Signed this ____ day of _____, 2010.

**FOR THE EMPLOYER:
CANADA MALTING CO. LTD.**

**FOR THE UNION:
UFCW LOCAL 1118**

**Armand Parisien
Plant Manager**

**Albert Johnson
Union President**

LETTER OF UNDERSTANDING #7

Within 180 days of the ratification of this agreement the Company and the Union will form a committee to establish a policy for the fair and equitable distribution of overtime.

Signed this ____ day of _____, 2010.

**FOR THE EMPLOYER:
CANADA MALTING CO. LTD.**

**FOR THE UNION:
UFCW LOCAL 1118**

**Armand Parisien
Plant Manager**

**Albert Johnson
Union President**