

COLLECTIVE AGREEMENT

BETWEEN:

BURNS INTERNATIONAL SECURITY SERVICES LIMITED

(hereinafter referred to as the "Employer")

COPIED 31 MAY
CLERK CONTROL
POST ROOM
STATIONER

OF THE FIRST PART

AND:

UNITED STEELWORKERS OF AMERICA,


(hereinafter referred to as the "Union")

OF THE SECOND PART

(SW/ONTARIO)

ARTICLE 1: PURPOSE OF AGREEMENT

- 1.01 The general purpose of this Agreement is to establish mutually satisfactory relations between the Employer and its employees, to provide machinery for the prompt and equitable disposition of grievances and to establish and maintain satisfactory working conditions, hours of work and wages for all employees who are subject to the provisions of this Agreement.
- 1.02 The parties recognize that fair working conditions and stable, effective operations contribute to providing quality security services to clients.
- 1.03 Wherever the MALE GENDER is used throughout the Articles within this Agreement, it is agreed that FEMININE GENDER is an acceptable substitute whenever or wherever the feminine gender is applicable.
- 1.04 Where the singular is used throughout the Articles within this Agreement, it is agreed that the plural is an acceptable substitute and wherever the plural gender is applicable.



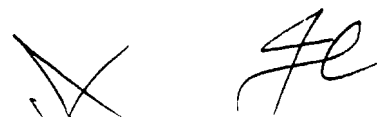
ARTICLE 2: RECOGNITION & SCOPE

- 2.01 Burns International Security Services Limited (“the Employer”) recognizes the Union as the bargaining agent for all security guards of the Employer in the County of Sussex, County of Kent, County of Middlesex, County of Oxford, County of Perth, County of Essex, County of Huron, County of Lambton, save and except Guard Inspectors or their designates, persons above the rank of Guard Inspector or their designate, office, clerical, sales staff, and students employed during the school vacation periods. County of Wellington, County of Brant, Regional Municipality of Waterloo, Regional Municipality of Hamilton Wentworth, Town of Milton, Town of Haldimnd, City of Burlington, City of Niagara Falls, City of St.Catharines, Town of West Lincoln, Town of Grimbsy, City of Welland, Town of Fort Erie, Town of Dunville, City of Clarkson (Petro Canada), save and except Site Supervisors or their designates, Guard Inspectors or their designates, persons above the rank of Site Supervisor or their designate, Guard Inspector or their designate, office, cleric& sales staff, and students employed during the school vacation periods.
- 2.02 a) The Employer shall be entitled to designate eighty-five (85) Patrol and Inspection (P&I) employees from the bargaining unit defined in Article 2.01, based on the current number of Security Guards in the bargaining unit on the date of ratification. The number of P&I designation shall increase by one (1) P&I employee for every additional fifteen (15) Security Guards over and above the went number of Security Guards in the bargaining unit as of the date of ratification and decreased by one (1) P&I employee for every fifteen (15) Security Guards below the current number of Security Guards in the bargaining unit as of the date of ratification. However, such decrease will not fall below the eighty-five (85) P&I exclusion number as referred to in this Article. Such designated P&I employees may perform bargaining unit work, but no other articles of this collective agreement shall apply to such designated P&I employees other than 2.01,2.02(a) and 2.02(c).

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- b) The Employer shall provide the Union with a list containing the names of the designated P&I employees and the addresses of the sites where they are working, The “P&I List” of designated employees and sites shall be maintained current at all times. Any employee who is not on the “P&I List” of designated employees as provided by the Employer shall be automatically covered by the terms of the collective agreement. It shall be the responsibility of the Employer to advise the Union in writing of any changes to the “P&I List” of designated employees and the sites where such designated employees are employed. Sites listed on the “P&I List” shall be staffed by P &I designated employees only.
- c) After designating P&I employees for a site listed on the “P&I List”, the Employer shall ask each employee working on that site if the employee wishes to remain on the site. If the employee decides to accept the position of “P&I” employee, then article 2.02(a) shall apply. If the employee declines to accept the position of designated “P&I” employee, the employee shall be required to exercise his/her seniority within five (5) working days and displace a less senior employee at any site in the bargaining unit selected by the employee, with no loss of pay, failing which the employee shall be deemed to have resigned.
- d) The Employer shall advise the Union prior to a site being placed on the “P&I List”.
- e) Within thirty (30) days of ratification, the Employer shall provide the Union with a “P&I List” of designated employees and the addresses of the sites where they are working. The Employer shall be entitled to re-designate sites provided that no particular site will be redesignated more than once during the term of the collective agreement.

2.03 Only bargaining unit employees shall be permitted to perform bargaining unit work, except:

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- a) for the purpose of instruction;
- b) in the case of emergency when bargaining unit employees are not available. Emergencies shall include but will not be limited to, any open post; or
- c) P&I employees may perform bargaining unit work at any site listed on the "P&I List", subject to article 2.02(a).

2.04 The Employer agrees not to contract out any bargaining unit work except in cases where contracting out would not result in the loss of any hours regularly worked by employees in the bargaining unit immediately prior to the time of the contracting out.

EMPLOYEES OBLIGATIONS

2.05 The Union and its members acknowledge its obligation under the Ontario Labour Relations Act to continue to work and perform their duties faithfully as assigned to them, impartially and without regard to union or non-union affiliation of any person at sites where the United Steelworkers of America are the official bargaining agent for any employees at that site and any future sites and in particular during a strike by the Employer's client's employees.

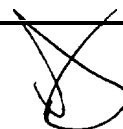
2.06 Any violation of Article 2.05 may result in discipline up to and including discharge.

ARTICLE 3: NO STRIKES OR LOCK-OUTS

- 3.01 The Employer agrees that, during the term of this Agreement or any extension thereof, it will not cause or direct any lock-outs of its employees and the Union agrees that during the lifetime of this Agreement or any extension thereof, there will be no strike, picketing, slow down or stoppage of work, either complete or partial.
- 3.02 It is understood and agreed that Employees covered by this Agreement shall not honour any picket lines at any location for which the Employer provides security services. The Union and its members acknowledge its obligation under the Ontario Labour Relations Act to continue to work and perform their duties and discharge them faithfully during a strike by the Employees of the Employer's clients.

ARTICLE 4: RELATIONSHIP

- 4.01 The Employer and Union agree that there shall be no discrimination in the hiring, training, upgrading, promotion, transfer, lay-off, discharge, discipline or otherwise of employees because of race, sex, creed, religion, colour, age or national origin.
- 4.02 The Employer and Union agree to observe the provisions of the Ontario Human Rights Code.
- 4.03 The Employer agrees it shall not interfere with, restrain, coerce or discriminate against, employees in their lawful right to become and remain members of the Union and to participate in its lawful activities.



ARTICLE 5: ANTI-SEXUAL & ANTI-RACIAL HARASSMENT

5.01 The Employer and the Union shall take all reasonable steps to maintain a working environment which is free from sexual and/or racial harassment.

5.02 For the purposes of this article, "Sexual Harassment" includes:

- (a) Unwanted sexual attention of a persistent or abusive nature, made by a person who knows or ought reasonably to know that such attention is unwanted; or
- (b) Implied or expressed promise of reward for complying with a sexually oriented request; or
- (c) Implied or expressed threat or reprisal, in the form either of actual reprisal or the denial of opportunity, for refusal to comply with a sexually oriented request; or
- (d) Repeated sexually oriented remarks and/or behaviour which may reasonably be perceived to create a negative psychological and/or emotional environment for work and study

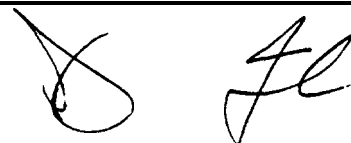
5.03 For the purpose of this clause, "racial harassment" includes engaging in a course of comment or conduct that is known or ought reasonably to be known to be unwelcome where such comment or conduct consists of words or action by the Employer, supervisor, or a co-worker in the bargaining unit, which disrespects or causes humiliation to a bargaining unit employee because of his/her race, colour, creed, ancestry, place of origin or ethnic origin

5.04 Where an alleged breach of article 5.0 1 has occurred, the aggrieved employee (complainant) may initiate a grievance at Step Two of the grievance procedure as defined by article 9.

5.06 The arbitrator shall impose a remedy which is designed to only affect the perpetrator insofar as that is possible and where there is any detriment to be suffered respecting job classification, seniority, wages, etc., such detriment shall fall upon the perpetrator and not upon bargaining unit employees.

5.07 **EMPLOYMENT EQUITY**

The Union and the Employer agree to work together in following the principles of Employment Equity, that all people regardless of race, religion, sex, sexual orientation, aboriginal status or disability are entitled to equal employment opportunities.

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ARTICLE 6: MANAGEMENT RIGHTS

6.01 The Union acknowledges that all management rights and prerogatives are vested exclusively with the Employer except as limited by the provisions of the Agreement and without limiting the generality of the foregoing, it is the exclusive function of the Employer:

- a) to maintain order, discipline, efficiency and in connection therewith to establish reasonable rules and regulations, enforce and alter from time to time rules and regulations to be observed by the employees Recognizing that rules and regulations will change from time to time, given the needs of the business, the Employer will apprise and discuss with the Union any such changes;
- b) to hire, transfer, lay-off recall, promote, demote, retire (at age sixty-five) classify, assign duties, dismiss, suspend or otherwise discipline employees, provided that a claim that an employee who has been dismissed or otherwise disciplined without just cause may be subject of a grievance under Article 9 and 10 of this Agreement. All other matters not otherwise dealt with elsewhere in this Agreement are solely and exclusively the responsibility of the Employer,
- c) generally to operate and manage its business in all respects and in accordance with its discretion, commitments, obligations and responsibilities. The right to determine the number of employees required from time to time, the content of jobs, the standards of performance, the methods, procedures, machinery and equipment to be used, schedules of work, and all other matters concerning the Employer's operation not otherwise dealt with elsewhere in this Agreement are solely and exclusively the responsibility of the Employer.

6.02 The employer agrees that in the exercise of these rights it shall at all times be governed by the terms of this agreement.

ARTICLE 7: UNION SECURITY

- 7.01 As a condition of employment, every employee shall become and remain a member of the Union in good standing. Every new, rehired and recalled employee must be or become a member of the Union on the date of hire, rehire or recall.
- 7.02 The Employer shall deduct from the earnings of each employee every pay period union dues, fees and assessments in the amount certified by the Union and shall remit such deductions prior to the fifteenth (15th) day of the month following to the person designated by the International Union.
- 7.03 The monthly remittance shall be accompanied by a statement showing the name of each employee from whom deductions have been made and the total amount deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made, along with any forms required by the International Union.
- 7.04 The Employer agrees to record the total union dues deductions paid by each employee on his/her T-4 Income Tax Receipt.
- 7.05 The Union agrees to indemnify and save the Company harmless against any claim or liability arising out of the application of this Article.



ARTICLES: UNIONREPRESENTATION

- 8.01 The Employer acknowledges the right of the Union to appoint or otherwise select Shop Stewards for the purpose of representing employees in the handling of complaints and grievances.
- 8.02 The Employer undertakes to receive, by appointment, the Union's authorized representatives, stewards and officers to discuss and settle any current grievance with regard to the interpretation, application, or alleged violation of this Agreement.
- 8.03 The authorized Union representatives, stewards and officers shall be recognized by the Employer as the official representatives of the employees.
- 8.04 The Union shall inform the Employer in writing of the names of the authorized stewards and officers and the Employer will not be obliged to recognize such stewards and officers until it has been so notified.
- 8.05 Subject to operational requirements and with prior management approval, stewards shall be granted reasonable time during working hours to perform their duties and will not experience a reduction of regularly scheduled hours or payment for those hours. Such granting shall not be unreasonably **withheld**.
- 8.06 The Employer agrees to recognized the deal **with a negotiating** committee along with representatives of the International Union Such committee shall be comprised of not more than 'four (4) employees of the Employer.

- (a) the incumbent employee's job duties were not primarily at that site during the 13 weeks before the Employer takes over;
- (b) the incumbent employee is temporarily away and his/her duties were not primarily at that site during the last 13 weeks when he/she worked;
- (c) the incumbent employee has not worked at that site for at least 13 of 26 weeks before the Employer takes over the contract. The 26 week period is extended by any period where services were temporarily suspended or where the employee was on a pregnancy/parental leave pursuant to the provisions of the Employment Standards Act, R.S.O. 1990, C.E. 14, as amended from time to time;

12.06 Where the incumbent employees are not unionized with the Union, the employees shall not be deemed hired and will only fall under the provisions of the collective agreement when such employees are hired by the Employer.

12.07 In the event that the Employer acquires a site either through acquisition of a company or through entering into a client contract, an employee working at that site and hired by the Employer shall be credited with:

- (i) seniority acquired during continuous service directly with the previous employee or
- (ii) where subparagraph (i) results in a seniority date more recent than June 4, 1992 and where the employee has continuously worked at the site for any previous employer since June 4, 1992 or before, then the employee shall be credited with seniority commencing June 4, 1992.

12.08 For the purpose of determining seniority for employees hired on the same day, seniority shall be based on the order of the acceptance of application. The Employer

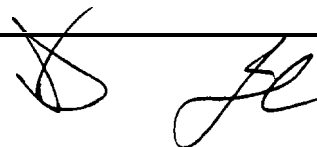
shall stamp each application for employment with the date and time of receipt. For employees hired prior to the coming into force of this Agreement, greater age shall prevail.

12.09 Union Officers and Stewards shall be deemed to have the greatest Seniority in the event of a Lay off. There shall be not more than 1 steward for every 50 employees.

12.10 L O S S

An employee shall lose his/her seniority standing and will be terminated and his/her name shall be removed from all seniority lists for any one of the following reasons:

- (a) if the employee voluntarily quits or is retired;
- (b) if the employee is discharged and is not reinstated in accordance with the provisions of this Agreement;
- (c) if the employee is laid off and fails to return to work without reasonable excuse within five (5) work days after he/she has been notified to do so by the Employer by registered mail to his/her last known address (a copy of such notice shall be sent to the Union);
- (d) if the employee has been on lay-off for lack of work for a period of more than twelve (12) consecutive months;
- (e) in the case of part-time employees as defined in this Agreement, if the employee has not worked one (1) shift in a period of two (2) or more consecutive months;

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8.07 **UNION REPRESENTATIVE**

If an authorized representative, who is not employed by the Employer, wants to speak to local union representatives about a grievance or other official business, he/she shall advise the Manager, or his/her designated representative, who shall then call the local union representative to an appropriate place where they may confer privately. These talks will be arranged so that they will not interfere with normal operations.

UNION LEAVE

8.08 Subject to operational requirements, employees who have been selected to work in an official capacity for the Local or International Union shall be entitled to leave of absence without pay for the period during which they are performing their duties. A request will be made in writing to the Employer at least fifteen (15) working days before the leave is to commence, stating the date of commencement and duration of such leave. The granting of such leave will not be unreasonably withheld.

8.09 Employees taking leave of absence under article 8.08 shall have the right at any time on giving ten (10) days notice to return to their previous position at their previous work site or to such other position or site to which they may be entitled by reason of seniority in accordance with article 13 of this agreement.

8.10 Subject to operational requirements, the Employer shall grant leave without pay to the Union's delegates or to employees designated by the Union to attend meetings and conferences of the Union under the following conditions:

- (a) That there has been a written request from the Union to this end, stating the names of the union delegates for whom this leave was requested, the date, duration and purpose of the leave; and
- (b) that such request was made at least ten (10) days in advance; and

- (c) the granting of such leave will not result in the Employer having to pay overtime. It is understood that the Employer will make reasonable attempts to cover work by non-overtime assignments.

8.11 An employee who is absent under Article 8 shall continue to accumulate his/her seniority during his/her absence.

ARTICLE 9: GRIEVANCE PROCEDURE

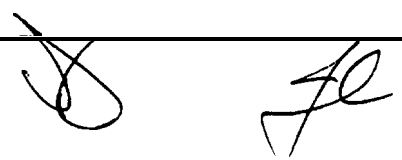
9.01 It is the mutual desire of the Parties hereto that any complaint or cause for dissatisfaction arising between an employee and the Employer with respect to the application, interpretation or alleged violation of this Agreement shall be adjusted as quickly as possible.

9.02 It is generally understood that an employee has no complaint or grievance until he/she has first given to his/her Client Service Manager (C.S.M.) an opportunity to adjust the complaint.

9.03 If, after registering the complaint with the C.S.M. and such complaint is not settled within 5 regular working days or within any longer period which may have been agreed to by the Parties in writing, then the following steps of the Grievance Procedure may be invoked:

STEP ONE

The grievance shall be submitted in writing to the C.S.M. either directly or through the Union. The C.S.M. shall meet with the employee and the employee's Union Steward within ten (10) working days following receipt of the grievance in an



attempt to resolve the grievance. The C.S.M. shall within a further period of five (5) working days, give his/her answer on the grievance form and return it to the Union.

STEP TWO

If the decision of the C.S.M. is not satisfactory, the grievance will be submitted to the General Manager within ten (10) working days following receipt of the decision at step one. The General Manager shall, within ten (10) working days hold a meeting between employee and the Union Grievance Committee, not to exceed two (2) in number and the appropriate representatives of Management in a further attempt to resolve the grievance. The General Manager shall render his/her decision in writing within five (5) working days following the meeting at step two and returned to the Union. ;

STEP THREE

If the grievance is not resolved at Step 2 of the Grievance Procedure, the grievance will be submitted to the Human Resources Manager within ten (10) working days who shall confer with the Grievance Committee immediately thereafter. A staff representative of the union may also be involved in any discussions with the Human Resources Manager. The Human Resources Manager will render a decision within ten (10) working days following discussion with the grievance committee.

9.04 The Employer shall not be required to consider any grievance which is not presented within ten (10) working days after the grievor or the Union first became aware of the alleged violation of the agreement. Thereafter the time limits in the grievance procedure shall be considered directory and not mandatory.

9.05 If final settlement of the grievance is not reached at Step Three, the grievance may be referred in writing by either Party to Arbitration as provided in Article 11, Arbitration,

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at any time within thirty (30) working days after the decision is received under Step Three.

9.06 For any grievance of a continuous nature, the Employer's liability shall be limited to thirty (30) days prior to the filing of the grievance, provided that the Union has received notice pursuant to article 27.01.

ARTICLE 10: DISCHARGE

10.01 A claim by an employee, that he/she has been discharged without just cause, shall be a proper subject of a grievance provided such grievance is submitted in writing to the Client Service Manager or his/her designate, within five (5) working days following the effective date of discharge. The grievance shall be processed in accordance with Article 9, except that no later than three (3) working days after the submission of the grievance, the grievance shall proceed directly to Step 3 described in Article 9.03. Such a grievance may be settled by any arrangement, which in the opinion of the conferring Parties, or the Arbitrator, is just and equitable.

10.02 When an employee has been dismissed without notice, he/she shall have the right to interview his/her Steward for a reasonable period of time at the Employer's premises immediately after being dismissed provided the meeting may be convened during normal business hours.

10.03 Upon presentation of a written request made by the aggrieved Employee to the Client Service Manager, the employee's file will be available for review by the employee and if the employee wishes, in the presence of a Union representative, subject to reasonable notice being given for the request, and arrangements being made for a

mutually convenient time for the review. It is understood that an Employer representative will be present when the employee is reviewing his/her file.

10.04 It is clearly understood between the parties that probationary employees may be discharged for reasons less serious in nature than employees having attained proper seniority standing.

ARTICLE 11: ARBITRATION

11.01 When either party to the Agreement requests that a grievance be submitted for arbitration, they shall make such request in writing addressed to the other party to the Agreement.

11.02 The arbitration procedure incorporated in the Agreement shall be based on the use of a single arbitrator.

11.03 When either party refers a grievance to arbitration, they shall propose three (3) acceptable arbitrators. If none of the proposed arbitrators are acceptable to the other party, they shall propose three (3) other arbitrators. If an acceptable arbitrator is not agreed upon, the parties may either submit more proposed arbitrators or request the Ministry of Labour to appoint an arbitrator.

11.04 Except where otherwise provided for in this Agreement, each of the Parties hereto will bear its own expense with respect to any arbitration proceedings. The Parties hereto will jointly bear the expenses of the Arbitrator on an equal basis.

11.05 No matter may be submitted to Arbitration which has not first been properly carried through all preceding steps of the Grievance Procedure.

11.06 The Arbitrator shall not be authorized, nor shall the Arbitrator assume authority, to alter, modify, or amend any part of this Agreement, nor to make any decision inconsistent with the provisions thereof or to deal with any matter not covered by this Agreement.

11.07 The decision of the Arbitrator shall be final and binding on the Parties.

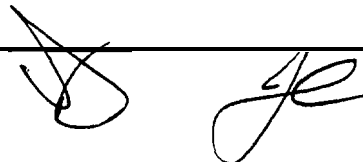
ARTICLE 12: SENIORITY

12.01 PURPOSE

- (a) The parties recognize that job opportunity and security shall increase-in proportion to length of service. It is therefore agreed that in cases of vacancy, lay-off and recall after lay-off the senior employee, as defined in this agreement, shall be entitled to preference, in accordance with this Article.
- (b) In recognition, however, of the responsibility of the employer for the efficient operation of the employers' business it is understood and agreed that in all cases referred to in paragraph (a) above, management shall have the right to pass over any employee if it is established by the employer that the employee could not fulfill the requirements of the job, after a reasonable period of on-site training if required.

12.02 For purposes of this Agreement, the following definitions shall apply:

- a) a "part-time employee" is one who regularly works twenty-four (24) hours or less per week;



- b) a “full-time employee” is one who regularly works more than twenty-four (24) hours per week;
- c) a “student” is one who is employed during the school vacation period for the purpose of providing vacation relief and short term assignments.
The scheduled hours could vary up to forty-four (44) hours per week depending on the needs of the business;
- d) a “temporary” employee is one who is employed for a definite term or task such as, a strike, special events, training, and in situations resulting from absenteeism and short term business for a period not to exceed six months in duration. Such employee will be scheduled similar to a full-time employee for the duration of the assignment.

Employees identified above, shall acquire seniority as provided in section 12.04 of this article.

12.03 **PROBATIONARY EMPLOYEES**

An employee shall be considered as a probationary employee until he/she has attained seniority status by actually working a total of ninety (90) days.

12.04 **SENIORITY**

- (a) Seniority is the total of:
 - i) length of continuous service since the last date of hire for full-time employment with the Employer, and measured in years, months and days; and

- ii) **50 %** of the length of continuous service worked since the last date of hire for part-time employment with the Employer, as expressed in years, months and days, as applicable;
 - iii) **50 %** of the length of continuous service since the last date of hire for students working beyond the school vacation period provided that there were no breaks in service between periods described in 12.02 above;
 - iv) length of continuous service since the last date of hire for temporary employees who work beyond the six (6) month period, as described in 12.02 above, provided there was no break in service.
- (b) In the event that records are unavailable to determine the hours worked by part-time employees prior to the coming into force of this Agreement, the affected employees will be credited with fifty percent (50%) of their continuous service since last date of hire with the Employer, measured in years, months and days.
- (c) Seniority shall be acquired once the employee has attained seniority status in accordance with Article 12.03 and it shall be retroactive to his/her first day of work from the last date of hire.

12.05 Where the Employer is awarded a contract for the performance of security guard services at a site where, immediately prior to such award, individuals were performing substantial similar security guard services (“the incumbent employees”) and the incumbent employees are unionized with the Union, the employees working at that site will be offered employment and upon acceptance of such offer will be deemed hired and, consequently, the Employer shall become the successor employer, unless one of the following situations occurs:

- (f) absence from work for three (3) or more working days without notice to management and without a reasonable excuse;
- (g) if an employee uses a leave of absence for reasons other than that for which the leave was granted;
- (h) if an employee fails to return to work on the expected date of return to work without reasonable excuse following an approved leave of absence.

12.11 Seniority shall be maintained and accumulated until it is lost under Article 12.08 above.

12.12 For purposes of this Agreement, the absences provided by the agreement, or otherwise authorized by the Employer, shall not constitute an interruption of service.

12.13 **SENIORITY LISTS AND EMPLOYEE LISTS**

- (a) For purposes of this Agreement:
 - i) a “seniority list” is a list including employee name, amount of seniority measured in accordance with this Agreement, full-time or part-time status; and
 - ii) an “employee list” is a list which, in addition the information contained on a seniority list, includes for each employee: address, postal code, home telephone number including area code, Social Insurance Number, and classification where such exists. It is the employee’s responsibility to inform, in writing, the Employer and the Union of his/her address, postal code, home telephone number including area code and Social Insurance.

- b) All seniority lists shall be updated quarterly by the Employer and each updated list promptly shall be:
 - i) sent by mail to the Union office; and
 - ii) posted on the employers bulletin board
 - iii) made available to a Union representative at any time after making an appointment with the Employer.

12.14 The seniority list may be corrected at any time upon the written request of an employee, addressed to the Employer and the Union. If the Employer and Union agree to correct the seniority lists, or if through an arbitration award the seniority lists are corrected at an employee's request, the correction shall be effective only from the date of the agreement or the arbitration award.

12.15 Every four months, the Employer shall provide to the Union an updated employee list.

12.16 LAY-OFF

- (a) Subject to the employers right to maintain a competent workforce and in situations where a reduction of the workforce is necessary, the Employer shall first determine the site, classification and number of positions to be affected. The Employer shall then issue notice of lay-off to the employee(s) at the affected site and such employee(s) shall herein after be referred to as the "surplus employee(s)".

- (b) All displacement rights under this agreement are subject to the condition that the employee exercising those rights can fulfil the requirements of the job, in accordance with the provisions of this Agreement.
- (c) A surplus employee shall have the right to displace the more junior employee working within the geographical area serviced by the respective district office.
- (d) An employee displaced as a result of the exercise of rights under paragraph (c) shall be entitled to exercise displacement rights only to the extent that he/she shall be permitted to displace the more junior employee within the bargaining unit.
- (e) When lay-off(s) occur, the Union steward(s) shall be deemed to have the greatest seniority, subject to the Employers right to maintain a competent workforce.

12.17 NOTICE OF LAY-OFF

- (a) An employee who has finished his/her probationary period shall be given notice in advance of the date of lay-off or pay in lieu thereof
- (b) Whenever practicable, notice shall be one (1) week for employees with less than two (2) years continuous service and two (2) weeks for employees with two (2) or more years of continuous service.
- (c) Notice of lay-off shall be hand delivered to the affected employee unless such employee is not at work when notice is to be given in which case notice shall be delivered by registered mail. However, the parties agree that in some locations, due to geographic distances, hand delivery of such notice will not be practicable. In those locations, notice of lay-off will be sent by registered mail.

12.18

JOB POSTINGS

Notice of vacancies

- (a) For the purpose of this Agreement, a vacancy shall be defined as a bargaining unit job which has not been posted and filled in accordance with this Article, including but not restricted to vacancies due to promotion and demotion.
- (b) (i) Permanent vacancies as determined by the Employer will be posted at the local district office for a period of at least five (5) full working days prior to the filling of the vacancy. The Employer will provide a telephone number which employees can call to hear a tape recorded message of vacancies, including classification and the geographic locations in which those positions exist. Permanent vacancies shall be defined as any contract for business with a client for a period in excess of three (3) months in duration.
- (ii) Alternatively, the Employer will provide a telephone number which employees can call to contact a person designated by the Employer who will provide the information in (i) above. Calls to such a person shall not be made during the following times:
- 6:30 a.m. to 8:30 a.m.
10:30 a.m. to 12:30 a.m.
2:30 p.m. to 4:30 p.m.

Posting for vacancies

- (c) Employees desiring consideration in the filling of a vacancy shall signify their desire by:
- (i) attending at the office of the Employer and signing a posting book maintained by the Employer for this purpose; or
- (ii) by sending a letter to the Employer by registered mail. To be effective, the letter must be received before the expiry of the posting period.



Method of filling

- (d) The job vacancy shall be filled in accordance with the provisions of Article 12.0 1. However, preference shall be given to the employees working at the site where the vacancy has arisen.

Sickness or accident

- (e) An employee's job shall not be considered vacant if the employee is absent from work because of sickness, accident or leave of absence and in such cases, the Employer will fill the open post at its sole discretion during the period of absence.

Notice of successful applicant

- (f) The Employer shall post at the local district office (with a copy to the Union) the name of the successful applicant not later than ten (10) working days following expiration of the posting period.
- (g) It is agreed that the successful applicant for a posting shall not be permitted to reapply for another job for a period of six (6) months.

Subsequent vacancies

- (h) The job posting procedure provided for herein shall apply only to the original vacancy and the subsequent vacancy created by the filling of the original vacancy.
- (i) In situations where employees choose not to apply for vacancies or in situations where there is no successful applicant, the Employer will fill the vacancy at its discretion.

12.19

REMOVAL FROM SITE

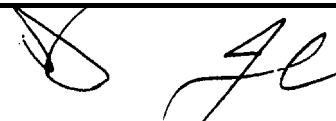
On the written request of a client, the Employer may immediately remove or prevent an employee from working at a site provided that:

- a) the Employer assigns the employee to the geographically nearest site which has a vacancy provided the employee has access to public transportation or has access to other suitable transportation;
- b) the employee suffers no loss of pay subject to the employee, who awaits an assignment under paragraph (a) above, call the Employer during the days he/she would have regularly been scheduled to work had he/she not been removed from site, to request and accept casual hours, and;
- c) the employee reserves the right to file and process a grievance alleging discipline without just cause in accordance with the relevant provisions of this Agreement.

It is agreed and understood that removal from site is a disciplinary penalty permissible only where there is just cause for such a penalty.

ARTICLE 13 NEW OR CHANGED JOBS

13.01 The Employer agrees to negotiate with the Union the rate of pay for any new or changed job which does not fall within an existing classification. Such negotiation shall occur prior to the rate of pay being installed. However, if the Parties fail to agree on the new rate, the Employer shall install the new rate proposed by the



Employer and the Union shall have the right to grieve whether or not the rate is proper based on its relationship to related or similar jobs.

ARTICLE 14: HOURS OF WORK AND OVERTIME

14.01 The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or days of work per week or the work week itself.

14.02 The standard hours of work for each full time employee shall be forty-four (44) hours in a seven (7) day week. All hours worked in excess of forty-four (44) hours in one week shall be paid at the rate of one and one half (1-1/2) the employees regular hourly rate.

14.03 For the purpose of this article, a day shall commence at 12:01 a.m. and shall end at 12:00 midnight. A week shall commence at 12:01 a.m. on Friday and end at 12:00 midnight on Thursday.

14.04 OVERTIME- Overtime shall be worked on a voluntary basis except:

- (i) in an emergency beyond the control of the Employer,
- (ii) if the Employer's client requests emergency overtime; or
- (ii) if the employee's replacement on the following shift does not report for work..

In all such cases of (i), (ii) and (iii) the Employer will attempt to ensure that the employee will not be required to stay after the employee's normal shift. However, the employee shall not leave his or her post until a replacement is found.

14.05

Where;

- (a) an employee is required to stay at the employee's post because the employee's replacement does not report for work; and
- (b) the Employer has been given more than eight (8) hours notice for an eight (8) hour shift, or more than twelve (12) hours notice for a twelve hour shift, that the replacement will not be reporting for work to replace the employee.

the employee will be paid at the rate of one and one half (1-1/2) times the employee's regular hourly rate for all hours worked after the employee's regular shift. There shall be no pyramiding of overtime pay rates and holiday pay rates.

14.06

It is mutually agreed that overtime shall be distributed as equitably as possible among the employees who normally perform the relevant work and who normally work at the relevant site.

ARTICLE 15 CALL IN PAY

15.01

CALL-IN PAY

Each employee called out to work by management and or the Communications Department, and upon arrival at the site, and the requirement to work no longer exists shall receive a minimum of four (4) hours pay at his/her regular hourly rate of pay. This does not apply to extended hours worked after the completion of a current shift. However, the Employer at its discretion, may request the employee to report to an alternative site.

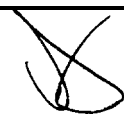
ARTICLE 16 PAYMENT FOR INJURED EMPLOYEES

16.01 ~~PAYMENT FOR INJURED EMPLOYEES~~

In the event that an employee is injured in the performance of his/her duties and requires medical attention, such employee will be paid for the remainder of his/her shift at the regular hourly rate. If it is necessary, the Employer will provide, or arrange for suitable transportation for the employee to the doctor or hospital and back to the site and/or to his/her home as necessary.

ARTICLE 17: VACATION WITH PAY

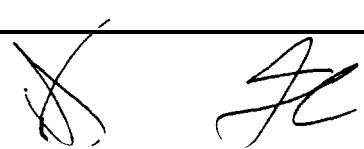
- 17.01 All employees shall be entitled to an annual vacation with pay based on continuous employment with the Employer in accordance with the following:
- a) An employee, with one (1) but less than five (5) completed years of continuous service as of June 30th, shall receive two (2) weeks of vacation with pay equivalent to four (4%) percent of his/her gross earnings for the previous year pursuant to his/her employment with the Employer.
 - b) An employee, upon completion of five (5) years of continuous service as of June 30th in the vacation year, shall receive three (3) weeks vacation with pay equivalent to six (6%) percent of his/her gross earnings for the previous year.
 - c) An employee, upon completion of ten (10) years of continuous service as of June 30th in the vacation year, shall receive four (4) weeks vacation with pay equivalent to eight (8%) percent of his/her gross earnings for the previous year.



- 17.02 All employees shall receive their vacation pay by the final bi-weekly pay period in June for the respective year.
- 17.03 A request for vacation shall be made in writing and submitted to the employer at least four (4) weeks in advance of the vacation. Vacations will be granted and taken at such times as the Employer finds most suitable considering the efficiency of its operations, the wishes of the employees and their site seniority. The Company shall reply in writing within two (2) weeks of receipt of the vacation request. Vacation requests, once approved by the Employer, shall not be changed, other than in cases of emergency, except by mutual agreement between employee and Employer.
- 17.04 Where two (2) or more employees in the same classification and at the same site request to take vacation for the same period of time, preference shall be granted according to site seniority.
- 17.05 "Gross earnings" as referred to herein shall mean previous years T-4 earnings less previous years vacation pay and taxable benefits.

ARTICLE 18: LEAVE OF ABSENCE

- 18.01 Subject to operational requirements, the Employer may grant a request for a leave of absence from work without pay for a period not exceeding thirty (30) days to an employee provided that:
- a) the employee files a request for a leave of absence at least (30) days prior to the proposed commencement of the leave of absence (except in the case of emergency); and



b) such leave is for a good reason and does not unreasonably interfere with operations.

18.02 Applicants must indicate, on a form provided by the Employer, the reason(s) for their leave of absence and the dates of departure and return from leave.

18.03 The Employer shall notify the applicant in writing of its decision within fourteen (14) days after the written request was made by the employee to the employer.

18.04 The Employer agrees to continue payment of wages to any employee absent from work on Union business, and the Union shall reimburse the Employer for such wage/benefit payment upon receipt of a monthly statement.

ARTICLE 19: JURY AND WITNESS DUTY

19.01 **JURY DUTY**

When an employee is selected to serve as a juror, the employer will pay the difference between the fee for jury duty and the employees base rate of pay up to a maximum of eight hours per day for each day required to serve. The employer may require proof of jury fees received.

19.02 **WITNESS DUTY**

When an employee is subpoenaed to give testimony as a witness in an action directly related to Company business, employees shall not suffer any loss of wages.



ARTICLE 20: PAID HOLIDAYS

20.01 The following shall be deemed to be the paid holidays to which an employee is entitled to under this Agreement:

- New Year's Day
- Victoria Day
- Thanksgiving Day
- Labour Day
- Christmas Day
- Good Friday
- Canada Day
- Civic Holiday
- Boxing Day

Should one of the above public holidays fall on a non working day for an employee or in the employee's vacation, the Employer shall:

- (a) with the agreement of the Union pay the employee the employee's regular wages for the public holiday, or
- (b) designate a working day that is not later than the next annual vacation of the employee and the day so designated shall be deemed the public holiday.

20.02 Eligible employees shall receive pay for each holiday equal to the employee's regular hourly rate of pay multiplied by the number of hours the employee would be regularly scheduled to work on such day if it were not a holiday.

20.03 An employee is not eligible to receive public holiday pay if the employee:

- (a) fails to work his or her scheduled regular day of work preceding or his or her scheduled regular day of work following a public holiday; or

(b) has not earned wages on at least twelve days during the four weeks immediately preceding a public holiday.

20.04 Any authorized work performed by an employee on any of the above-named holidays shall be paid one and one half (1 1/2) times his/her regular hourly rate in addition to holiday pay.

20.05 Probationers within the meaning of this Agreement are not eligible for holiday pay under this Article.

ARTICLE 21: BEREAVEMENT PAY

21.01 An employee who has completed his/her probationary period will be granted a leave-of-absence with pay of three (3) days in the event of the death of a member of his/her immediate family. "Immediate family" shall include the spouse, parent, child, brother, sister, mother-in-law, father-in-law, grandchild, and grandparents of the employee and a person who has had legal custody of the employee during his/her minority. One day leave of absence will be granted with pay in the event of the death of a brother-in-law/sister-in-law. The Employer may grant an additional leave-of-absence of five (5) days without pay if the funeral occurs outside of a two-hundred & fifty (250) kilometre radius of the employee's normal work location and, in the judgement of the Employer, such leave-of-absence, can be arranged without undue inconvenience to normal operations. The Employer may require proof of death or burial.

21.02 In the event that leave pursuant to this Article falls within an employees previously scheduled vacation, any unused vacation time shall be taken at a time mutually agreed by the employer and the employee.

ARTICLE 22: FRINGE BENEFITS

22.01 Where required, the Employer shall provide at no cost to its current employees, a uniform which includes:

- | Full-time | Part-time |
|-------------------------------------|-----------------------------------|
| a. one blazer | a. one blazer |
| b. two pairs of pants or two skirts | b. one pair of pants or one skirt |
| c. two shirts | c. one shirt |
| d. one tie | d. one tie |
| e. one belt | e. one belt |

The Employer reserves the right to require the consent of the employees for the withholding of wages from the employees last week of work until the return of all property issued by the Employer.

22.02 It is clearly understood that Employees are responsible for uniform maintenance and or, any lost articles.

22.03 When required, the Employer shall provide the equivalent feminine clothing for females including appropriate maternity clothing.

22.04 At any site where an Employee is routinely exposed to the elements (i.e. rain, cold, etc.) the Employer shall make available, for his/her use, parkas and raincoats.

22.05 Where safety boots are required by the client, the Employer will annually reimburse employees for the purchase of safety boots, provided the employee has completed their probationary period.

- a) within two (2) months of such purchase;
- b) upon submission of a receipt; and
- c) up to an amount of \$60.00.

22.06 The Employer shall reimburse each employee for all costs in excess of \$15.00 per year for renewing required licenses under the Private Investigators and Security Officers Act, R.S.O. 1990, c. P.25, as amended, including the cost of photos, provided that the employee remains an employee of the Employer for a period of six (6) months after date of renewal. The Employer shall reimburse each employee for all costs in excess of \$15.00 per year if the employee ceases employment with the Employer due to the loss of a client contract provided that the employee worked for three (3) months following the licence renewal.

22.07 Effective the coming into force of this Agreement, the Employer shall contribute one (\$0.01) cent per hour for all hours worked by employees to a Steelworker's Security Officer's Education Fund.

22.08 **Legal Protection**

An employee charged with but not found guilty of a criminal or statutory offence because of acts done in the attempted performance in good faith of his/her duties shall be indemnified by the Employer for the necessary and reasonable legal costs incurred in the defence of such charges.

22.09 Notwithstanding Article 22.08, the Employer may pay necessary and legal costs of an employee pleading guilty to or being found guilty of an offence described in Article 22.08 where the Court, instead of convicting the accused, grants him/her an absolute discharge.

22.10 Notwithstanding Article 22.08, the Employer may refuse payment otherwise required by Article 22.08 where the actions of the employee from which the charges arose amounted to gross dereliction of duty or deliberate or negligent abuse of his/her powers as a security guard.

22.11 Where an employee is a defendant in a civil action for damages because of acts done in the attempted performance in good faith of his/her duties, the employee shall be indemnified by the Employer for the necessary and reasonable legal costs incurred in the defence of such an action.

22.12 An employee wishing to retain a particular lawyer to represent him/her and wishing to be indemnified pursuant to this Article shall:

- a) before retaining the lawyer or as soon as reasonably possible thereafter, advise the Employer of the name and address of the lawyer for the Employer's approval which approval shall not be unreasonably withheld; and
- b) if requested by the Employer, instruct the lawyer to render regular interim accounts as required.

22.13 For greater clarity, employees shall not be indemnified for legal costs arising from:

- a) grievances or complaints arising under this Agreement; or
- b) actions or omissions of members acting in their capacity as private citizens.

HUMANITY FUND

22.14 The Employer agrees to deduct the amount of one (\$0.01) cent per hour from the wages of all employees in the bargaining unit for all hours worked.

22.15 The total amount deducted pursuant to Article 22.14 shall be remitted to the Steelworkers Humanity Fund at United Steelworkers of America National Office, 234 Eglinton Avenue East, Toronto, Ontario, M4P 1K7.

22.16 Remittances pursuant to Article 22.15 shall be made at the same times as union dues are remitted in accordance with Article 7 of this Agreement.

22.17 When remittances are made pursuant to Article 22.15, the Employer shall advise in writing both the Union and the Humanity Fund that such payment has been made, the amount of such payment and the names and addresses of all employees in the bargaining unit on whose behalf of such payment has been made.

22.18 The Employer shall bear no liability for any errors made in deduction.

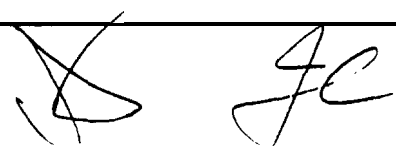
ARTICLE 23: BULLETIN BOARDS

23.01 The Employer agrees to provide a Bulletin Board at the employer's premises for the purpose of posting meeting notices and official Union information. Notices will be signed and posted only by officers of the Union and will be in keeping with the spirit and intent of this Agreement. The employer agrees to attach to each bargaining unit employee's pay cheque, pay stub, any material provided by the Union.

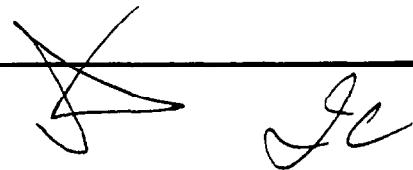
ARTICLE 24: RATES OF PAY

24.01 In this Article,
a) "client contract" means a contract between the Employer and a client for the provision of services to the client;

- b) “regular hourly bill rate” means the entire straight time hourly charge rate payable by the client (excluding the federal Goods and Services Tax payable and equipment costs) pursuant to a client contract for services provided at a site by bargaining unit employees at that site;
- c) “basic wage rate” means an hourly rate which is sixty-seven-percent (67%) of the regular hourly bill rate provided that the minimum basic wage rate paid under this Agreement shall be no less than the rate described in Article 24.02 below; and
- d) “non USWA-site” shall mean those sites in respect of which the Employer commences to provide security services after the effective date of this Agreement where, prior to the Employer’s so doing, security services were provided by another employer, whose security guard employees were not unionized with the Union;
- e) “USWA site” shall mean:
 - (i) all sites at which the Employer provides security services on the effective date of this Agreement so long as the Employer provides security services at such site; and,
 - (ii) all sites in respect of which the Employer commences to provide security services after the effective date of this Agreement where, prior to the Employer so doing, security services were provided by another employer, whose security guard employees were unionized with the Union.
- f) “actual wage rate” means a regular hourly wage which is in fact paid by the Employer to an individual employee in accordance with the Agreement.

Two handwritten signatures in black ink are located at the bottom right of the page, below the horizontal line. The first signature is a stylized 'A' or 'B' shape, and the second is a cursive signature that appears to be 'JC'.

- 24.02 The minimum basic wage in Article 24.01(c) shall be:
- a) for the purposes of non-USWA sites, the minimum wage under the Employment Standards Act. R.S.O. 1990, c. 14, as amended from time to time; or
 - b) for the purposes of USWA sites, \$7.00 per hour.
- 24.03 Notwithstanding the provisions of this article, in the event that a client contract provides for wage rates greater than the basic or minimum wage rates, the wage rates payable by the Employer shall be the wage rates set out in the client contract.
- 24.04 Where the Employer enters into a client contract with a client for whom security services have not previously been provided, the minimum basic wage rate shall be the basic wage rate as set out in 24.02(a)
- 24.05 Where the Employer enters into a client contract for the provision of security services at a non-USWA site, the actual wage rate for all employees shall be the minimum basic wage rate as set out in article 24.02(a) unless a greater amount is required to be paid by the Employer pursuant to the provisions of the Employment Standards Act, R.S.O. 1990, C.E. 14, as amended from time to time, or its regulations thereunder. In addition, during the first year of employment with the Employer of any incumbent or newly-hired employee at a non-USWA site, the Employer may refrain from providing benefits pursuant to article 25, and such employees shall have no entitlements under article 25 until they acquire at least one year site seniority.
- 24.06 The Employer and the Union acknowledge that it is in the best interest of both parties to retain clients and the jobs at those client sites. The Employer and the Union therefore agree that when the potential loss of a client site arises, the parties will meet to negotiate a solution to retaining that client.



24.07 Where the Employer enters into a client contract with a client for whom security services had previously been provided such that the Employer becomes the successor employer, and that the employees working at that site are unionized with the USWA, the Employer will agree to offer such employees compensation which shall be no less than what the employee's were receiving at that site immediately prior to the Employer becoming the successor employer.

24.08 With respect to a client contract at the time of the coming into force of this Agreement the actual wage shall not change as a result of the renewal and/or renegotiation of the client contract except insofar as the actual wage is increased by the operation of this Article.

24.09 Except where their wages are established under article 24.03, the wage rates paid to individual security guards having acquired seniority in accordance with Article 12 of this agreement, employed on the effective date of the increase, shall be increased by the following amounts for security officers:

- 1) Effective May 23, 1997 increases by \$0.06 cents.
- 2) Effective May 23, 1998, increases by \$0.05 cents
- 3) Effective May 23, 1999, increases by **\$0.08** cents
- 4) Effective May 23, 2000 increases by \$0.05 cents.

Such increases will only apply to individual employees' actual wage rates subject to such employees being employed prior to the scheduled date of the increase. The minimum basic wage rate is not subject to any increase by operation of this Article and will be the rate posted for job vacancies subject to the circumstances provided for under Article 24.03.

24.10

VERIFICATION

In order to verify regular hourly bill rates for the purpose of enforcing the terms of this Article, the parties agree that, no less often than quarterly unless otherwise agreed to by the parties, one of the following will occur:

- a) an ad hoc committee consisting of two representatives of each party shall meet. Union members of the committee shall be permitted to review (but not to take copies of) any or all client contracts in order to determine and verify regular hourly bill rates; or
- b) on agreement of the parties, an independent professional accountant, mutually agreed upon by the parties, shall review client contracts, regular hourly bill rates and actual wage rates in order to ensure compliance with this Article and provide an audit report to the parties. The fees and expenses of this accountant shall be paid by the Employer.

ARTICLE 25: BENEFIT PLAN

25.01 Subject to the provisions of Articles 24.05, effective May 1st, 1997, the Employer agrees to remit to the Union a total of \$0.12 per each hour an employee has worked. Effective May 1st, 1998, the Employer agrees to remit to the Union a total of \$0.26 per each hour an employee has worked. Effective May 1, 1999, the Employer shall remit a total of \$0.36 per each hour an employee has worked. Effective April **30**, 2000, the Employer shall remit a total of \$0.48 per each hour an employee has worked.

25.02 Remittances in accordance with Article 25:

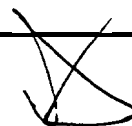
- a) shall be made no later than the fifteenth (15th) of the month following the paid hours occurred;
- b) shall be forwarded by the Employer to a person and address designated by the Union; and
- c) shall be accompanied by a statement showing the name of each employee for whom payments have been made, the total amount remitted per employee and the period for which those amounts have been paid. Such statements shall also list the names of the employees from whom no deductions have been made, along with any forms required by the Union.

25.03 **SICK LEAVE**

Full-time employees who have completed his/her probationary period with' the Employer will be entitled to receive four (4) paid sick days per calendar year. In order to receive payment of wages for such time off it must be supported by a doctors certificate if requested by the employer.

ARTICLE 26: HEALTH & SAFETY

26.01 The Employer shall make all reasonable provisions for the occupational health and safety of its' employees. All rights and privileges established under the laws of the Province of Ontario as of the date of ratification in respect of occupational health and safety shall form part of this Agreement.



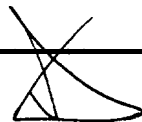
26.02 The Employer and the Union recognize the need for constructive and meaningful consultations on health and safety matters. Consequently, a joint health and safety committee shall be formed to review and establish safe work practices and policies. The Committee shall meet as required and in any event at least once every three (3) months. Employees shall be compensated in accordance with the Occupational Health and Safety Act for the Province of Ontario while in attendance at such meetings.

26.03 Health and Safety concerns must be communicated to the C.S.M. who will deal with them directly and/or co-ordinate with the Joint Health and Safety Committee as deemed necessary.

ARTICLE 27 - NOTICE OF CLIENT CONTRACTS

27.01 Within ten (10) days of the execution of a contract for services between the Employer and a client, the Employer shall advise a Union officer, to be identified by the Union, of:

- a) the site(s) at which services will be provided;
- b) the number and classification(s) of employees regularly assigned to such site(s);
- c) the date(s) upon which services to such site(s) will commence;
- d) the term of such client contract; and
- e) the names, addresses, phone numbers, wage rates and whether the employee has any additional compensation.
- f) the parties agree that the Employer may request a pre-assignment physical provided that it is a requirement of a client contract and that such contractual provisions shall be demonstrated to the Union. Such physicals shall be conducted by the employee's family physician and shall be at the Employer's



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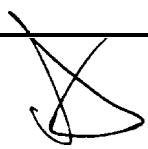
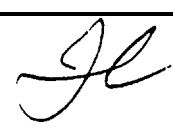
expense. Such medical information will not be used for any purpose other than for the purposes set out in this Article.

- 27.02 Within ten (10) days of the termination or failure to renew an existing contract for services between the Employer and a client, the Employer shall advise a Union officer, to be identified by the Union, of
- a) the site(s) or contract(s) affected;
 - b) the date upon which services to those site(s) or contract(s) will cease; and
 - c) the names of employees regularly assigned to the affected site(s) or contract(s).

ARTICLE 28: DURATION OF AGREEMENT

28.01 This Agreement shall come into effect the day of June 1997 and shall remain in effect until midnight on the day of May 2001, and shall be automatically renewed for successive periods of one year thereafter unless either party gives to the other, notice of its intention to negotiate amendments hereto in the ninety (90) day period immediately prior to the expiry date of this Agreement or any successive term hereof

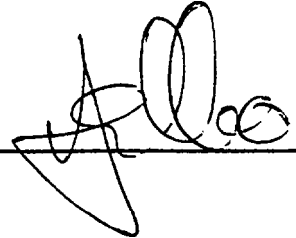
28.02 Should either party give to the other notice of its intention to negotiate changes or amendments to this Agreement in the manner provided for above, then the party to whom timely notice was given agrees to meet with the other and to negotiate in good faith for a new Agreement, subject only to the provisions of the Labour Relations Act 1995, pertaining thereto.

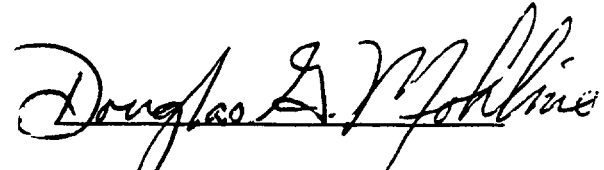




DATED at Toronto, Ontario, this 20th day of June 1997.

FOR THE UNION

FOR THE EMPLOYER







LETTER OF UNDERSTANDING FOR THE SOUTHWESTERN ONTARIO
BARGAINING UNIT

Between

BURNS INTERNATIONAL SECURITY SERVICES LIMITED (“Employer”)

And

UNITED STEELWORKERS OF AMERICA (“Union”)

1) Re: Patrol and Investigation (P&I) Redesignation of Sites

This letter shall assist to clarify **P&I** Redesignation of sites and shall form part of the attached collective agreement and shall be enforceable under its terms and conditions.

The Employer shall be entitled to redesignate sites provided that no particular site will be redesignated more **than** once during the term of the attached collective agreement.

The Employer and the Union agree that the purpose of giving the Employer the right to -- redesignate sites to P&I sites is to allow the Employer to meet the concerns of the client and thereby assist the Employer to retain clients’ business and the sites for the Employer.

It is understood and agreed that the right to redesignate sites is not intended to be exercised if the Employer’s sole purpose is to reduce the wages of the employees working at such redesignated sites.

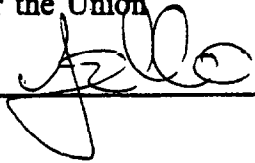
The Employer and the Union agree that if the Employer un-designates a site from a P&I site to a non-P&I site, all of the terms and conditions of the collective agreement shall immediately apply to the employees working at the undesignated site. In such circumstances, the number of P&I employees who were working at the P&I site shall be added back to the pool of unused P&I employees from which the Employer may designate P&I employees elsewhere. The Employer and the Union agree that at no time shall the total number of designated P&I employees exceed 85 plus one additional P&I employee for every 15 additional employees over the number employed on the date of ratification.

For example, and by way of illustration, if the total number of employees employed by the Employer is 1000 on the date of ratification and later grows to 1060 employees, the

total number of designated P&I employees at that time cannot under any circumstances exceed 89.

Signed in complete agreement this 20th day of JUNE 1997.

For the Union



For the Employer

