COLLECTIVE AGREEMENT

BETWEEN:

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FREEMAN DECORATING LTD.

(hereinafter called "the Employer")

OF THE FIRST PART

-and -

THE LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 506

(hereinafter called "the Union")

OF THE SECOND PART

WHEREAS the parties hereto are desirous of establishing a form of standard Collective Agreement with respect to employees engaged in connection with or related to exhibit and display work **so** as to provide uniform interpretation, application and administration of the relationship established.

It is expressly agreed and declared by and between the parties hereto as follows:

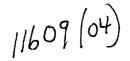
ARTICLE ■ : DURATION OF AGREEMENT

1:01 This Agreement shall be effective and operative from the **1**st **day** of **January, 2006** and shall remain in full force until the **31**st **day of December, 2008**.

Should either party desire to change, add to, amend or terminate this Agreement, written notice to that effect will be given on or before the first day of October prior to the termination date. On receipt of such notice the parties hereto shall meet and bargain in good faith for the purpose of renewing this Agreement. If no written notice $\dot{\mathbf{z}}$ given, this Agreement shall be automatically renewed and remain in force from year to year after the original expiration date.

ARTICLE 2: RECOGNITION

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ARTICLE 3: UNION SECURITY

- 3:01 All employees under this Agreement, as a condition of continued employment, shall become and remain members of the Union during the life of this Agreement.
- The Employer shall deduct from the wages of such employee covered by this Agreement regular union dues and initiation fees in such amounts as the Union may from time to time advise the Employer in writing. The amount of the dues and initiation fees **so** deducted shall be remitted to an official of the Union designated in writing within fifteen (15) days after the end of the month in which they were **so** deducted. At the time of sending such remittance the Employer will send to the Union a list of employees from whom such wages and initiation fees have been deducted.
- In hiring, when the list of laid *off* employees who are subject to recall as provided in this Agreement has been exhausted, the Employer is free to engage employees from other sources, provided they apply for and secure membership in the Union upon the completion of the probationary period.

ARTICLE 4: SUBCONTRACTING

4:01 The Employer agrees not to subcontract work traditionally performed by bargaining unit employees and provided the employees are qualified to perform the available work. This clause does not apply to cleaning of display booths or specialty carpet laying, provided such subcontracting of display booth cleaning is subcontracting to a contractor in contractual relationship with Local 506.

ARTICLE 5: MANAGEMENT

- 5:01 The Union acknowledges that it is the exclusive function of the Company to hire, promote, demote, classify, transfer, retire and suspend employees, and also the right of the Company to discipline or discharge any employees for just cause provided that a claim by an employee, who has acquired seniority, that he has been discharged or disciplined without just cause of who has been dealt within a manner inconsistent with the provisions of this Agreement may be the subject of a grievance and dealt with as hereinafter provided.
- The Unionfurther recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. The location of plant premises, products to be manufactured, schedules of production, the work standards and production standards and methods, the processes and means of production and processing used, the right to decide on the number of employees needed by the Company at anytime, and the right to use new or improved methods, equipment and jurisdiction over all operations, buildings, machinery, tools and employees are solely and exclusively the responsibility of the Company. The Company also has the right to make, alter from time to time, and enforce rules and regulations not contrary to the provisions of the Agreement to be observed by the Employees. The Company shall post any written rules and regulations and any changes in such rules and regulations. The Company agrees to notify the Union in writing prior to the posting of such rules and regulations or amendments thereto.
- 5:03 Without limiting the generality of the foregoing provisions, it is expressly understood and agreed that of any breach of the plant rules or any of the provisions of the plant rules or any of the provisions of this Agreement shall be conclusively deemed to be sufficient cause for discipline of an employee provided that nothing herein shall prevent a non-probationary employee going through the grievance procedure to determine whether or not such breach actually took place and or if there was just cause for such discipline.
- A Committee of one (1) labourer from the Shop Bargaining Unit and the Warehouse Supervisor will meet twice (2) a year mid March and Mid October to discuss shop related items in the areas covered by this Agreement. The meetings will be chaired by the Director of Operations. The meetings will take place at 61 Browns Line after work hours and all members of the bargaining unit may attend as observers. Any items to be discussed must be presented in writing to Director of Operations five (5) days prior to day of meeting. Additional meeting if agreed by committee.

ARTICLE 6: PROBATIONARY PERIOD AND SENIORITY

6:01 During the first ninety (90) calendar days of employment with the Employer, an employee shall be considered a probationary employee, and on qualifying, his seniority shall date back to the time of hiring. During his probationary period an employee shall be subject to all the provisions of this Agreement, save and except the grievance procedure in the event of discharge. 6:02 In the event that the probationary period of employment with the Employer is interrupted by a lay-off, the employee, if rehired within a period equal to his former service with the Employer. shall receive credit for the number of calendar days previously employed by the Employer. 6:03 Any lay-off of employees shall be carried out in order of seniority so long as it does not prevent the employer from maintaining an adequate work force of employees who have the ability to perform the work to be done. Where it is necessary to retain employees with special skills and ability in order to maintain an adequate work force than the senior employees having the specific skills and ability to perform the work in question shall be retained. Where the ability of two (2) or more employees to perform the work to be done is relatively equal, then seniority shall be the deciding factor. Employees may waive seniority during a lay-off for the duration of the lay-off. 6:04 In the event of a termination due to lack of work an employee shall receive notice in accordance with the Employment Standards Act. In the event of a temporary lay-off, an employee shall receive no less than one (1) week advance notice. Employees who are laid off shall retain their full seniority for a period equal to their length of service or twelve (12) months, whichever is shorter. 3:05 Preferential seniority shall be given to each Shop Steward and provided he is able to perform the work which is available he shall be one of the last two (2) men retained by the Employer. Laid off employees, provided they are able and willing to do the work, shall have preference of 6:06 recall over new applicants. 6:07 When a senior employee is recalled for work and is unable to return, he will be first recalled on the next recall. The Employer shall not be required to recall any employee who has three times refused recall. 6:08 The seniority of all employees in the bargaining unit shall be set forth on a list showing the employees' name and dates of hiring. The Warehouse Manager and Union Steward will submit list to Union as changes occur and will also post seniority list. 6:09 The Union will provide to Freeman Decorating Ltd., a list of their members who are willing to work in the Shop as casual labourers under Article 6:02 of the Shop Agreement. Freeman Decorating Ltd., will use these members as their first choice of hiring for casual work in the Shop. The ratio of casuals to full time will be 3 to ■ The list will include name, address, phone number and S.I.N. It will be the responsibility of the labourer to up-date any changes to the

Shop Supervisor. This list will have no seniority basis.

ARTICLE 7: LOSS OF SENIORITY

- 7:01

An employee shall lose his seniority rights and shall be deemed to be terminated if he:

- (a) voluntarily quits the employ of the Employer;
- (b) is discharged and is not reinstated through the grievance and arbitration procedure;
- (c) is laid off and not recalled within the period provided for in Article 6;
- (d) fails to return to work, except as provided for in Article 6:07, within two (2) days after he has been notified by the Employer to return to work. Notice to be given by Registered Mail;
- (e) is absent for two (2) consecutive working days without notifying the Employer.
- 7:02 The Employer will notify the Union Steward in the event that an employee **loses** his seniority for any of the above reasons.

8: NO DISCRIMINATION

8:01 There shall be no discrimination, restraint or coercion against any employee by either the Employer or the Union because of race, creed, colour, age, sex or national origin or for any reason specified in The Ontario Human Rights Legislation.

ARTICLE 9: HOURS OF WORK

- The maximum number of working hours per day shall be eight (8) and the maximum number of working hours per week shall be forty (40), Monday to Friday inclusive, any work outside of these hours shall be overtime work, save and except the provisions of this Agreement relating to Shift Work.
- 9:02 Employees who have worked in excess of 7 consecutive days or a total of 60 working hours in a period of less than 7 consecutive days shall be entitled to a break of no less than 48 hours.

ARTICLE 10: OVERTIME

- All work performed in excess of the regular working day of eight (8) hours from Monday to Friday inclusive shall be deemed overtime work. The rate of wages shall be time and one half the regular day shift rate.
- All work performed on Saturdays and Sundays shall be paid for at time and one-half the regular day shift rate for the first eight (8) hours and double time after that.
- 10:03 All work performed after 10 hours per day shall be paid for at Double the Regular Day Shift Rate, Monday through Friday inclusive.
- 10:04 Should overtime be scheduled, then the Employer should distribute overtime on an equal and non-discriminatory manner, provided they are capable of performing the available work.
- All work performed on New Year's Day, Good Friday, Victoria Day, Christmas Day, Boxing Day, Civic Holiday, Canada Day, Labour Day and Thanksgiving Day, shall be deemed to be premium and to be paid at the rate of twice the regular day shift rate. Where an employee commences a shift on a Saturday, Sunday or a holiday as defined above, premium rates shall apply until the shift is completed. There shall be no pyramiding of overtime premium with premium pay for work performed on a holiday.

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An employee after finishing a shift of any duration shall be given a minimum of eight (8) consecutive hours off before being required to report for another shift otherwise overtime rates will apply. Any shift starting at midnight could start at 11:00 p.m. previous (to accommodate a midnight start on field site) and be paid at the next days rate, and anyone having to leave work early to accommodate the 11:00 p.m. start and starts the 11:00 p.m. shift will be paid for the time that they lost.

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ARTICLE 11: SHIFT WORK

- A premium of One Dollar and Ninety Cents (\$1.90) per hour in addition to the employee's classified rate shall be paid for all hours worked outside of 8:00 a.m. to 4:30 p.m., Monday through Friday. No pyramiding of premiums.
- 11:02 Each Employee who works a split shift will be paid a minimum of time and a half for the second half of the split shift and double time after eight hours work.
- 11:03 Each Employee who works **a** split shift will receive a half hours' pay for travel if the second portion is worked. Travel time will be paid as per Article 11:02.

ARTICLE 12: REPORTING DAY

Any employee who is scheduled to report for work and who does report for work, unless previously notified not to report, shall be guaranteed four (4) hours pay at his regular hourly rate. To qualify for such pay the employee affected would be required to take such alternate work as may be available, in the event that his normal work is not available. In the event that an employee has been scheduled to work on a Saturday, Sunday, or a holiday, and who does report for work, unless previously notified not to report, then overtime rates shall apply for the call in period.

ARTICLE 13: YMENT OF WAGES

- All time cards are to be closed weekly and employees shall be paid by direct deposit each Thursday. Employees will be allowed one change per calendar year.
- When an employee is laid off or discharged, his final wages and separation documents will be available at the office by the following Thursday. Should the employee not pick up his pay or separation documents on the Thursday, then they will be immediately sent to his last known address by registered mail.
- 13:03 Accompanying each payment of wages shall be a separate statement identifying both the employer and the employee showing:
 - (a) the name of the employer and employee;
 - (b) total hours worked at straight time;
 - (c) hourly rates of pay;
 - (d) total hours worked at overtime rates;
 - (e) the pay period;
 - (9 the amount of vacation pay;
 - (g) details of all deductions and contributions;

ARTICLE 14: VACATION

14:01 All employees covered by this Agreement shall receive vacation pay at the rate of six percent (6%) of gross wages earned for first three years, 7% after three years, 8.5% after six years and 10% after 10 years. In calculating Vacation pay, no account shall be taken of vacation pay previously paid.

The Employer reserves the right to schedule vacations but every effort shall be made to schedule vacations by mutual agreement between the Employer and the Employee. Any member having reached seniority status is eligible for three (3) weeks vacation in each calendar year and four (4) weeks vacation after 10 years with option for five (5) weeks if mutually agreed upon. Any member wishing to take a fourth week may do so only if the Company agrees to the timing and no more than 2 members will be eligible in any calendar month, where practical, seniority will be the deciding factor. Where a holiday occurs during a vacation period an additional day of vacation shall be granted. Vacation pay will be paid out May 1st and November 1st of each year. There will be no exceptions to these payouts. A proper vacation schedule is to be filled out by the employee for approval by Warehouse Manager by April 15th for summer vacations and by September 15th for winter vacations.

ARTICLE 15: STATUTORY HOLIDAYS

All employees covered by this Agreement who have obtained seniority with the Employer shall be paid for the following statutory holidays:

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

Payment to an employee for such holiday shall be eight (8) hours pay at his regular hourly rate provided he qualifies for such payment.

An employee shall receive a half day pay prior to Christmas, providing they worked first half of shift.

To qualify for payment for a holiday an employee must have worked the scheduled shift on the working day immediately preceding and the scheduled shift immediately following the holiday, unless permission to be absent from either or both such scheduled shifts is granted by the Employer.

ARTICLE 16: EMERGENCY CALL IN

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16:01 Employees called back to work after completing their regular shift shall be paid the appropriate overtime rate, but in no case shall he be paid less than the equivalent of four (4) hours pay at his regular hourly rate. Employees will be called in order of seniority or job ability and/or skill.

ARTICLE 17: INJURY ALLOWANCE

An employee injured on the job shall be paid for the balance of the shift in which the injury occurs, if, as a result of such injury, the employee is sent to the hospital on the Employer's instructions. He or she **shall** return to work on the same date, unless otherwise instructed by the medical attendant.

ARTICLE 18: COFFEE BREAKS

- 18:01 The Employer agrees that all employees will be allowed a fifteen (15) minute paid coffee break during each half of their respective shifts.
- 18:02 In the event an employee is scheduled to work in excess of eight (8) hours on a shift, he shall be entitled to a fifteen minute paid break or an unpaid break of up to one hour prior to commencing work in excess of eight (8) hours, the duration of the break to be arranged by mutual agreement.

ARTICLE 19 PROTECTIVE EQUIPMENT

- Where it is deemed necessary to do so, the Employer will provide special protective equipment to employees who are exposed to hazardous conditions in the performance of their jobs. i.e. work gloves where necessary. Company will provide the Warehouse with two (2) heavy duty jackets per year for outdoor work. These jackets are to remain in designated areas when not it use. The Employer will also provide four pair of pullover rubber galoshes.
- The Company will provide aprons in the Shop (Carpentry/Paint Areas) only. Company will provide coveralls where needed and will also provide proper masks. Coveralls and aprons are not to be worn if they are a possible safety concern while operating machinery (e.g. loose clothing could get caught up in moving parts).
- In the event it becomes a condition of employment or a requirement of law that employees wear safety shoes **on** the job, the Employer agrees that after probationary period is completed to pay 100% (to maximum \$100.00) of the cost of the first pair of safety boots or shoes and 100% of the cost of a second pair (to maximum \$100.00) with a maximum of two pairs of approved safety boots or shoes per employee per calendar year to be purchased from a supplier designated by the Employer. **As** of January 1, 2007 the Employer will pay out one single amount of \$200.00 once a year for safety boots or shoes. Toe caps will be provided as needed for full time carpet cleaning staff.

TIC E 20: BEREAVEMENT PAY

- In the event of the death of an employee's immediate relative (father, mother, spouse. son, daughter, brother, sister, mother-in-law, father-in-law, or grandparent) the employer will grant three (3) days leave of absence, excluding weekends with pay for eight (8) hours per day to him for the purpose of attending the funeral. In the event of the death of a sister-in-law and brother-in-law, (1) one day leave of absence shall be granted with pay.
- 20:02 Should the employee require additional unpaid leave of absence regarding bereavement it will not be unreasonably denied.

RTICL 21: CL SSIFICATION AND WAGES

21:01 Appendix "A" is attached hereto and forms part of this Collective Agreement.

ARTICLE 22: JURISDICTIONAL DISPUTES

When a work claim dispute arises between the Union which is a party to this agreement and any other union, persons or organization which cannot be settled to the satisfaction of all parties concerned, such dispute shall immediately be processed as a complaint to the Ontario Labour Relations Board, requesting an order from the Board as outlined in Section 91, of the Labour Relations Act, R.S.O. 1980, Chapter 228, as amended, and in the meantime work shall continue as assigned by the Employer until otherwise directed by the Ontario Labour Relations Board.

ARTICLE 23: BUSINESS REPRESENTATIVE AND SHOP STEWARD

- The business representative of the Union shall have access to the job during working hours, but in no case shall his visits interfere with the progress of the work. When visiting a job he will first advise the superintendent or other supervisory personnel of the Employer. It is agreed that a shop steward may be appointed at the plant of the employer by a representative of the union who shall in turn notify the Employer in writing before the steward will be recognized. The shop steward will be responsible for reporting any disputes to the authorized representative of the Employer and union representatives that these can be taken up in the proper manner without delay.
- The Union Steward will be present when a member is being disciplined and all "time-off" discipline shall be in a letter form with copies to the Union, the Member and the Union Steward.
- 23:03 The Union may appoint **a** second Steward when a second shift is scheduled. This second Steward must be a full-time warehouse person.
- It is agreed that for the purposes of collective bargaining one (1) union member may be appointed to a negotiating committee by the Union. The Union shall notify the Employer of the name **d** such employee appointed.

ARTICLE 24: WELFARE

- It is agreed that the established Labourers' Union, Local 506, (Industrial Division) Employee Benefit Trust shall continue and the Employer shall pay an amount of One Dollar and Sixty Cents (\$1.60) per hour earned, effective January \$\mathbb{\texts}\$ 2006 by each employee covered by this Agreement having attained seniority. Effective May 6, 2006, this amount will increase to One Dollar and Seventy Cents (\$1.70) and effective January 1, 2007, this amount will increase to One Dollar and Eighty Cents (\$1.80) per hour earned. Such monies shall be entered on a form as designated by the Trustees from time to time and remitted directly to the said Welfare Fund by the fifteenth (15th) of the month following the month for which contributions are made.
- Once an employee has completed his/her probationary period, the Employer shall pay Welfare Benefits as per Article 24:01 for the employee into the Fund, retroactive to the date of hiring. At no time shall a contribution be paid directly to the employee. If payment is over thirty (30) days late, interest at one percent (1%) per month shall be paid from the-due date provided the Employer is given five (5) days after notice to correct such delinquency.

ARTICLE 25: PENSION

IC 26: F LEGAL & DENOVO FUND

- 26:01 The Employer agrees to contribute into the L.I.U.N.A. Local 506 Prepaid Legal Plan. Six Cents (0.066) per hour earned for each employee covered by this Agreement. EFFECTIVE MAY 6/06 26:02 The Employer agrees to match Employees One Cent (0.016) per hour worked contribution to the Denovo Fund for a total of Two Cents (0.024) per hour worked. 26:03 Each monthly report and contribution shall include all obligations arising from hours worked up to the close of the Employer's payroll ending nearest to the last day of the preceding calendar month. ARTICLE 27: NO STRIKES. NO LOCK-OUTS 27:01 It is agreed by the Union that there is to be no strike or stoppage of work, either complete or partial, and the Employer agrees that during the term of this Agreement there shall be no lock-outs. F RTI 2 GRIEVAN(JΕ ITI 28:01 Any dispute, difference, controversy or grievance affecting or arising out of the interpretation or administration of this Agreement shall be adjusted, if possible, by negotiations between representatives of the Employer and the Union. A meeting to discuss any such dispute or grievance shall be called within five (5) days after the circumstances giving rise to the dispute or grievance became known to the party complaining and the parties shall endeavor to reach a decision within two (2) days thereafter. 28:02 Where a difference arises between any of the parties hereto relating to the interpretation, application or administration of this Agreement, including any question as to whether a matter is arbitrable, either the parties may, after exhausting the grievance procedure described above, notify the other party in writing of the desire to submit the difference or allegation to arbitration, and the notice shall contain the name of the nominee of the party wishing to bring the matter to arbitration. Such written notice shall also state clearly, the matter or matters in dispute to be dealt with by the arbitration board and what relief, if any, is claimed by the parties requesting arbitration. The Party receiving such notice shall within five (5) days advise the other party of the name of its nominee to the arbitration board. 28:03 The two (2) nominees so selected shall, within five (5) days of the appointment of the second of them appoint a third party who shall act as chairman of the arbitration board. 28:04 If the recipient of the notice fails to appoint an arbitrator, or if the two (2) appointees fail to agree upon a chairman within the time limits set out herein, the appointment should be made by the Minister of Labour for Ontario upon request of either party. 28:05 The Arbitration Board shall hear and determine the difference of differences between the parties and shall issue a decision in writing, which decision shall be final and binding upon the parties and upon any employee affected. 28:06 The decision of the majority of the board will be the decision of the board and if there is no majority, the decision of the Chairman shall govern. However, it is understood that the authority of the arbitration board or the decision made by such a board is limited in that there shall be no alteration to or subtraction from or modification or amendment to any part of this agreement.
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by the party which incurs them.

Fees and expenses of the Chairman shall be borne one half by the Union and one half by the Employer. Any other costs and expenses in connection with such arbitration shall be borne

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ARTICLE 29: JOB POSTING

When a vacancy occurs in a job classification above that of unskilled labour, the Employer will post a notice of the vacancy on the plant bulletin board for four (4) days. Employees wishing to apply for the posted job vacancy may do so by completing a current resume for the posted job vacancy. Where there are no suitable applicants for the position, the Employer may fill the job from any source. The Employer will have the exclusive discretion to interview and hire the applicant for the posted job vacancy. Employees can apply for non-bargaining positions where practical.

ARTICLE 30: JURY DUTY

A non-probationary employee who is summoned to performjury duty shall be paid eight (8) hours pay at the employees regular straight time hourly rate for time lost from work while serving on jury duty less the jury duty fee paid by the court. The Employee shall provide the employer with proof of the amount paid in jury duty fees by the court. The Employer shall not be required to pay more than eighty (80) hours pay under the provisions of this clause.

ARTICL 31: G LEGISLATION

In the event that any of the provisions of this Collective Agreement are found to be in conflict with any valid and applicable federal or provincial law now existing, or hereinafter enacted, it is agreed that such law shall supersede the conflicting provisions without in any way affecting the remainder of the Collective Agreement.

ARTICLE 32: PROTECTIVE CLAUSE

32:01 No employee shall suffer a reduction in wages, conditions or allowances as a result of this Agreement.

ARTICLE 33: OUTSIDE ASSIGNMENTS

- Any employee assigned to perform work outside of the Employer's shop and/or plant in connection with or related to Exhibit and Display work shall not be paid less than the prevailing classified rate and conditions of the Freeman DecoratingLtd. Field Agreement and the Labourers' International Union of North America, Local 506 covering such work.
- 33:02 Whenever practical, Employees shall be assigned to perform outside work on a seniority basis.

DATED AT TORONTO THIS 2151 DAY OF 2006.

SIGNED ON BEHALF OF THE EMPLOYER:

SIGNED ON BEHALF OF THE UNION:

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APPENDIX "A"

Forming an integral part of a Collective Agreement between Freeman Decorating Ltd. and Labourers' International Union of North America, Local 506.

Working Foreman will be paid a premium of Two Dollars and Fifty Cents (\$2.50) over classified rate, effective May 6, 2006.

JAN. ■_2 006	<u>JAN. ■.2007</u>	<u>JAN. ■ 2008</u>
\$21.82	\$22,42	\$23.17

Employees assigned to perform Shop Carpentry work shall be paid at a premium of Two Dollars and Fifty Cents (\$2.50) over the classified rate, effective May 6, 2006.

PROBATIONARY PERIOD RATES

Regular rates on completion of probation period in accordance with Article 6.

*CLEANING DEPARTMENT LESIA ONLY"

JAN. 1.2007

JAN. 1.2008

\$17.84

\$18.44

\$19.19

^{*}AZ and DZ Truck Drivers to be paid a premium of One Dollar (\$1.00) per hour over the classified rate. This will include other work as assigned from time to time.

LETTER OF UNDERSTANDING

Whereas during negotiations for renewal of the collective agreement in 2006 the parties had extensive discussions about the number of hours worked by non-bargaining unit employees and whereas the parties agreed that employees working more than 24 hours per week are subject to the terms and conditions of the collective agreement as contemplated in article 2:01 and the parties further agree that in such circumstances employees will be paid wages and benefits for all hours worked in such week at the levels prescribed in the collective agreement. Employees in such circumstances shall pay the equivalent of "WORKING **DUES**" in the amount set from time to time by the local union and remitted to the union office as set out in article 3:02.

Dated at TORONTO This 215T Day of JUNE 2006

Signed on Behalf of the Employer

tne Employer

Signed on Behalf of the Union

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