

COLLECTIVE AGREEMENT

between

THE PENTICTON HERALD,

**a division of the Okanagan Valley Newspaper Group,
wholly owned by Continental Newspapers (Canada) Ltd.**

and

**COMMUNICATIONS, ENERGY and
PAPERWORKERS UNION OF
CANADA, LOCAL 2000**

Effective June 6, 2012 to June 5, 2016



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COLLECTIVE AGREEMENT
between
THE PENTICTON HERALD
and
COMMUNICATIONS, ENERGY
and PAPERWORKERS
UNION OF CANADA, LOCAL 2000

ARTICLE 1 – TERM OF AGREEMENT

1.01 This collective agreement is made and entered into between the Penticton Herald, a division of the Okanagan Valley Newspaper Group, wholly owned by Continental Newspapers (Canada) Ltd. (sometimes hereinafter called the Employer) through its authorized representatives and the Communications Energy and Paperworkers Union of Canada, Local 2000 (sometimes hereinafter called the Union) by its officers or a committee duly authorized to act on its behalf.

1.02 This agreement shall remain in full force and effect for a term of forty-eight months, beginning June 6, 2012 and ending June 5, 2016. If no agreement is reached prior to the expiration of this agreement, this agreement shall be deemed to remain in full force and effect up to the time the Union goes on a legal strike or the Employer legally locks out the employees or a new agreement is signed.

1.03 Either party to this agreement may, at any time within four months immediately preceding expiry of the agreement, by written notice, require the other party to commence collective bargaining.

ARTICLE 2 – UNION RECOGNITION

2.01 The Employer recognizes the Union as the exclusive bargaining agent for all employees of the Penticton Herald in the editorial and/or photographic department; advertising sales department; composing department; circulation and inserting department; accounting, business, and reception department (or evolution of these departments) for the Penticton Herald, except the Managing Editor and stringers who work less than 10 hours per week; the Advertising Manager; the Circulation Manager; the Accounting Manager; the Mailroom Supervisor; the Publisher/General Manager.

2.02 The Management recognizes the CEP as the sole collective bargaining agent for all the employees covered by this agreement.

2.03 The Employer agrees to advise any new employee hired during the currency of this Agreement that a collective agreement is in force and the new employee shall be required to become a member on date of hire of the Union as a condition of employment.

Present employees who have not become union members shall not be required to become members but shall be required to pay union dues.

2.04 No Union representative shall be interfered with, nor discriminated against, by the Employer for carrying out the instructions of the Union governing the interpretation, application or alleged violation of this agreement. No Supervisor who is a member of the Union shall be interfered with, nor disciplined by the Union for carrying out the provisions of this agreement in accordance with the instructions of the Employer, but this shall not apply to infractions of Union Laws which are not involved with this agreement.

2.05 There shall be no discrimination on the grounds of race, colour, ancestry, place of origin, political belief, religion, marital status, physical or mental disability, sex, sexual orientation, age or because of a criminal or summary conviction charge that is unrelated to the employment or intended employment.

ARTICLE 3 – TRAINING/MANAGEMENT RIGHTS

3.01 All training specifically required by the Company will be done on Company time and at Company expense.

3.02 The Union recognizes and agrees that it is the exclusive right of the Employer to manage its affairs; to manage its operation in all respects; to conduct its business efficiently.

ARTICLE 4 – STRUCK WORK

4.01 While this agreement is in force, no strike or lockout will take place.

4.02 No employees covered by this agreement shall be required to cross a legal picket line at the Penticton Herald.

ARTICLE 5 – BULLETIN BOARD

5.01 The Employer shall provide a bulletin board for the exclusive use by the Union.

ARTICLE 6 – JOB POSTING

6.01 The Employer will provide the Union shop steward with all job postings of openings for employment. Such notice shall contain the wage rate and such other information which may be of assistance to employees.

6.02 Current employees shall receive first consideration for openings within their department.

6.03 Notices shall be posted at least one week prior to the closing date for applications, except with prior agreement from the Union.

6.04 Job postings will be put on all Union bulletin boards.

ARTICLE 7 – LAYOFF AND SENIORITY

7.01 (a) In the event of a layoff of a full-time employee, severance pay shall be one week's pay per year of service to a maximum of 35 years with a minimum of \$14,000.

(b) Severance pay shall be paid within one week of layoff. If the employee is recalled (see subsection 7.02) the employee shall repay any unused portion of the severance pay or forfeit any right to recall by seniority. This determination to be made by the employee.

7.02 If it becomes necessary to reduce the workforce, the qualified person with the lowest seniority within a department shall be the first to be laid off. The person(s) laid off shall be reinstated in the department from which laid off, if available, in reverse order to which they were laid off. This recall shall be available for a one-year period and if recall notice is given, it shall be by registered mail to the last known address. If no affirmative reply is received within ten (10) days of mailing, all recall rights are deemed to have been waived.

7.03 Seniority is defined as the length of time an employee has been continuously employed at the Penticton Herald since the employee was last hired.

7.04 Seniority shall be based on continuous service, calculated from the date of hire, including probation.

Effective June 6, 2005, seniority shall be based on continuous service, calculated from the most recent date of hire, including probation. Seniority ranking for part-timers hired prior to June 6, 2005 will be pro-rated according to the number of hours worked up until that date. That ranking order will be maintained.

ARTICLE 8 – SUB-CONTRACTING/OUTSIDE SOURCES

8.01 The Employer agrees the Company will not subcontract any work or hire freelancers which will result in the layoff of regularly employed employees or in a reduction in their hours of

work. The Employer further agrees that the Company will not subcontract any work or hire freelancers as an alternative to replacing employees who have left the employ of the Company.

8.02 Any material may be accepted at any time from outside sources in any electronic form, and without restricting this generality, including modem, disk, CD-ROM or digital camera.

ARTICLE 9 – NEW EQUIPMENT

9.01 When the Employer introduces any new process or equipment which requires significant retraining of employees, the Employer will ensure that sufficient training is provided.

ARTICLE 10 – INFORMATION

10.01 The Employer shall supply the Union the following information for each new employee on date of hire: name, address, date of hiring, job classification, experience rating and anniversary date.

ARTICLE 11 – PROBATION

11.01 A newly hired employee shall be considered probationary until the employee has completed sixty-five (65) days of work for the Employer. Management shall use this opportunity to assess the ability of the employee to perform at standards acceptable to the Employer. In the event a probationary employee is discharged, it is agreed that such discharge shall be for just cause. Upon successful completion of their probationary period, seniority will be retroactive to the date of employment.

11.02 The probationary period may be extended to 90 working days, with the agreement of the union.

ARTICLE 12 – GRIEVANCE PROCEDURE

12.01 (a) Should a dispute arise regarding the application, operation, interpretation or alleged violation of this agreement, an earnest effort shall be made to settle the dispute in the following manner:

(b) In the event of an employee grievance, the employee concerned shall, within three (3) working days of the cause of the dispute, seek to settle the dispute with their department manager. At the request of the employee or the department manager the shop steward shall attend the grievance meeting.

(c) The department manager must meet within three (3) working days of the meeting being requested or as soon thereafter as is reasonable. The department manager must reply in writing within a further three (3) working days after the meeting.

(d) If within that time no agreement has been reached the matter may be submitted to the grievance committee in accordance with the provisions of this section.

(e) Any grievance must be presented to the grievance committee in writing, within fifteen (15) working days of the cause of the complaint, setting forth the grounds for the complaint and the provision or provisions of the collective agreement which are alleged to have been violated, together with the remedy sought.

(f) A grievance committee shall be maintained to consist of two representatives of the Employer and two representatives of the Union. The Union shall appoint its own members to the committee. Such grievance committee shall meet within five (5) working days after any question or difference has been referred to it, and shall render a decision within ten (10) working days and such decision shall be binding upon both parties.

(g) If the grievance committee cannot reach an agreement on the question or difference referred to it, at the request of either party hereto, the matter shall be referred to an arbitrator, chosen from a list

of arbitrators whose names have been agreed to by the Employer and the Union.

(h) The decision of the arbitrator shall be binding upon both parties.

(i) The cost of the arbitrator shall be borne equally by both parties.

(j) If no written request for arbitration is received within ten (10) working days after the decision of the grievance committee is given, the grievance shall be deemed to have been settled.

(k) Time limits set out above are mandatory but may be extended by mutual agreement.

12.02 The Employer may terminate, suspend or issue warnings only for just cause. Discipline shall be in writing and shall contain the reasons for the discipline and shall be given to the employee concerned and to the Union if the employee so requests. Any employee who has been discharged and believes the discharge unjustified shall have the right to appeal within three (3) working days.

ARTICLE 13 – BY-LINES

13.01 By-lines and photo credit lines will only be used where there is mutual consent of both the employee and the Employer.

13.02 Whenever possible, factual changes in the story written by an employee shall be brought to their attention prior to publication. If the employee cannot be contacted no by-line will be used.

ARTICLE 14 – CORRECTIONS

14.01 The Employer will not publish a correction, apology or letter referring to an employee's work until every reasonable effort has been made to discuss the matter with the employee. Editing errors will be identified as such.

ARTICLE 15 – OUTSIDE ACTIVITIES

15.01 Employees shall be free to engage in any activities outside of working hours, provided such activities do not consist of service performed for publications or broadcasting in competition with the Newspaper, unless prior permission from the Publisher has been obtained in writing.

ARTICLE 16 – HEALTH & SAFETY

16.01 The Employer agrees to furnish a clean, healthful, sufficiently ventilated, properly heated and lighted place for the performance of all work.

16.02 Any employee required by applicable legislation to take a first aid course will be compensated for their time and cost of the course, provided the employee attends all sessions of the course, except for a valid reason (i.e. sickness, jury duty, bereavement, etc.).

ARTICLE 17 – MEDICAL BENEFITS, ETC.

17.01 The Employer agrees to the current benefit payment levels for employees covered by this collective agreement. The Employer agrees to continue the Printing Industry Health and Welfare Plan.

The following is a summary of benefits which will be provided:

- (a) For employees and dependents:
 - Medical Services Plan
 - Effective January 1, 2001. Dental — Printing Industry Health & Welfare Plan, 80% A, 50% B, 50% C. Orthodontics is for dependent children only. (\$2,000 lifetime limit).
 - Extended Health Care:
 - \$25 deductible per calendar year (whether single or family)
 - 100% of emergency expenses while travelling outside of the province or Canada.
 - 80% of the first \$1,000 of all other eligible expenses, 100% thereafter
 - \$1 million lifetime maximum benefit

- Vision care \$350 maximum every 2 years towards the cost of eye glasses and lenses, which can also be used towards the cost of laser surgery and eye examinations.. \$25.00 deductible/80% co-insurance.

(b) Employees only

Weekly Indemnity:

- 60% of weekly earnings to a maximum of \$448.00 per week.
- The benefit is payable from the first day disabled due to an accident or from the fourth day disabled due to illness.

Payments will continue while you are disabled for a maximum of 52 weeks.

Long Term Disability:

- \$1,500 per month
- Monthly benefit cannot exceed 75% of normal earnings
- Monthly benefit is payable after expiration of Weekly indemnity benefits.
- Payments will continue to age 65 provided you are totally disabled.

Group Life:

- \$25,000
- Benefit reduces by 50% at age 65 and terminates at age 70

Accidental Death & Dismemberment:

- \$25,000
- Scheduled amounts for dismemberment, loss of speech, hearing, etc.
- Benefit reduces by 50% at age 65 and terminates at age 70

Cost of all premiums will be paid 85% by the Employer and 15% by the employee.

17.02 In the case of a compensable accident, the Employer will pay 100 per cent of an employee's net wages, less any amount recovered by the employee from WCB.

ARTICLE 18 — PENSION PLAN

18.01 CEP MULTI-EMPLOYER PENSION PLAN

All unionized employees shall become members of the CEP multi-employer pension plan effective January 1, 1999. Contributions shall commence retroactively once the probationary period has been successfully completed.

(a) The Employer agrees to contribute to the CEP Multi-Employer Pension Plan (hereinafter sometimes referred to as the Plan) \$8.20 per shift (\$10.22 per shift for employees working the 4-day week), effective June 6, 2008; \$8.70 per shift effective June 6, 2010 (\$10.85 per shift for employees working the 4-day week); for each employee covered by this Agreement for the purpose of providing pensions on retirement, death benefits and other related benefits for covered employees of the Employer and other contributing Employers. Contributions shall be made for any shift for which an employee receives compensation, and which shall be considered earnings (e.g., sick leave, vacations, stat holidays, disability insurance, WCB, bereavement leave, jury duty). The Plan is administered jointly by Union and Employer Trustees.

(b) Contributions shall be made by cheque, money order or similarly recognized medium of exchange, shall be made payable to the CEP Multi-Employer Pension Plan and shall be forwarded to the Plan's administrator to the attention of Mrs. Anna Szanto, Senior Pension Administrator, Aon Consulting Inc., 145 Wellington St. West, Suite 500, Toronto, Ontario M5J 1H8, no later than the 10th of the following calendar month for which contributions are due, along with reasonable information as specified by such administrator.

(c) Title to all monies paid into the Plan shall be vested, and shall be held exclusively by the Trustees in trust for use in providing the Benefits under the Plan and paying its expenses.

(d) The Employer recognizes that in addition to the Union's right to enforce this section, the Union shall have the right in its discretion to take any legal action necessary to collect any contributions or monies due and owing to the Plan and to secure delinquent reports. The Employer further agrees that the Union shall have the right to collect reasonable attorneys' fees and expenses incurred in connection therewith. The Employer shall supply to the Shop Steward a copy of the remittance information provided to the administrator within five (5) days of remittance of any such contributions.

(e) Unless otherwise explicitly agreed in writing, benefits provided by contributions to the CEP Multi-Employer Pension Plan pursuant to this section shall be in addition to all other benefits heretofore provided by the Employer and/or by any Plan or Trusts to which the Employer has made contributions.

(f) Should the Union direct the Company to forward pension contributions for its employee members to a different Pension Plan and/or Plan Administration, the Union will provide the Company with a minimum of one (1) month's notice.

ARTICLE 19 — ANNUAL VACATIONS

19.01 (a) Employees who have less than one (1) years service shall receive one (1) days holiday with pay for each sixteen (16) shifts worked, or major fraction thereof.

(b) Employees having one (1) or more years service shall be entitled to fifteen (15) days vacation with fifteen (15) days pay provided they have worked a minimum one hundred and sixty-five (165) shifts for the Employer. Such employees working less than one hundred and sixty-five (165) shifts shall receive one days holiday with pay for each eleven (11) shifts worked, or major fraction thereof.

(c) Employees having seven (7) or more years service shall be entitled to twenty (20) days vacation with twenty (20) days pay provided they have worked a minimum one hundred and sixty-five (165) shifts for the Employer. Such employees working less than one hundred and sixty-five (165) shifts shall receive one days holiday with pay for each eight (8) shifts worked, or major fraction thereof.

(d) Employees having fourteen (14) or more years service shall be entitled to twenty-five (25) days vacation with twenty-five (25) days pay provided they have worked a minimum one hundred and sixty-five (165) shifts for the Employer. Such employees working less than one hundred and sixty-five (165) shifts shall receive one days holiday with pay for each seven (7) shifts worked, or major fraction thereof.

19.01 (e) Employees having twenty-five (25) or more years service shall be entitled to thirty (30) days vacation with thirty (30) days pay provided they have worked a minimum one hundred and sixty-five (165) shifts for the Employer. Such employees working less than one hundred and sixty-five (165) shifts shall receive one days holiday with pay for each six (6) shifts worked, or major fraction thereof.

19.02 Employees shall receive one days vacation credit for each day lost due to personal illness but excluding absence which is compensated under the Long Term Disability Plan for more than one year, while on jury duty, while in receipt of Workers Compensation, while acting for the Union on Company-Union business.

19.03 The vacation pay scale in each case shall be the straight time rate including bonuses or premiums, if any, currently paid to the employee, or two per cent (2%) of the previous year's T4 slip (excluding taxable benefits) for each week of vacation, whichever is greater.

19.04 The Company will provide a list of all outstanding time under this section on January 15 of the year following. All unused time must be taken by the end of February.

19.05 Employees may select their vacation schedule according to their seniority providing such vacation does not interfere with the efficient operation of their department as determined by Management. Vacations not booked by April 15 of each year will not be subject to seniority claims.

19.06 Employees will be permitted to take only two weeks, chosen by seniority, during the prime time summer vacation period of July 1 through Labour Day, unless there are still weeks open after everyone in their holiday pool has already selected their vacation time during the prime summer period.

19.07 The holiday calendar will be posted no later than Jan. 15 of each year.

19.08 No employee shall be required to report to work during their vacation period.

ARTICLE 20 – GENERAL HOLIDAYS

20.01 The Employer shall give to each employee a holiday with pay on each of the following Statutory Holidays:

| | | |
|------------------|-----------------|---------------|
| New Year's Day | Good Friday | Victoria Day |
| Canada Day | B.C. Day | Labour Day |
| Thanksgiving Day | Remembrance Day | Christmas Day |
| Boxing Day | | |

plus the employee's birthday (which may be taken as a floater stat) and any other general holiday declared, proclaimed or celebrated by the Federal or Provincial Government.

20.02 For work performed on the holiday, an employee shall be paid at one and one-half times the employee's basic rate of pay. In addition, the employee will have a day in lieu, with pay, which may be taken at a mutually agreeable time.

20.03 Should a holiday fall on an employee's regular day off, he/she shall be paid for this day off or get another paid day off at a mutually agreeable time. The option shall be the employee's.

20.04 When a holiday falls within an employee's scheduled vacation, he/she shall receive a day off with pay to be taken at a mutually agreeable time.

20.05 The Company will provide a list of all outstanding time under this section on January 15 of the year following. All unused time must be taken by the end of February.

20.06 Employees required to work on Dec. 25th (Dec. 24th for the night shift) will be allowed to leave work once their work is completed and with the approval of their supervisor with no loss in pay or compensation.

ARTICLE 21 – SICK LEAVE

21.01 (a) Employees who have one years service shall be entitled to sick leave of five (5) days; employees who have worked two (2) years shall be entitled to ten (10) days each year with regular pay. Other employees shall be entitled to one days sick benefits for each 52 days worked provided they would normally have been employed on the day they were sick.

(b) In the event that the full period of sick leave in any one year is not used up, such unused periods of sick leave shall be accumulative up to a period of 30 shifts.

(c) Payment for sick leave shall not be automatic but shall be made only on application by the employee together with a doctor's certificate or supervisor's recommendation. If the Company requires a

Doctor's certificate for a sick claim, then the Company shall be responsible for any fee charged for the certificate.

(d) Accumulated sick leave may be used (at the employee's option) to make up the difference between the weekly benefits received and the employees normal take home pay.

(e) In any event any combination of payments under this section and the Printing Industry Welfare Plan shall not exceed 100% of normal wages.

(f) Sick leave can be used to tend for sick children, step-children, spouse, common-law spouse, in-laws, parents or step-parents who live in the employee's home.

ARTICLE 22 – M(P)ATERNITY LEAVE

22.01 M(p)aternity leave shall be in accordance with the Employment Standards Act of British Columbia.

22.02 When the employee returns to active employment after m(p)aternity leave, (s)he shall be reinstated at the same or comparable position, with no loss in seniority or continuity of service.

22.03 Fathers may use up to five (5) days of sick leave for paternity leave between the time labour starts and one month after birth.

ARTICLE 23 – BEREAVEMENT LEAVE

23.01 A regular employee will be granted four (4) days leave with pay (but employees may choose to take fewer days for the purpose of making funeral arrangements and/or attending said funeral in the event of the death of a member of the immediate family which includes all in-laws. The term "immediate family" shall mean: mother, father, sister, brother, son, daughter, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandparents and grandchildren. One additional day will be added for an out of province funeral. In the event of the death of an employee's spouse, or children, the employee shall be granted five days' paid leave.

ARTICLE 24 – LEAVES OF ABSENCE

24.01 Leaves of absence without pay may be granted by Management for good and sufficient cause.

24.02 All conditions of the leave and the return to work must be in writing and agreed to by both parties before the leave is effective.

24.03 Failure to return to work from a leave of absence upon its expiry date shall be considered a voluntary resignation, unless such date has been extended by mutual agreement of Management and the employee.

24.04 Although a leave of absence will not break seniority standing (an employee's continuous service) there shall be no accrual of vacation credits or any obligation on the part of the Employer to maintain or incur any costs on behalf of the leave taker.

24.05 If an employee is elected or appointed to a Local 2000 Table Officer position, upon the member's request, s/he shall be given a leave of absence, and shall be reinstated in the same or a comparable position upon the expiration of such leave. Only one employee of the Okanagan Valley Newspaper Group will be entitled to such leave at any one time.

ARTICLE 25 – JURY DUTY

25.01 An employee called for jury service or as a crown witness under subpoena shall receive the difference between the jury duty or witness rate and the amount of straight-time earnings lost by reason of such service. To qualify, an employee must produce proof that his/her absence was due to serving as a juror or witness and he/she

must make themselves available for work whenever excused for jury duty for one-half (1/2) day or more.

ARTICLE 26 – WAGES

26.01 (a) Effective June 6, 2008, rates of wages per hour shall be as follows:

| | 6/6/12 | 6/6/13 | 6/6/14 | 6/6/15 |
|--|--------|--------|--------|--------|
| Reporters/Photographers/Wire Editor | | | | |
| 5 year | 24.29 | 24.53 | 24.90 | 25.27 |
| 4 year | 22.54 | 22.77 | 23.11 | 23.45 |
| 3 year | 20.79 | 21.00 | 21.31 | 21.63 |
| 2 year | 19.04 | 19.23 | 19.52 | 19.81 |
| 1 year | 17.29 | 17.46 | 17.72 | 17.99 |
| Start | 15.54 | 15.70 | 15.93 | 16.17 |

City Editor

| | | | | |
|--------|-------|-------|-------|-------|
| 5 year | 27.79 | 28.07 | 28.49 | 28.92 |
| 4 year | 25.78 | 26.04 | 26.43 | 26.82 |
| 3 year | 23.77 | 24.01 | 24.37 | 24.73 |
| 2 year | 21.76 | 21.98 | 22.31 | 22.64 |
| 1 year | 19.74 | 19.94 | 20.24 | 20.54 |
| Start | 17.73 | 17.91 | 18.18 | 18.45 |

Sports Editor

| | | | | |
|--------|-------|-------|-------|-------|
| 5 year | 26.63 | 26.90 | 27.30 | 27.71 |
| 4 year | 24.70 | 24.95 | 25.32 | 25.70 |
| 3 year | 22.78 | 23.01 | 23.35 | 23.70 |
| 2 year | 20.86 | 21.07 | 21.38 | 21.69 |
| 1 year | 18.93 | 19.12 | 19.41 | 19.70 |
| Start | 17.00 | 17.17 | 17.43 | 17.69 |

Lifestyles Editor/Display Sales

| | | | | |
|--------|-------|-------|-------|-------|
| 5 year | 25.46 | 25.71 | 26.10 | 26.49 |
| 4 year | 23.62 | 23.86 | 24.21 | 24.58 |
| 3 year | 21.79 | 22.01 | 22.34 | 22.67 |
| 2 year | 19.95 | 20.15 | 20.45 | 20.76 |
| 1 year | 18.11 | 18.29 | 18.57 | 18.84 |
| Start | 16.27 | 16.43 | 16.68 | 16.93 |

Circulation Representative

| | | | | |
|--------|-------|-------|-------|-------|
| 5 year | 22.50 | 22.73 | 23.07 | 23.41 |
| 4 year | 20.84 | 21.05 | 21.36 | 21.68 |
| 3 year | 19.18 | 19.37 | 19.66 | 19.96 |
| 2 year | 17.51 | 17.69 | 17.95 | 18.22 |
| 1 year | 15.85 | 16.01 | 16.25 | 16.49 |
| Start | 14.19 | 14.33 | 14.55 | 14.77 |

Graphic Artist/AdMaker

| | | | | |
|-------|-------|-------|-------|-------|
| 4yr | 20.79 | 21.00 | 21.31 | 21.63 |
| 3yr | 19.31 | 19.50 | 19.80 | 20.09 |
| 2yr | 17.82 | 18.00 | 18.27 | 18.54 |
| 1yr | 16.33 | 16.49 | 16.74 | 16.99 |
| Start | 14.84 | 14.99 | 15.21 | 15.44 |

Clerk I - Sr. Clerk/Accounting Clerk

| | | | | |
|-------|-------|-------|-------|-------|
| 4yr | 19.63 | 19.83 | 20.12 | 20.43 |
| 3yr | 18.23 | 18.41 | 18.69 | 18.97 |
| 2yr | 16.83 | 17.00 | 17.25 | 17.51 |
| 1yr | 15.43 | 15.58 | 15.82 | 16.06 |
| Start | 14.03 | 14.17 | 14.38 | 14.60 |

Technician

| | | | | |
|-----|-------|-------|-------|-------|
| 4yr | 18.46 | 18.64 | 18.92 | 19.21 |
| 3yr | 17.15 | 17.32 | 17.58 | 17.85 |
| 2yr | 15.84 | 16.00 | 16.24 | 16.48 |

| | | | | |
|-------|-------|-------|-------|-------|
| 1yr | 14.52 | 14.67 | 14.89 | 15.11 |
| Start | 13.21 | 13.34 | 13.54 | 13.75 |

Clerk II - Clerk/National Clerk/Receptionist

| | | | | |
|-------------|-------|-------|-------|-------|
| 4yr (100%) | 17.88 | 18.06 | 18.33 | 18.60 |
| 3yr (92.5%) | 16.61 | 16.78 | 17.03 | 17.28 |
| 2yr (85%) | 15.34 | 15.49 | 15.73 | 15.96 |
| 1yr (77.5%) | 14.07 | 14.21 | 14.42 | 14.64 |
| Start (70%) | 12.80 | 12.93 | 13.12 | 13.32 |

(b) Employees who are paid above the negotiated rates shall be re-circled until the negotiated rate matches or exceeds their rate.

26.02 Wages will be paid by 9 a.m. every second Friday by electronic funds transfer.

Agree to set up outside sales commission committee to discuss new commission pay structure.

ARTICLE 27 – MERIT INCREASES

27.01 Nothing within this agreement shall prohibit the Employer from granting, or an employee receiving, merit wages in excess of the amounts set forth in the wage section of this agreement. Nothing within this agreement shall prohibit the Employer from withdrawing merit wages with two months' notice when in the Employer's opinion such are not warranted.

ARTICLE 28 – HOURS OF WORK

28.01 (a) For regular full-time employees, the workday shall be seven and one-half (7 1/2) hours, five days shall constitute a week's work.

28.01 (b) The work week runs from Saturday through Friday.

28.02 All work performed in daytime to be paid at daytime rate. Daytime hours are defined in each department as follows:

| | |
|----------------|------------------------|
| Editorial | 5:00 a.m. to 6:00 p.m. |
| Circulation | 7:00 a.m. to 7:00 p.m. |
| Advertising | 7:00 a.m. to 6:00 p.m. |
| Administration | 7:00 a.m. to 6:00 p.m. |

28.03 For all hours worked outside daytime hours a shift differential of one dollar (\$1.00) per hour shall be paid in addition to the straight time or overtime pay. If the majority of the shift is worked outside of daytime hours, then the whole shift will be paid at the higher rate of pay.

ARTICLE 29 – OVERTIME

29.01 Except for Display Sales Representatives, all work in excess of seven and one half (7 1/2) hours in any one (1) working day must be paid for at time and one half the regular rate of pay. At the employee's choice, overtime can be taken in cash or in time off. The choice must be made by the Friday of the week in which overtime is worked. The Company will provide a list of all outstanding time under this section on January 15 of the year following. All unused time must be taken by the end of February.

29.02 For Display Sales Representatives, all work in excess of seven and one-half (7 1/5) hours in any one (1) working day will be taken in time off at the regular rate of pay. Overtime to be recorded on daily call sheets and authorized by the Employer.

29.03 All work in excess of the standard five-day week shall be paid for at the overtime rate of pay.

ARTICLE 30 – LUNCH/COFFEE/DINNER TIME

30.01 A lunch period of at least 30 minutes and not more than one (1) hour shall be allowed for each shift, such time not to be included in the number of hours specified for a day's work.

30.02 The lunch period shall not be more than 4 1/2 hours or less than 3 hours from the commencement of the shift.

30.03 A fifteen (15) minute paid break will be allowed in the first and second half of each full shift.

ARTICLE 31 – TURNAROUND/SWING

31.01 Where less than 9 hours have elapsed between regularly scheduled shifts, overtime rates of pay will be paid for all hours worked within the 9 hour turnaround period.

31.02 The newest hire shall work permanent weekend work (after the probationary period) when such work is required.

In the event that the employee is not fully competent at the completion of their probationary period the appropriate department head will confer with the local union representative to determine a course of action.

31.03 A day’s work cannot be split into more than two work periods.

ARTICLE 32 – SPLIT SHIFTS

32.01 Employees will not be required to work more than two split shifts per week.

32.02 There shall be no more than one split shift per day.

ARTICLE 33 – SHIFT CHANGES

33.01 Every effort shall be made to give an employee 24 hours’ notice of a change in starting time or, on the previous day, if they will be required to work a split shift.

ARTICLE 34 – CALL BACK

34.01 Employees shall receive five dollars (\$5) call back pay plus a minimum of two hours pay at overtime rates if required to return to work after their regular shift has ended.

ARTICLE 35 – WORKING AT HIGHER CLASSIFICATIONS

35.01 An employee performing a higher classification job shall receive the rate for the higher classification work while so employed.

35.02 No employee shall receive a reduction in salary when temporarily assigned to a lower classification.

ARTICLE 36 – VEHICLE ALLOWANCES/EXPENSES

36.01 Upon submission of expense reports in the prescribed form and properly supported by vouchers, where obtainable, the Employer shall pay all authorized expenses incurred by the employee in the service of the Employer.

36.02 Employees shall be compensated for the use of an automobile authorized by the Employer at the rate according to the grid below of 29 cents per kilometre driven while on work related business but at no time will the mileage rate fall below 29 cents per kilometre.

| Fuel Price Range/Litre | Rate per Km. |
|------------------------|--------------|
| 95-99.9 | \$0.2900 |
| 1.00-1.04.9 | \$0.295 |
| 105-109.9 | \$0.30 |
| 110-114.9 | \$0.305 |
| 115-119.9 | \$0.31 |
| etc. | |

When gasoline prices change, the posted price will be checked on the first Tuesday of each month. If prices vary between stations, an average will be taken between three gas stations in the immediate vicinity of the Penticton Herald as agreed to by local Union and Company representative. This price will prevail for the entire month.

36.03 Employees shall fill out and submit a mileage report to the appropriate department manager no less than one time per month and

no more than two times per month. Expense re-imbusement by the Company shall be made in a timely fashion.

36.04 Employees hired in the following positions acknowledge that having a suitable vehicle with unlimited access to said vehicle is a condition of employment for all employees in the following classifications: Circulation District Manager, Reporters, Photographers, Display Advertising Sales Reps. In the event of a vehicle breakdown, it is agreed that there will be a 60-day period for the employee to find other suitable transportation.

36.05 In no case is the Employer obligated to provide any vehicles for employee use.

ARTICLE 37 – PHOTOGRAPHY

37.01 The Employer will reimburse up to \$500 annually to each photographer for reasonable repairs and maintenance costs of personal photographic equipment required by the company for use on the job.

ARTICLE 38 – TECHNOLOGICAL CHANGE

38.01 In the event of the introduction of any new equipment, machinery or process which replaces or is a substitute for, or evolution of, present equipment, machinery or processes, employees covered by this agreement will perform all work regardless of where the work is to be performed. In the event retraining of employees is required, the Employer agrees to give the Union at least four (4) months advance notice of such introduction and further agrees to provide employees with adequate equipment and an opportunity to become proficient on all such equipment, machinery or processes; provided, however, the Employer need not train more than may be required to meet the needs of the operation; provided further, other members may train on their own time.

The Employer agrees that if it becomes necessary to terminate the employment of any member due to technological change, said displaced member shall receive a lump sum payment equal to one week's salary for each year of service to a maximum of thirty-five (35) years with a minimum of \$14,000 in addition to all other credits

ARTICLE 39 – HIRING AND PROMOTION

39.01 No employee shall in any way be penalized for refusing to accept a promotion or transfer.

39.02 The Management agrees to recognize and carry out in practice, whenever feasible and in its best interest the principle of promotion of staff members. An employee who is promoted to another occupation will be given a three-month probationary period in the new occupation. If either Management or the employee conclude the employee is unsuitable for the occupation, the employee shall be returned to the former occupation.

ARTICLE 40 – PART TIME AND TEMPORARY EMPLOYEES

40.01 A part-time employee is one who is hired to work regularly less than 75 per cent of the work week provided for in this agreement. A temporary employee is one employed for a special project or for a specified time, in either case not to exceed six (6) months except for maternity/paternity relief, which may be 12 months. The Union shall be notified in writing as to the nature of such project or its duration.

40.02 Part-time and temporary employees shall not be employed where, in effect, such employment would substitute for (except for employees on sick leave, vacation or written leave of absence), eliminate or displace a regular or full-time employee.

40.03 Part-time employees shall be paid on an hourly basis equivalent to the weekly minimum salary provided for their classification and experience.

40.04 Part-time employees shall be given first opportunity to apply for full-time positions.

40.05 Part-time and temporary employees shall be on probation for ninety (90) shifts.

ARTICLE 41 – USE OF MATERIAL

41.01 On the basis of the rates of compensation established in this agreement the Employer has the full right to use and/or re-use, in any manner, form or medium that the Employer chooses, all material produced by the employees during their working hours with the Penticton Herald.

ARTICLE 42 – MISCELLANEOUS

42.01 It is agreed that subsections (2) and (3) of Section 50 of the Labour Relations Code of British Columbia shall be inoperative and shall not be applicable to this agreement.

ARTICLE 43 – EMPLOYMENT STANDARDS

43.01 The provisions of the B.C. Employment Standards Act regarding minimum standards will apply.

ARTICLE 44 – TRANSFERS

44.01 Any employee transferring to a new position shall retain the same anniversary date and seniority as they held previously for service credit purposes.

ARTICLE 45 – DUES CHECK-OFF

45.01 The Company shall honour a dues checkoff authorization in favour of the Union executed by any employee in accordance with the provisions of applicable labour legislation of British Columbia.

Assignment and Authorization to Check-off Communications,
Energy and Paperworkers Union of Canada, Local 2000 Dues

To:

I hereby assign to the Communications, Energy and Paperworkers Union of Canada, Local 2000 and authorize you to deduct from any earnings as your employee, an amount equal to all union dues levied against me by the Union for each dues month following the date of this assignment. I hereby authorize and request you to remit monthly the amount deducted to the Communications, Energy and Paperworkers Union of Canada, Local 2000.

Employee's Signature.....

Date.....

IN WITNESS WHEREOF, we have hereunto set our hands

this.....day of.....,

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For the Employer

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For the Union

**LETTER OF AGREEMENT NO. 1
ENHANCED SEVERANCE, FRONT OFFICE**

The following is to address the direct results of the consolidation of operations and/or the planned introduction of the new Macintosh based front end system, the PBS circulation and advertising system, the C-Text classified system and the Oracle financial system, announced on August 15, 1994.

1. Employees who have been laid off or who will be as a direct result of the consolidation of operations and/or the planned introduction of the new Macintosh based front end system, the PBS circulation and advertising system, the C-Text classified system and the Oracle financial system, announced on August 15, 1994, will be entitled to Enhanced Severance in lieu of any severance payments they would otherwise be entitled to under the collective agreement, as outlined herein:

Employees whose AGE plus SERVICE is equal to 75 on, or within six months following, the date of layoff, or who have more than 26 years of service on, or within six months following, the date of layoff; will receive 93 week's pay at their current rate PLUS the Employer will continue to make its regular contributions to the benefit (except for weekly indemnity and LTD) and pension plans for 93 weeks or the employee may elect to receive \$5,000 in lieu thereof.

For employees whose AGE plus SERVICE is less than 75 within six months following the date of layoff; or who have 26 or less years of service within six months following the date of layoff; the Employer will continue to make its regular contributions to the benefit (except for weekly indemnity and LTD) and pension plans for 52 weeks or the employee may elect to receive \$3,000 in lieu thereof PLUS they will be entitled to Enhanced Severance payments based on their length of service as follows:

| | |
|----------------------------|-----------------|
| 26 years of service: | 91 week's pay |
| 25 years of service: | 87.5 week's pay |
| 24 years of service: | 84 week's pay |
| 23 years of service: | 80.5 week's pay |
| 22 years of service: | 77 week's pay |
| 21 years of service: | 73.5 week's pay |
| 20 years of service: | 70 week's pay |
| 19 years of service: | 66.5 week's pay |
| 18 years of service: | 63 week's pay |
| 17 years of service: | 59.5 week's pay |
| 16 years of service: | 56 week's pay |
| 15 years of service: | 52.5 week's pay |
| 14 years of service: | 49 week's pay |
| 13 years of service: | 45.5 week's pay |
| 12 years of service: | 42 week's pay |
| 11 years of service: | 38.5 week's pay |
| 10 years of service: | 35 week's pay |
| 9 years of service: | 32 week's pay |
| 8 years of service: | 29 week's pay |
| 7 years of service: | 26 week's pay |
| 6 years of service: | 23.3 week's pay |
| Less than 6 years service: | \$17,000 |

In the application of this schedule, no regular full-time employee shall receive less than \$17,000.

2. Employees entitled to Enhanced Severance as described above, whose service falls between whole years will have their severance payments prorated.

3. Service shall include all time worked as a regular full-time employee at The Penticton Herald.

4. The rate of pay for calculation of Enhanced Severance, will be the weekly rate of pay being received by the eligible employee at the date of layoff.

Dated this.....day of.....,

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For the Employer

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For the Union

**LETTER OF AGREEMENT No. 2
RESTRUCTURING OF THE PENTICTON HERALD**

In the event of either a closure or restructuring, as per the definition of Section 54 of the Labour Code, of the Penticton Herald resulting in loss of employment for employees, the Employer agrees to give first right of refusal jobs available at the Kelowna Daily Courier in the employees' department. The Employer further agrees that said employees have a one year period to such employment. Where an employee who has accepted severance pay, then wishes to claim employment under this letter of agreement, Articles 7.02 (b) and 7.03 shall apply, as if they were under recall. However, this in no way disqualifies said employees from accepting the severance under their collective agreement. In the event an employee at the Daily Courier is laid off, the first right of refusal belongs to the most senior employee from either Kelowna or Penticton. The above applies only to employees of record at the date of ratification.

Dated this.....day of.....,

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For the Employer

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For the Union

**LETTER OF AGREEMENT #3
Advertising Commission Plan**

Proposed Sales Commission Plan with the following changes:
The plan will be implemented on a 12-month trial period, during which time the sales reps will be guaranteed their pay rate according to the grid in the collective agreement, with whatever general percentage and cents per hour increases are negotiated for the rest of the shop.

A joint union-management team made up of two people for each side will meet during the one year trial period to work out any amendments to the employer proposed commission rates, language or processes that will be required to form the document that will be voted on, by the Sales Representatives only, at the end of the 12 month period.

The Employer proposal will apply until the vote, unless the parties mutually agree otherwise. If the parties cannot agree on a document to be voted on, the employer will form the voting document.

All new advertising sales representatives will be hired under the same conditions as existing sales representatives. That is, they will go on the pay grid and be part of the trial.

IMPLEMENTATION DATE: December 1, 2008

Includes: All display advertising sales representatives

Excludes: All Telemarketing/Inside sales positions and All Classified Sales positions/National Sales

EASE-INTO-PLAN starting December 1, 2008 for the next 12 months. All reps will be structured on their salary grid effective June 5, 2008 and this will deem their guaranteed salary for the forthcoming 12 month period.

- If the monthly commission for the month comes in at more than what the base salary equals then the salesperson is paid the additional commission balance. To be paid on the second pay period of the following month.

i.e. Monthly sales

Target \$30,000 – Actual sales sold that month were \$40,000 the approximate commission would be \$5,600. If the regular monthly salary is \$4,000, the salesperson will make \$1,600 more that month.

- If the commission for the month is less than the base salary the salesperson will still be paid the entire base salary.

i.e. Actual sales sold that month were \$20,000 the approx. commission would be \$2,800. If the salespersons' regular monthly salary is \$4,000 they will still earn the \$4,000.

Ease-into Year – Commission Structure starting December 1, 2008
The Penticton Herald – Display Advertising Sales Representatives:

- Rep will be paid the same pay either as structured on their salary grid effective June 5, 2008 or commission, whichever is greater and established as follows:
- 14% commission paid on Local ROP, Preprints and selected National accounts as determined by management in all publications
- 8% commission on Real Estate Today publication
- 3% commission paid on display classified advertising sold and booked by the salesperson

December 1, 2009 COMMISSION REMUNERATION PLAN as agreed by management and sales department or the above plan and voted on by sales department or the effective salary grid.

SALES LISTS

The company retains the right to manage these sales lists to maintain the integrity of the business. The company has the ability to assign to any rep any new client over \$5,000 per year or over in revenue regardless of geographical location.

CREDIT & CHARGE BACK POLICY

The Okanagan Valley Newspaper Group credit policy must be strictly adhered to. Any unauthorized deviation from this policy will result in the revenue amount from that account to be charged back against gross revenues for that payroll period. All revenue credits issued to accounts will be charged back to the salesperson except in cases where it is deemed out of the salesperson's control. All credits will be reviewed at the end of each month by the Advertising Manager, General Manager and/or Publisher. A copy of the credit will be returned to the salesperson indicating the amount of the charge back. Only the Publisher or Director of Finance may authorize extended credit or reinstatement of credit privileges. Any revision to the credit policy will come from the Publisher's office with 10 days written notice of those changes. If a dispute arises between a client and the sales rep, charge backs will be given to the rep if no proof has been signed off by the client.

NEW ACCOUNTS

New accounts, customers at the counter or on the phone will be distributed in a fair and equitable manner as outlined in the Account Assignment Policy Memo dated Dec 1, 2008.

While the company retains the right to increase the number of sales staff as needed to serve customer's needs, it will make every effort to ensure that the sales team's annual earnings continue to grow and the company will not dilute the sales team through excessive additional hires.

VACATION/SICK PAY

Sales reps will be paid commission on any ads on their sales lists that run while they are away on vacation plus 2% of the previous year's earnings for each week of vacation, paid when they take vacation.

Dated this.....day of.....,

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For the Employer

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For the Union

**LETTER OF AGREEMENT #4
VACATION SICK LEAVE PROTOCOL**

The Parties agree that Article 19.02 shall be administered in accordance with this Vacation Credit Protocol, the terms and conditions of which are as follows:

Employees seeking to avail themselves of the vacation credit shall be required to contact their immediate supervisor or, alternatively, the Publisher or VP of Operations, within two (2) business days of their return to the workplace or they will waive any claim to vacation credit under Article 19.02;

Such employees will also be required to submit a doctor's certificate (in the same form and manner as described in Article 21, Sick Leave) to the management person and within the time period identified in (a), above, that describes that they were suffering from a personal illness during the period of their vacation. Failure to furnish said doctor's certificate in the manner and within the time frame required will be considered a waiver of any claim by the employee to vacation credit under Article 19.02;

If the Employer is satisfied that the doctor's certificate establishes that the employee suffered from a personal illness during the course of the employee's vacation that would have a significant impact on the employee's ability to enjoy his or her vacation, the Employer shall credit the employee's vacation bank by the number of days the employee suffered from the personal illness during the vacation period. For the purposes of clarity, the vacation credit does not result in a corresponding depletion in the sick leave bank of an employee;

If the Employer can establish that it has "reasonable grounds" to challenge the conclusion of the employee's doctor's certificate, then in order for the employee to successfully claim the vacation credit, he/she will be required to attend before an independent doctor for an Independent Medical Examination ("IME"). The IME will be performed by a doctor mutually agreed to by the Employer and the Union. If the IME refutes the conclusion of the employee's doctor that he/she suffered from a personal illness during the vacation period, then that finding will be grievable. The costs of the IME shall be borne by the Employer;

The Union shall be entitled to grieve both the "reasonable grounds" raised by the Employer and any negative IME conclusions that would result in a denial of vacation credit to a employee under (d), above,.

The Union and the Employer agree that an illness that would otherwise prevent an employee from attending to his/her work in the bargaining unit may not necessarily constitute a personal illness for the purposes of claiming vacation credit under Article 19.02.

The aforementioned terms of the Vacation Credit Protocol shall continue in force and effect unless and until they are modified or extinguished by mutual agreement between the Employer and the Union.

Dated this.....day of.....,

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For the Employer

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For the Union

**LETTER OF AGREEMENT #5
SIGNING BONUS**

All employees employed as of the date of ratification shall receive a signing bonus of \$125, pro-rated for part-time employees based on the average number of hours worked in the three months prior to date of ratification.

Dated this.....day of.....,

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For the Employer

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For the Union