

WESTFAIR FOODS LTD.

TO: Gib Whitlock
U.F.C.W., Local 777

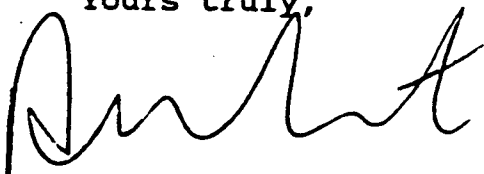
Re: LETTER OF UNDERSTANDING
to Collective Agreement
Between Westfair Foods Ltd.
and U.F.C.W., Local 777

This letter will confirm our complete understanding and agreement that in the renewal of the 1989-1993 Collective Agreement:

1. Articles 36 and 41 are a replacement of either parties rights to strike, lockout or otherwise attempt to terminate the Collective Agreement.
2. That application of wage increases both during the 1993-1997 Collective Agreement and the renewal of the 1989-1993 Collective Agreement for the period 1993-1997 shall be governed by the Memorandum of Agreement.
3. The arbitrator who is appointed to settle the 1993-1997 Collective Agreement has no jurisdiction to expose F.O.S. or other binding arbitration mechanism into that Collective Agreement as the method of settling the terms and conditions of a Collective Agreement after the 1993-1997 Collective Agreement. Any such method or mechanism can only be inserted in the 1993-1997 Collective Agreement by mutual consent of the parties thereto.

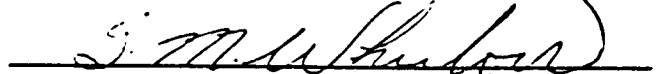
Please indicate your Union's agreement with the above by signing and returning this to me.

Yours truly,



Andrew W. Smith
for WESTFAIR FOODS LTD.

ACCEPTED AND AGREED BY:
U.F.C.W., Local 777
Per:



MEMORANDUM OF AGREEMENT

BETWEEN:

Westfair Foods Ltd.

AND:

UFCW Local 777

KNOW AS:

"The Parties"

Whereas: the parties have entered into Collective Bargaining for the purposes of renewing the 1989-1993 Collective Agreement, the following amendments have been agreed to, and it has been further agreed that such amendments as listed in this Memorandum of Agreement will and do form part of the 1993-1997 Collective Agreement between the parties and as such are the final amendments to any and all provisions in the Collective Agreement which could reasonably be held to fall under the eleven general headings listed in Article 41 of 1989-1993 Collective Agreement between the parties.

[Handwritten signature]
AWJ

Item 1:

ratios of hours worked by full-time employees compared to hours worked by part-time employees or ratios of numbers of full-time employees to numbers of part-time employees or numbers of full-time employees;

Shall be amended to provide that the average number of full-time positions for the period 1989-1993 shall not be decreased for the period 1993-1997.

Item 2:

scope of the bargaining unit, including the exclusions from the bargaining unit;

Shall be amended to clarify duties of the second supervisor so that while the scope and degree of authority of the second supervisor shall be similar to that of the "first" or original supervisor; the subject of his or her authority may be different for example there may be a night shift second Meat Supervisor or a Service and Sales second Bakery Supervisor as opposed to the production Bakery Supervisor.

Item 3:

departments and departmental scheduling, including any changes to scheduling guarantees;

Article 31:16 shall be amended as follows: "The Company must give 30 days notice of the establishment of a new department during which time the Company will be available to meet with the Union to fully acquaint its representatives of the factors surrounding the creation of said new department".

Item 4:

number and duties of Departmental Assistants;

A provision shall be made such that the parties are obligated to meet on an ongoing basis to review the Departmental Assistant program.

Item 5:

management's rights;

This provision shall become Article 4 and all other Articles shall be renumbered.

Item 6:

scheduling and call-ins on a weekly basis;

Article 31:11 shall be deleted and replaced with: "In the event hours of work are available to be worked which have not been assigned on the weekly schedule such hours of work may be given to an employee or employees in the classification in the department providing that the weekly aggregate of such call-in hours and scheduled hours for any one employee at the end of the week is consistent with the seniority and availability of the other employees in the department".

B. McW *AWJ*

Item 7:

declarations of availability;

The declaration of availability at Article 31:13 shall be amended to provide in the final paragraph this additional clause: "... and the first (1st) Sunday in September instead of the third (3rd) Sunday in September".

Item 8:

Sunday provisions;

Article 10:2 Sunday premium shall be amended to provide for the cents per hour (c/hr) increase put on the comparable industry Sunday premium.

Item 9:

- 1) in the event a lump sum payment is provided in lieu of a wage increase, the parties agree that part-time employees shall receive lump sum payments on a pro rata basis using the following schedule:

over 30 hours - 100% of the amount
18-29 hours - 66% of the amount
12-17 hours - 33 % of the amount
0-11 hours - 17% based on the average hours over the previous
13 week period

- ii) a) Any wage increase shall be applied to all of the employees in the classifications on the payroll on the date the increase is applicable.

b) If the above increase places an employee on an off rate, the employee shall remain at the off scale rate until his service takes him to the next higher rate in the scale.

c) The progression scales in the collective agreement shall be amended to provide one hundred percent (100%) of the wage increase being applied to the top rate, zero percent (0%) being applied to the start rate and the steps in the progression shall be pro-rated.

Amend item 9 (ii) (c) so that an increase is paid on all the steps in the scales by taking the amount that would otherwise be added to the second from the bottom scale, dividing it in half and placing the resulting fraction on the bottom scale and the second from bottom scale. For example, if the "100% on the top, 0% on the bottom, pro-rated in between" formula yielded ten cents to be added to the second from the bottom scale that ten cents would not be added to the second from the bottom scale but would be halved and five cents would go to the second from bottom scale and five cents would go on the bottom scale.

Item 10:

All top rate increases in the Agreement or to top rated employees shall be the same.

This item shall remain unchanged.

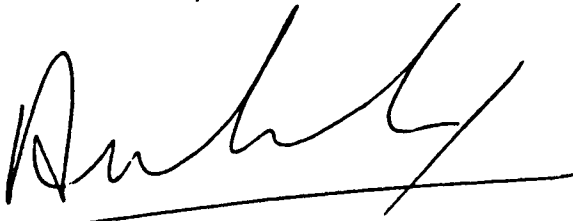
B.M.W. *A.W.F.*


Item 11:

The terms of the next collective agreement which shall be for a period of four (4) years.

This item shall remain unchanged.

Signed this 6TH day of June 1989


KOR WESTFAIR FOODS Ltd


FOR UFCW Local 777

S. M. M.
AUG

Memorandum of Agreement ^{AWFS}

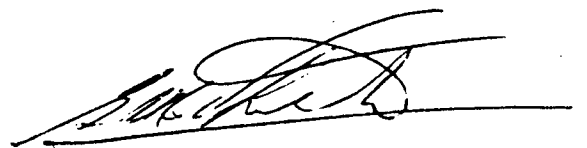
I am pleased to inform you that Westfair Foods Ltd. is prepared to amend all but two of the eleven elements listed in Article 41 of our Collective Agreement. These amendments are subject to the following conditions:

1. That the amendments are binding on both Parties and shall constitute the final language amendments on the elements they address.
2. Should ratification of these amendments be required by any applicable law or by law and be subsequently withheld or otherwise rejected then all provisions of the Collective Agreement covered in the eleven elements referred to in Article 41 shall remain unchanged and shall constitute the language of the renewed Collective Agreement and these elements for the period 1993 to 1997.

Signed this 6TH day of June 1989 ^{AWFS}



FOR WESTFAIR FOODS Ltd.



FOR UFCW local 777



Westfair Foods Ltd.

P.O. BOX 808, WINNIPEG, MANITOBA R3C 2P1

June 5, 1989.

Mr. Gilbert Whitlock,
President,
U.F.C.W., Local No. 777,
United Food and Commercial
Workers (AFL-CIO-CLC).

Dear Gib:

In the interest of harmony between the parties and
the communities they serve, Westfair Foods agrees
that the final two paragraphs of Article 41 are
without force or effect.

Yours truly,

Andrew W. Smith
for Westfair Foods Ltd.