COLLECTIVE AGREEMENT

BETWEEN

Heaven Hill Distilling Canada Inc.
Lethbridge, Alberta

(hereinafter referred to as the “Company”)

AND

UNITED FOOD AND COMMERCIAL WORKERS
CANADA UNION, LOCAL No. 401

(hereinafter referred to as the “Union”)

Renewal: ***June 9th, 2030***

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Article 1 – Preamble

1.01 This ***A***greement is entered into for the purpose of promoting and continuing the good relationship between the Company and its employees represented by the Union; to ensure prompt and equitable disposition of grievances, and to establish terms or conditions of employment, rates of pay, and hours of work.

1.02 The Company agrees to comply with all applicable Provincial and Federal legislation.

1.03 The Department's mentioned throughout this ***A***greement are understood to be:

- Distillery
- Maintenance
- Blending/Maturing/Bulk Shipping

Article 2 – Union Recognition

2.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all employees of the Company at its Lethbridge plant save and except Supervisors, persons above the rank of Supervisors, office staff, laboratory technicians, administrative office cleaners, and security guards.

2.02 Management personnel shall not perform any work that is normally done by the employees in the Bargaining Unit except for the purpose of training, commissioning of equipment, in case of emergency, ***or if any trained and competent hourly worker is unavailable to perform work required to prevent operations from stopping or shipments from departing. The Company will keep a record of all steps taken to fill***

this role and provide to the Union upon request. A case shall be an emergency if action by supervisory personnel is necessary to avoid or eliminate a dangerous condition or to avoid loss or damage to the Company's property, equipment, or product.

Article 3 – Union Security and Check Off

3.01 Only members of the Union in good standing shall be employed by the Company. Upon commencing employment, the Company shall require all employees to complete a membership application form and remit same to the Union with regular dues plus the established initiation fee on or before the fifteenth (15th) day of the following month.

3.02 The Company agrees to deduct from the wages of each employee, such initiation fees, assessments, and Union dues as authorized by the Union. The parties agree that should the Union require a dues structure that creates a new administrative process for the Company, the parties will meet to discuss and resolve. The amount of dues paid by each employee will be included on the ***T4*** document. Uniform special assessments will also be deducted from the employees' pay upon proper notification from the Union. Notice must be forwarded to the Company thirty (30) calendar days before any change is to become effective.

3.03 Monies deducted during any month shall be forwarded by the Company to the Union not later than the fifteenth (15th) day of the following month and accompanied by a written statement of the names of the employees for whom the deductions were made, total hours for each week, and the amount of each deduction separated by dues and other assessments.

Dues are to be submitted on a four (4) or five (5) week accounting period.

The above dues and initiation fees shall be submitted electronically in a manner acceptable to both parties.

3.04 There shall be no coercion, restraint, or discrimination by the Company against any members of the Union because of membership therein, or the carrying on of any "UNION ACTIVITY".

3.05 The Company shall be responsible for any errors or omissions in the deduction of Union dues. No employee shall be responsible to remit Union dues or assessments which were the error of the Company.

3.06 <u>Education and Training Fund</u>

The Company agrees to make a contribution of five hundred ($500.00) dollars annually, paid at the beginning of each calendar year, to the United Food and Commercial Workers Canada Union, Local No. 401 Education and Training Fund.

3.07 <u>Sharing of Information</u>

Upon ratification, the Company will supply a report to the Union containing the following information on an Excel spreadsheet or similar, monthly:

- ***Name in Full;***
- ***Employee Number;***
- ***Status (Full-time, Part-time, Active, Inactive);***
- ***Classification;***

- ***Current Rate of Pay;***
- ***Date of Hire;***
- ***Union Seniority Date (if different);***
- ***Mailing Address;***
- ***Email Address;***
- ***All Known Phone Numbers.***

Article 4 – Union Activity

4.01 After first notifying and receiving permission from the Plant Manager, an official of the United Food and Commercial Workers Canada Union, Local No. 401 shall be permitted to enter the plant or Company premises in order to carry out legitimate Union business in an area designated by Management. There shall be no interference with the operation of production by any such Union official or other Union Representative.

4.02 The Union will provide ***up to three (3)*** lockable bulletin boards which will be installed by the Company in ***up to three (3)*** conspicuous, mutually agreed locations in the plant. The Union Representative only will have a key, but it is understood that only Union sanctioned materials shall be posted. The bulletin board is for Union information only. The Union will be responsible for the maintenance and the repair of the bulletin board.

4.03 No individual employee or group of employees shall undertake to represent the Union at meetings with the Company without proper authorization of the Union. In order that this may be carried out, the Union will supply the Company with the names of its officers, Union Stewards and

authorized committee members, and every amendment thereto.

4.04 The Company agrees to recognize Union Shop Stewards and the Union Grievance Committee consisting of the Shop Steward concerned and any two (2) other employees of the Union Executive who are employees of the Company. At the appropriate step and subject to the grievance procedure contained in Article 13, they may, at the request of an employee, accompany the employee or represent the employee in the processing of a grievance. When it becomes necessary for them to leave their jobs for this purpose they shall give their appropriate Supervisor as much advance notice as possible. Arrangements will be made by the Supervisor to permit them to leave their jobs for this purpose as soon as reasonably possible. There shall be no loss of regular earnings up to and including, but not beyond, Step 3. Such time off shall be granted only upon the approval of the Department Head or authorized alternate, which approval shall not be unreasonably withheld.

4.05 When an employee is being formally interviewed where a discipline memorandum will be placed in their file, they will be granted five (5) minutes prior to the interview to discuss the matter with a representative of the Union. This will not apply to annual reviews and/or ongoing coaching / counseling with the employee.

4.06 Union Orientation

At the end of a new employee orientation session the Shop Steward or Union Representative will be allowed ***thirty (30)*** minutes of paid time to address new employees.

Article 5 – Management Functions

5.01 The Union recognizes the Company retains all the customary rights, responsibilities, functions, and prerogatives of Management, the management and control of the Company's business, and the direction and control of the Company's workforce, subject only to the limitations contained in this Agreement. Without otherwise restricting the generality of the foregoing, the Company may only discipline or discharge for just cause and, where an Arbitrator determines an employee has been disciplined or discharged without just cause, the Arbitrator may reinstate the employee with or without benefits and/or compensation, subject to the duty of the employee to mitigate their loss.

Article 6 – No Discrimination/Harassment

6.01 No Discrimination

Neither the Company nor the Union will discriminate against any employee or applicant for employment because of race, colour, sex, sexual orientation, gender, gender identity, gender expression, mental disability, source of income, physical disability, age, religious beliefs, ancestry, place of origin, marital status, or any other ground prohibited by any applicable law.

6.02 No Harassment

Harassment of any employee due to that employee’s race, colour, sex, sexual orientation, gender, gender identity, gender expression, mental disability, source of income, physical disability, age, religious beliefs, ancestry, place of origin, marital status, or any other ground prohibited by any

applicable law is prohibited by this Agreement. Harassment consists of unwelcome conduct whether verbal or physical that is based upon a person's race, colour, sex, sexual orientation, gender, gender identity, gender expression, mental disability, source of income, physical disability, age, religious beliefs, ancestry, place of origin, marital status, or any other ground prohibited by any applicable law.

6.03 No Tolerance for Harassing Conduct

The Company and the Union will not tolerate harassing conduct that interferes with an individual's work performance, or that creates an intimidating, hostile or offensive working environment.

The Union and the Company agree that Articles 6.02 and 6.03 can be read independently.

6.04 The Company recognizes the vital role that employees play in the success of the business. The Company agrees that all employees should be treated with fairness, dignity, and respect in all circumstances. ***In the same spirit, the Union acknowledges that its members are expected to extend the same fairness, dignity, and respect to all Company representatives, including members of Management, in their day-to-day interactions.***

The parties acknowledge that this aligns with the Company's Spirited Commitment Values. The Company reserves the right to amend, revise, or update these values at its sole discretion, and will communicate any such changes to employees in a timely and transparent manner.

Choose Positivity – Work Together to Win – Make an Impact – Act with Integrity – Improve Everyday – Be Authentic

6.05 The Company and the Union will not tolerate retaliatory acts against those who, in good faith, provide information or participate in an investigation or make a complaint against the Company.

Article 7 – Strikes and Lockouts

7.01 In view of the orderly procedure for settling disputes enumerated in Article 13, the Company shall not engage in any lockout, and the Union and its members shall not engage in any strike during this Agreement or extension thereof.

Article 8 – Probationary Period

8.01 New employees (this does not include ***s***upplementary) shall be on probation until they have been employed for forty-five (45) accumulative working days during a three (3) month period. During such probationary period, they shall not be entitled to seniority. At the end of the probationary period, an employee shall be entered on the seniority lists for regular employees, and their seniority shall be effective from their date of hire.

At any time during the probationary period, a probationary employee may be terminated and such termination shall not be subject in any manner to the grievance or arbitration procedure unless termination is for cause.

The termination of a probationary employee shall not be the subject of a grievance, but the Company will have a Shop Steward or Union Representative present. When a probationary employee is terminated, they will be provided with a letter of termination.

Article 9 – Seniority

9.01 Seniority shall be defined as an employee's length of service with the Company. Once an employee has completed their probationary period, their seniority shall commence and shall be calculated from their date of hire. Seniority shall continue to accumulate unless there is a break in service not covered by this Agreement.

9.02 Seniority shall be only expressed on a plant wide basis.

9.03 An employee shall lose their seniority or job rights for any of the following reasons:

(a) ***I***f an employee is discharged for any just cause;

(b) ***I***f an employee voluntarily leaves the employ of the Company;

(c) ***A***ny layoff exceeding length of service to a maximum of twelve (12) months duration;

(d) ***F***ailure to report to work as required by the General Recall Procedure;

(e) ***I***f an employee is unduly absent from work for more than three (3) scheduled working days without notice to the Company, unless the employee can provide a

reasonable explanation that such notice was impossible;

(f) If an employee fails to report to work at the termination of a leave of absence;

(g) If an employee fails to return to work from layoff within the time limits outlined in Article 10.06;

(h) If an employee accepts the terms as outlined in Article 10.07.

9.04 The Company, with the approval and co-operation of the Union, shall revise and post as required (quarterly as a minimum) a complete and up to date seniority list.

9.05 In order that employees will be protected during a layoff, their names will remain on the seniority list and seniority will continue to accumulate during continuous non employment resulting from such layoff for a period equal to the seniority the employee has accumulated at the time layoff commenced, to a maximum of twelve (12) months in any case.

9.06 Where several employees are hired on the same date, seniority among that group will be determined by the Company and Union by drawing from the list of names to determine the order of seniority. The first name drawn will hold the highest seniority within the group, the second name drawn will be placed second, and so on.

9.07 Notwithstanding the above, the Company may employ supplementary employees under the following conditions:

(a) To supplement the regular work force on an incidental basis during peak work periods, vacations, short-term illness, leaves of absence, and to facilitate training.

(b) Supplementary employees will not take the place of full-time employees, prevent the creation of full-time jobs, nor will they be used to reduce the bargaining unit.

(c) Supplementary employees shall, as a condition of employment, pay initiation fees as determined by the local Union, and pay Union dues each week or part thereof in all weeks worked thereafter.

(d) A supplementary employee shall not:

1. ***A***ccrue seniority rights (except as below);

2. ***B***e entitled to benefits normally granted other than those required under provincial statutes;

3. ***B***e guaranteed a minimum number of hours of work except as provided in Article 12.14 of the Collective Agreement;

4. ***H***ave recourse to the grievance procedure if laid off due to lack of work.

(e) No more than ***two (2)*** employees will be employed in the plant as supplementary employees.

(f) The actual working time per week for supplementary employees averaged over three (3) months shall not exceed forty (40) hours.

(g) The Company will maintain a list of supplementary employees not exceeding ***four (4)*** for review by the Union upon request.

(h) Supplementary employees will be entitled to:

1. Classifications and wage schedule;
2. Overtime provisions of the Collective Agreement;
3. Safety shoe allowance;
4. Uniforms.

(i) Supplementary employees who work one thousand two hundred (1,200) hours in two (2) calendar years will be given supplementary seniority rights; and

(i) They will be called in on the basis of their seniority within the supplementary group excluding the period from May 1st to August 31st during which time students will be given preference for work available.

(ii) They will move to Classification Table job level 10, subject to provisions of the Basic Starting Rate.

Article 10 – Layoff and Recall Procedures

10.01 It is understood that, in the event of changing conditions or the curtailment of business predicating the necessity of a layoff, probationary and supplemental employees shall be laid off prior to the layoff of regular employees, except where a probationary employee, employed in the following classifications: Process Operators***,*** Relief Power Engineer***s,*** Journeyman ***Millwrights, and Journeyman Electrician/ Instrumentation Technician/Programmers (Dual Ticket)*** as listed under the Classification and Wage Schedule to this

Agreement, cannot be replaced by a regular employee who is qualified and willing to carry out the duties required of that "classification". However, prior to any layoff of regular employees, the Company will discuss the problem with the Union in order that the most equitable method of handling the problem may be determined.

10.02 Seniority shall be recognized and followed for the purpose of affecting any layoff subject to the following conditions:

(a) An employee subject to layoff, but whose seniority makes them eligible to bump into another position in accordance with Article 10.02 of the Collective Agreement, will be provided a ten (10) working day Orientation Period to determine whether the employee is capable and willing to perform the work available for the position. During the ten (10) working day Orientation Period, the employee may be entitled to some instruction, although not “training” as the Collective Agreement may require in other circumstances. The evaluation of whether the employee has demonstrated that they are capable of performing the position, shall be completed during the Orientation Period.

(b) The Company and the Union acknowledge and agree that an employee cannot perform the duties of a position without the appropriate and required forklift license, rail certification, power engineer, or trade ticket.

(c) If an employee is eligible to bump into a position which requires a forklift license, and the employee does not hold a forklift license, the Company will facilitate the employee’s acquisition of that forklift license at the earliest opportunity. Prior to obtaining the required

forklift license, the employee will be provided alternate work in a position for which the employee is qualified and able to perform, without any assistance or orientation, subject to seniority and reasonable operational concerns. If no such alternate work is available, the employee will be laid off temporarily in accordance with the Collective Agreement, subject to obtaining the license.

(d) If an employee is eligible and elects to bump into the Distillery Receiver and Distribution Coordinator position in accordance with the terms of the Collective Agreement, but does not have rail certification, the employee will perform the Orientation Period prior to obtaining the rail certification. If the employee demonstrates that they are capable and willing to perform the work available in the Distillery Receiver and Distribution Coordinator position within the Orientation Period, the Company will facilitate the employee's acquisition of the rail certification at the earliest opportunity following the Orientation Period. Prior to obtaining the rail certification, the employee will be provided alternate work in a position for which the employee is qualified and able to perform, without any assistance or orientation, subject to seniority and reasonable operational concerns. If no such alternate work is available, the employee will be laid off temporarily in accordance with the Collective Agreement, subject to obtaining the license.

(e) At the completion of the Orientation Period, in order to remain in the position the employee must have demonstrated the ability to perform the minimum requirements of the position, without any assistance or further orientation. Without limiting the generality of the

foregoing and except as otherwise stated in this Article, it is a minimum requirement that the employee be able to perform the position in such a manner that the plant is able to continue operating, with no additional resources required, at the speed at which the plant operated prior to the employee receiving notice that they would be subject to layoff, although the employee will not necessarily be expected to perform the position at the same pace as an experienced operator.

(f) An employee subject to layoff who, because of their seniority, is potentially entitled to bump into multiple positions must choose one (1) position in which to perform the Orientation Period. If the employee is not successful in establishing capability for that position during the Orientation Period in accordance with Article 10.02 (e), the employee will not be entitled to an Orientation Period for any other position during that period of layoff. The employee may, however, return to a position that they are qualified for and have previously demonstrated the capability to perform all the duties of, without any assistance or orientation. If the employee desires to return to such a position, the Company will facilitate this, subject to seniority and reasonable operational concerns.

(g) Employees subject to layoff will select the position in which to perform the Orientation Period on the basis of seniority. The process for employees to perform the Orientation Period where two (2) or more employees select to perform the Orientation Period for the same position is as follows:

(i) If two (2) or more employees choose to perform the Orientation Period for the same position, the most

senior employee will perform the Orientation Period first.

(ii) While waiting for the opportunity to perform the Orientation Period, any less senior employee will be provided alternate work in a position for which the employee is qualified and able to perform, without any assistance or orientation, subject to seniority and reasonable operational concerns. If no such alternate work is available, the employee will be laid off in accordance with the Collective Agreement.

(iii) If the most senior employee demonstrates that they are capable of performing the position during the Orientation Period, any less senior employee who selected to attempt to perform the Orientation Period in that position will bump into a position for which the employee is qualified and able to perform, without any assistance or orientation, and for which the employee is eligible to bump into based on seniority, or will be laid off if no such position is available.

(iv) If the most senior employee does not successfully demonstrate that they are capable of performing the position during the Orientation Period, the next most senior employee will receive the opportunity to perform the Orientation Period.

(v) The process described in this Article will be repeated each time the most senior employee does not demonstrate that they were capable of performing the position during the Orientation Period and there remains a less senior employee

who selected to perform the Orientation Period in that position.

10.03 Layoffs of fifteen (15) working days or less shall be considered a temporary layoff. In the event of a temporary layoff, Article ***10.02*** shall not apply. Employees facing a temporary layoff shall be entitled to displace the junior employee in the plant if the senior employee is qualified to perform that position. In such an event that employee shall maintain their rate of pay for the period of temporary assignment.

10.04 In recalling regular employees laid off due to a lack of work, recall will be in the reverse order of layoff, provided the employee holds an appropriate trade ticket or Power Engineer Certificate for the position, and is capable and willing to perform the work available.

10.05 Temporary or Emergency Recall Procedure

During a layoff the procedure for recall for work of ten (10) working days or less will be as follows: Employees shall be notified by telephone in order of seniority providing they hold an appropriate trade ticket or Power Engineer Certificate for the position, and are qualified and willing to perform the work available. If an employee is not qualified and willing to work on jobs of a temporary or emergency nature, the employee shall not lose their recall or seniority rights.

10.06 General Recall Procedure

The employee being recalled (except for purposes of a temporary or emergency nature) shall receive notice of recall by registered mail to the employee's last known residential address. It is the responsibility of the employee to notify the Company of any change in residential address and telephone

number. The employee shall notify the Company of their intention to return to work within three (3) days and shall return to work within seven (7) days from the date on which the registered letter was forwarded.

10.07 Employees placed on permanent layoff (this does not apply when an employee is reduced in classification through the layoff procedure) will be eligible for ***two*** (***2***) weeks severance pay for each full year of service payable at the employee's last basic pay rate. If an employee wishes to claim their severance pay they must notify the Company in writing within twelve (12) calendar months from their official layoff date that they waive their recall rights as outlined in Articles 9.01 and 9.05 and accepts their severance pay as of that date.

Article 11 – Promotions, Transfers, and Job Postings

11.01 Opportunities for promotions and transfers will be posted on the plant Bulletin Board for five (5) consecutive working days, soliciting the names of employees who wish to fill such positions, outlining generally the nature and condition of the position. This posting will also be emailed to all employees to the last known email address provided to the Company. It is the employee's responsibility to keep the Company updated on their personal email addresses.

In the event that the Company creates a new classification, the Union shall be given notice and the wages of such job shall be negotiated with the Union before posting. If a satisfactory settlement is not reached within one (1) week of the notice, the posting shall be made with wages set by the Company, but the posting shall contain the statement, "the final settlement of wages is being negotiated".

11.02 When there is an opportunity for promotion or transfer to any job, or where an employee may learn or qualify for another job, these changes will be made on an evaluation of the employee's ability and qualifications, and where two (2) or more persons have comparable ability and qualifications, then the choice will be made on the basis of seniority.

11.03 In the event that no employee(s) has the necessary qualifications according to the requirements of the posted position, or that no employee(s) applies for the posted position, then the Company reserves the right to hire or promote from outside the Bargaining Unit.

11.04 Successful applicants will be given a trial period of thirty (30) calendar days, after which time the position will be assigned to them permanently. Should the applicant prove unsatisfactory in the position the employee shall return to their previous position and their rate of pay. All other employees affected shall return to their previous position and rate of pay.

11.05 If an employee is absent during the period when a position is job posted, they may have their name submitted by the Union Steward(s) or Representative and, if they are the successful applicant, all of the provisions of Article 11.04 will apply. The Company will provide the Union Representative with a copy of all job postings prior to posting.

11.06 If an employee is required to transfer temporarily for more than one (1) hour to a higher classified position than their own, they shall be paid at the higher hourly rate for hours actually worked.

11.07 If an employee is required to transfer temporarily to a lower classification than their own, except in the case of layoff or demotion, they shall be paid at their basic rate.

11.08 The Company may, for a period not to exceed one (1) month unless extended by mutual agreement, fill any position temporarily either before posting or until the position has been filled.

11.09 It is mutually agreed between the Company and the Union that experience gained by employees who have been awarded a relief or temporary position will not be a determining factor when awarding the position on a permanent basis.

Article 12 – Hours of Work and Overtime

12.01 The regular work week for day workers shall consist of eight (8) hours per day, five (5) days per week, Monday to Friday inclusive. For payroll purposes, the pay week will be between midnight Saturday and midnight the succeeding Saturday.

12.02 The regular work week for shift workers shall be between midnight Saturday and midnight the succeeding Saturday.

12.03 The Company will post a work schedule for employees on Wednesday of the preceding work week, "advising changes in shift". Changes in the schedule may be made with forty-eight (48) hours notice. Any work performed prior to an employee's scheduled starting time, and any work performed after an employee's scheduled quitting time, shall be paid at the applicable overtime rate.

12.04 The stated number of daily hours of work and/or weekly hours of work is stated solely for the purpose of calculating overtime and shall not be construed as a guarantee of hours of work.

12.05 Overtime work shall be allocated to the most senior full-time employees trained, capable, and willing to do the work

required firstly on a departmental basis and then plant wide. Overtime work shall not be compulsory, provided that ***if*** any ***senior*** employee ***rejects*** overtime work***, the Company may assign such overtime to a junior*** employee who is capable of doing the job.

Employees will not be eligible for overtime if it occurs during their vacation.

12.06 For day employees there shall be a thirty (30) minute unpaid lunch period.

12.07 For continuous shift employees there shall be a thirty (30) minute paid lunch period, during which the employee shall continue all necessary supervision of machinery and maintenance of services.

12.08 There shall be one (1) fifteen (15) minute paid rest period for each four (4) hours worked during an employee's regular shift.

12.09 "Basic Rate" means the rate of the employee's classification as outlined in the Classification Schedule of this Agreement.

12.10 Shift employees who are required to work on a Saturday or Sunday as part of their regular schedule, or who start or finish work on a Saturday or Sunday, shall be paid one and one-half (1 ½ X) times the rate of the job being performed, plus any shift differential that is applicable for hours worked on Saturday or Sunday. Saturday and Sunday overtime rates will not be pyramided with earned overtime in determining the total overtime hours for the work week. For all work in excess of twelve (12) hours per shift***,*** or forty (40) hours in the work week***,*** or on their day off***,*** or for hours worked outside their regular shift, an employee shall be paid one and one half (1 ½ X) times the rate of the job being performed. Two (2X)

times the rate of the job being performed will be paid for all overtime hours worked by an employee in excess of eight (8) hours' overtime in the work week.

12.11 One and one-half (1 ½ X) times the rate of the job being performed will be paid for all hours worked by a day employee on their days off, and for all work in excess of eight (8) hours in the workday or forty (40) hours in the work week, or for hours worked outside of their regular shift schedule. Two (2X) times the rate of the job being performed will be paid for all overtime hours worked by a day employee in excess of eight (8) hours' overtime in the work week.

12.12 One and one-half (1 ½ X) times the rate of the job being performed will be paid for all hours worked by a day employee on a Saturday or Sunday.

12.13 Overtime or premium rates shall not be pyramided on any given day of the work week***;*** if, for example, daily overtime, weekly overtime, or Holiday premium pay occur on the same day, the employee shall receive only one ***(1)*** such if any, be paid two (2X) times the rate of the job being performed of pay for all hours worked by the employee on that day.

12.14 Reporting to Work Pay

All employees reporting to work at the request of the Company and not permitted to work, and employees starting to work and work less than eight (8) hours, shall receive pay at their basic rate for their hours worked, but in no case shall they receive less than four (4) hours' pay at their basic rate unless the failure to give employment shall have been for cause beyond the reasonable control of the Company.

Reporting to Work Pay as expressed in the foregoing does not apply in the case of suspension, a discharge, and illness, other than illness due to a compensable accident under the Workers' Compensation Act.

12.15 Call In

An employee who is called in to do work outside of their regular schedule shall be paid a minimum of four (4) hours' pay at ***two (2X) times the employee's regular rate***. An employee called in shall not be required to perform work other than that specified for the call in and reasonably related thereto.

12.16 No employee shall be laid off during their regular working schedule to equalize any overtime which the employee has worked during the same working week or pay period.

12.17 At its discretion the Company may initiate and maintain continuous work schedules.

12.18 In the case of overtime of one (1) hour or less, there shall not be a stoppage of work for a rest period. There shall be one (1) fifteen (15) minute paid rest period, at the applicable rate, after one (1) hour's overtime and every two (2) hours thereafter.

12.19 The Company's policy will be to issue an electronic funds transfer (EFT) within two (2) business days for any Company caused paycheque error or backpay amount greater than one hundred ($100.00) dollars. To meet the two (2) day timeline, the Company must be notified before 8:00 a.m. or the EFT will be delayed by one (1) additional day. Grievance resolves will be processed on the next paycheque cycle.

Article 13 – Grievance Procedure and Arbitration

13.01 Definition of Grievance

Subject to Article 7, "grievance" means any difference between parties or persons bound by this Collective Agreement, concerning the interpretation, application, operation, or any alleged contravention of this Agreement, including any question as to whether any difference is arbitrable. All grievances shall be dealt with in the manner set out in this Article without slow down or stoppage of work.

13.02 Settling of Grievances

STEP 1: An employee and their Shop Steward may request time to discuss a complaint with the employee's immediate Supervisor. Failing satisfactory settlement, the employee concerned and their Union Steward may submit a grievance in writing to the employee's immediate Supervisor for settlement. Such grievances must be submitted within ***twenty (20)*** working days from the time the grievance became known or should have become known to the employee(s).

13.03 STEP 2: If a satisfactory settlement is not reached within five (5) working days after the grievance was submitted under Step 1, the employee concerned and an officer of the Union may submit the grievance in writing to the head of the department involved.

13.04 STEP 3: If a satisfactory settlement is not reached within five (5) working days after the grievance was submitted under Step 2, the employee concerned and/or an officer of the Union may submit the grievance in writing to the Plant Manager, who shall meet with the Union Representative with a view to settling the grievance.

13.05 STEP 4: If a satisfactory settlement is not reached within seven (7) working days after the grievance was submitted under Step 3; the Union may, on giving ten (10) working days' notice to the Plant Manager of its intention in writing, refer the grievance to Arbitration.

13.06 Replies in Writing

Replies to grievances shall be in writing to the Union Representative, the employee concerned, and the Shop Steward, at all stages of the grievance procedure. Any grievance shall be deemed to have been withdrawn if, after an answer has been given at any step, more than ten (10) working days have elapsed before the grievance is carried to the next step.

13.07 Whenever, pursuant to the provisions of this Agreement a grievance is referred to Arbitration, the Company and the Union shall endeavour to agree to a single arbitrator.

13.08 In the event that the two (2) parties fail to agree upon an Arbitrator, then an application shall be made to Mediation Services for an appointment.

13.09 The Arbitrator shall be constituted in respect only to the particular grievance or grievances which gave rise to the selection and appointment of the Arbitrator.

13.10 In the case of a grievance being referred to Arbitration on a question as to whether a difference is arbitrable, or on a question involving the interpretation, application, operation, or alleged contravention of this Agreement, the decision of the Arbitrator shall be final and binding on the employee(s) concerned, the Company, and the Union.

13.11 The parties shall share equally the cost of the Arbitrator.

13.12 For the purpose of these provisions as expressed in this Article, Saturdays, Sundays, and Holidays are not to be construed as "working days".

13.13 A general grievance affecting two (2) or more employees may be commenced by the Company or the Union within ten (10) "working" days of its occurrence at Step 3, thereafter subject to the time limits herein.

13.14 The time limits herein may be extended by mutual agreement. If a time limit for a reply by the Company is not complied with, the grievance shall automatically proceed to the next step.

Article 14 – Leave of Absence

14.01 An employee wishing a leave of absence, not covered elsewhere in the ***Agreement***, shall apply in writing through their immediate Supervisor, stating the reason for the leave and the period of leave required. Each request will be judged on its own merits, taking into account the cause for the leave and the requirements of the operation. Employees granted leaves of absence will be required to pay Union dues covering the period of leave to Local 401 in advance, and the Company shall remit the same to the Union upon proper written authorization unless otherwise agreed to.

Changes in leaves of absence granted in this ***A***rticle will be made only in the case of emergency.

14.02 The Company agrees to allow time off work with pay for employees selected to attend seminars, Union conventions, Union business, and to attend negotiations. Requests will be

reviewed and granted where practical. The Company will submit an invoice to the Union for reimbursement.

The Union will give the Company two (2) calendar weeks' notice with the exception of special circumstances and negotiations.

Union leave shall be considered as time worked for the calculation of overtime.

Article 15 – General Holidays

15.01 An employee shall receive ***pay equal to the amount of their regularly scheduled shift*** at their basic rate for each of the following Holidays, subject to the provisions set out below:

New Year's Day, Family Day, Good Friday, Easter Monday, Victoria Day, Canada Day, August Civic Holiday, Labour Day, National Truth and Reconciliation Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day.

If a Holiday falls on a Tuesday, it shall be observed on the preceding Monday; if it falls on a Wednesday or Thursday, it shall be observed on Friday; if a Holiday falls on a Saturday or Sunday, it shall be observed on either the previous Friday or the following Monday; except ***National Truth and Reconciliation Day,*** Remembrance Day, Christmas Day, Boxing Day, and New Year's Day Holidays, which shall be observed on the days when they occur, except when they occur on a Saturday or Sunday they shall be observed on the preceding Friday and/or the following Monday, or on another day mutually agreed to.

For employees in continuous operations, the day which the general holiday falls will be the day that it is recognized.

Should the Federal, Provincial, or Municipal government proclaim any additional statutory holiday in the future, it shall be considered to be part of the Collective Agreement.

15.02 In order to qualify for Holiday pay, an employee must have been on the Company's payroll continuously for ten (10) working days prior to the date on which the Holiday falls, and must have worked their entire last scheduled shift prior to and their entire next scheduled shift after such Holiday unless time lost is authorized.

15.03 Where an employee is required to work on one ***(1)*** of the Holidays listed in Article 15.01, they shall, in addition to that Holiday pay, if any, be paid two (2***X***) times the rate of the job being performed for all hours worked by the employee on the day that the Holiday is observed.

15.04 An employee will not receive pay for a Holiday which falls during any period while the employee is on leave of absence or layoff, save and except that if an employee is laid off less than five (5) calendar days prior to any Holiday, they will be eligible for unworked Holiday pay, provided they have worked their last scheduled work day prior to layoff.

Employee(s) on leave of absence in order to perform Union business, shall be entitled to Holiday pay.

15.05 An employee who is recalled subsequent to a layoff and who commences work on the day after the Holiday will not be eligible for Holiday pay, subject to the provisions of Article 15.04.

15.06 An employee who is discharged for cause prior to any Holiday or who is under suspension during the period in which a Holiday occurs is not eligible for Holiday pay.

15.07 When a Holiday is observed on any day which is not an employee's regularly scheduled work day, the Company may pay the employee eight (8) hours' pay at their basic rate or give the employee another day off with eight (8) hours' pay at their basic rate on a day to be mutually agreed upon between the Company and the employee.

Article 16 – Vacations with Pay

16.01 Vacation credits will be earned on the following basis:

(a) It is agreed that the vacation year will remain as current from January 1st to December 31st of the current year and that the employee will earn monthly vacation credits during this period. Credits to be earned from January 1st to December 31st can be exercised effective January 1st of the current year.

(b) After an employee has been employed for two (2) months, the employee shall be entitled to one (1) day's vacation with pay for each month worked, to a maximum of ten (10) days per year.

(c) An employee shall be entitled to a third (3rd) week's vacation with pay after three (3) full years' service; a fourth (4th) week with pay after eight (8) full years of service; a fifth (5th) week with pay after fifteen (15) full years of service; and a sixth (6th) week of pay after twenty (20) full years of service. The third (3rd), fourth (4th), fifth (5th), and sixth (6th) week's vacations shall not

necessarily be consecutive with the two (2) weeks' vacation period, and may be scheduled either individually or collectively at other times by the Company. Vacations cannot be accumulated from calendar year to calendar year.

(d) In the event of special or exceptional vacation planning, two (2) weeks' vacation may be accumulated to be used in the next calendar year following accumulation; providing it is mutually agreeable between the Company and employee with notice given prior to September 30th each year.

(e) In Article 16.01, one (1) day is eight (8) hours and one (1) week forty (40) hours. If an employee takes vacation while on the twelve (12) hour schedule, they will be paid for twelve (12) hours for each day they were scheduled to work and twelve (12) hours will be deducted from their vacation entitlement. Vacations taken during times when the distillery is not on shift operation will be calculated on an eight (8) hour day.

16.02 Vacations may be granted at any time subject to operational requirements. The Company will make a sincere effort to grant vacations at times requested by employees. Vacation requests will be scheduled by department seniority from January 1st to April 1st. The Company will notify employees in writing of approval or denial within fourteen (14) days of the closure of the vacation selection period.

Vacations that are requested after that time frame will be scheduled on a first come first serve basis. The Company will notify employees in writing within seven (7) days of submission except in the case of single day vacation requests.

The Company will not require employees to utilize vacation during dark days or short term shutdowns that are one (1) week or less in length.

Vacation shall be determined to start at the end of the last scheduled shift and run until the start of the next scheduled shift.

The Union acknowledges that employees not associated with a continuous distillery operation will be required to take their vacation during the bottling shutdown period.

16.03 Shutdowns ***may occur at any time in the year; however, the Company will try to schedule most shutdown time*** between June 30th and September 1st with notice of the ***known*** shutdown***s*** being given prior to March 15th. The Company will give notice of jobs available during shutdown ***periods*** thirty (30) days prior to ***the*** shutdown. In the event that two (2) or more employees request vacations at times other than ***these*** shutdown period***s***, and if it is practical to grant such request, then the choice shall be made by seniority.

16.04 If employees have unscheduled vacation entitlement, in excess of one (1) week, after November 1st of each year, the Company will work with the employee to schedule the vacation.

Notwithstanding Article 16.01 (d), the Company will allow employees to reserve one (1) week of vacation to utilize by the end of January 31st.

16.05 Employees who are dismissed for cause or who voluntarily terminate their employment shall be paid ***earned but unused*** vacation credits as earned with reference to Article 16.01. ***If the employee has taken more vacation time than credits***

earned, the excess time will be deducted from their final pay.

16.06 Each "week's vacation with pay" shall be computed at:

(a) Forty (40) hours at the employee's basic rate; or

(b) Two (2%) percent of the employee's gross pay from January to December of the prior year; whichever is the greater.

16.07 In the event that an employee becomes ill or is injured after having commenced their vacation they may at that point with supported medical information have the remainder of their vacation cancelled for that period and rescheduled at a later date.

16.08 All employees who are off work for short term disability or Workers' Compensation shall accrue vacation entitlement for a maximum of six (6) months. The employee shall have the option of taking the accrued vacation within six (6) months of their return to work or have it paid out. In the event an employee does not return to work it shall be paid out.

16.09 Employees wishing to cancel their scheduled vacation must provide written notice to their Supervisor three (3) days prior to the start of their vacation. Requests will be reviewed based on work availability and work schedule revisions.

16.10 Employees wishing to request vacation in the months of January, February, and March of the following year, shall inform the Company of their request prior to November 15th of the current year. The "early bird" selection shall be granted by seniority.

16.11 Employees failing to receive a response to their request within the two (2) week period shall be able to take their vacation as requested.

16.12 Time off on paid vacation shall be considered as time worked for the calculation of overtime pay.

Article 17 – Bereavement Leave

17.01 Upon ***ratification and upon*** request, bereavement leave will be paid at the employee's basic rate, for loss of scheduled work, for five (5) working days, in order to grieve the loss of a member of an employee's immediate family. "Immediate family" shall mean the employee's father, mother, stepfather, stepmother, father-in-law, mother-in-law, husband, wife, common law spouse or same sex partner, son, daughter, step children, ward, brother, sister, daughter-in-law and son-in-law, grandparents, or grandchildren.

These five (5) days can be broken up into two (2) periods but must be used within twelve (12) months.

Article 18 – Jury Duty

18.01 The Company shall pay an employee who is called for jury selection, to serve as a juror or is subpoenaed as a witness, the difference between their normal earnings, at their basic rate, and the payment they received for jury duty or as a subpoena court witness, provided the employee presents to the Company proof of service and proof of the amount of payment received by them.

Article 19 – General

19.01 ***Sunset Clause***

All safety related suspensions will be removed from the employee's folder after ***three (3)*** years. All disciplinary records dealing with suspensions will be removed from the employee's folder after ***two (2)*** years and in the case of other disciplinary action after ***one (1) year*** to the day of issuance and destroyed and thereafter shall not be relied upon for any purpose.

Employees wishing to see their personnel file must request permission from their Manager and may view their file under Management supervision. Transcripts will be provided if requested.

19.02 This document contains the entire Agreement between the parties and shall not be deemed modified or expanded in any way unless such modifications or expansions shall be evidenced in writing, signed by both parties, and dated on or subsequent to the date of this Agreement.

19.03 Preference shall be given to members of the Union, if available and capable to do work within the distillery (excluding construction) in order to avoid layoff as much as possible.

19.04 Hand tools will be provided to employees, provided the privilege is not abused.

19.05 The Company will provide protective clothing where required, (including fire-retardant clothing where legislated and/or determined by Management), and uniforms to all regular employees, and those on the Supplementary List as per

Article 9.07 (h) while carrying out their duties at work. The foregoing shall be provided at the beginning of each contract year. The Company agrees that it will act reasonably when providing the foregoing.

19.06 The Company will maintain the existing plug ins for employees' cars, when required during the winter months, at no cost to the employees.

19.07 A five (5) minute wash-up period will be permitted for day workers at the end of their day.

19.08 Safety footwear shall be worn by all employees. The Company will provide a safety boot reimbursement each contract year to Regular Full-Time employees and those on the Supplemental Seniority List as per Article 9.07 (h) while carrying out their duties at work:

Upon ratification, 2025	***$300.00***
June 10th, 2026	***$320.00***
June 10th, 2027	***$340.00***
June 10th, 2028	***$360.00***
June 10th, 2029	***$380.00***

Employees shall be reimbursed following the production of a copy of the receipt.

19.09 Throughout this Agreement the singular shall include the plural as the context of this Agreement may require.

19.10 <u>Artificial Intelligence</u>

Automated systems may be used by the Company for information gathering and data analysis. Any final decision regarding employee disciplinary actions,

including warnings, suspensions, and terminations, will be decided by designated members of Management.

19.11 <u>Technological Change</u>

Technological change means the introduction of equipment by the Company during the term of the Collective Agreement that materially impacts the Bargaining Unit.

When the Company is introducing a technological change which would result in significant changes in the employment status or working conditions of employees, it shall provide the Union and every affected employee with as much notice as reasonably possible before the introduction of a technological change.

Where the Company has notified the Union that it intends to introduce a technological change, the Parties will undertake to meet within a reasonable time frame and share and discuss any applicable plans.

<u>Article 2***0*** – Joint Health and Safety Committee</u>

2***0***.01 A ***J***oint ***H***ealth and ***S***afety ***C***ommittee ***(JHSC)*** comprising of ***up to*** four (4) members appointed by the Union and ***an equal amount up to*** four (4) by Management will meet monthly to review all matters pertaining to the Act and/or procedures and policies of the Company and make recommendations to the Company.

The JHSC must have two (2) co-chairs:

- ***W***orker co-chair is chosen by the Union
- ***C***ompany co-chair is chosen by the Company

These committees have many duties including the following:

- ***T***o consider and expeditiously address health and safety complaints;
- ***T***o participate in all of the inquiries, investigations, studies and inspections pertaining to employee health and safety including work refusals;
- ***T***o participate in the implementation and monitoring of personal protective equipment, clothing, devices, and/or materials;
- ***T***o participate in the implementation of changes that may affect occupational health and safety, including work processes and procedures;
- ***T***o inspect all or part of the workplace each month, so that every part of the workplace is inspected at least once a year;
- ***T***o be involved in the creation/update/review of any hazard assessment;
- ***T***o be notified of and to participate when governmental or safety organizations (OH&S, AHS, etc.) is conducting a tour, inspection, or is attending the plant.

Employees sitting on the workplace health and safety committee must receive training and all work performed by the JHSC will be conducted during regular business hours.

2***0***.02 The Union Representative will be invited to virtually attend all Joint Health and Safety Committee meetings.

2***0***.03 The Union will be provided copies of all documents that are requested or ordered to provide by any governmental health or safety organization.

Article 2***1*** – Expiration and Renewal

This Agreement shall remain in force and effect from ***June 10th, 2025, to June 9th, 2030***, and shall automatically continue from year to year thereafter unless either party serves written notice on the other party by registered mail not less than sixty (60) days and not more than one hundred and twenty (120) days prior to the expiration date, requiring changes.

In the event such written notice requiring changes is properly served, the Agreement shall remain in force and effect until a new Agreement has been signed or the requirements of the current Alberta Labour Relations Code have been complied with.

Signed this _____ day of _____, 202***6***.

Heaven Hill Distilling Canada Inc. Lethbridge, Alberta	United Food and Commercial Workers Canada Union, Local No. 401
_____	_____
Company Committee:	Bargaining Committee:
Jonathan Goldberg Claude Bilodeau	***Casey Barker*** ***Trevor Mcalpine*** Andrew Roth ***Cory Anderson*** Devin Yeager

This Agreement was ratified on ***November 27th, 2025***.

Appendix "A"

CLASSIFICATION SCHEDULE

	CLASSIFICATION TABLE	Current	***Year 1***	***Year 2***	***Year 3***	***Year 4***	***Year 5***
	DESCRIPTION		***3.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***
1	Journeyman Electrician/ Instrumentation Technician/Programmer (Dual Ticket) Journeyman Electrician/ Instrumentation Technician (Dual Ticket)	$53.53	***$55.14***	***$56.79***	***$58.49***	***$60.25***	***$62.06***
2	Relief Power Engineer	$47.21	***$48.63***	***$50.09***	***$51.59***	***$53.14***	***$54.73***
3	Process Operators	$46.11	***$47.49***	***$48.92***	***$50.39***	***$51.90***	***$53.45***
4	Journeyman Millwright, Journeyman Electrician	$46.11	***$47.49***	***$48.92***	***$50.39***	***$51.90***	***$53.45***
5	Blender, Plant Relief	$41.15	***$43.41****	***$44.72***	***$46.06***	***$47.44***	***$48.86***
6	Distillery Receiver & Distribution Coordinator	$40.11	***$42.34****	***$43.61***	***$44.92***	***$46.27***	***$47.66***
7	Automatic Dumping & Filling Operator	$39.14	***$41.34****	***$42.58***	***$43.86***	***$45.18***	***$46.53***
8	Materials Handling Operator	$38.17	***$40.35****	***$41.56***	***$42.80***	***$44.09***	***$45.41***
9	Plant Janitor	$28.20	***$29.05***	***$29.92***	***$30.81***	***$31.74***	***$32.69***
10	Supplementary	$26.90	***$27.71***	***$28.54***	***$29.39***	***$30.28***	***$31.18***
****A one (1) time, one ($1.00) dollar per hour increase will be added to Classifications 5, 6, 7, and 8, prior to the general increases being calculated.***							
IBD Graduate Premiums							
	IBD Graduate Module 1		***$1.00***	***$1.00***	***$1.00***	***$1.00***	***$1.00***
	IBD Graduate Module 2		***$2.00***	***$2.00***	***$2.00***	***$2.00***	***$2.00***
	IBD Graduate Module 3		***$3.00***	***$3.00***	***$3.00***	***$3.00***	***$3.00***

1. ***IBD Premium***

To qualify for the ***IBD Premium***, an employee can submit their interest to the Vice President and General Manager to enroll in the course. The selection will be based on a first come, first served

basis, with the understanding that the Company may limit the number of employees entering into the program each year, based on operational requirements, but will allow at least one (1) person per level, per year. Once the employee has been approved to enroll, the employee shall do so and provide a receipt for their course fees. It is understood that this course will be taken on an employee's own time and the Company will reimburse the employee only for their Module Fees, IBD Membership Fees, and Exam Fees ***upon passing each Module***. ***Alternatively, if the Company pays these costs up front and the employee doesn't complete the program or does not achieve a passing grade after two (2) attempts, the Company will deduct the monies in equal payment over the following twelve (12) months. The second (2nd) attempt must be taken the following year.*** Once the official transcript showing a passing grade has been provided to Management, the employee will advance to the appropriate classification.

In addition, following the guidelines regarding eligibility for the Diploma in Distilling, an employee will have their wage progression expedited as follows:

- Upon successful completion of Module 1, they will ***receive a premium of one ($1.00) dollar per hour for all hours worked.***
- Upon successful completion of Module 2, they will ***receive a premium of two ($2.00) dollars per hour for all hours worked.***
- Upon successful completion of Module 3, they will ***receive a premium of three ($3.00) dollars per hour for all hours worked.***

2. Temporary Chief Power Engineer Coverage

In the absence of the Chief Power Engineer for a period for longer than ninety-six (96) hours, and a qualified Management employee is not available, a qualified Power Engineer may be offered the position as per the following:

(a) Coverage will be by the most senior willing employee on Day shift with the proper ABSA Power Engineers Regulation credentials.

(b) Coverage will be during normal working days, i.e. Monday to Friday, as per the ABSA Power Engineers Regulation.

(c) Qualified employees will be compensated at a rate of one hundred ***fifty ($150.00)*** dollars per day while covering the Chief Power Engineer position.

3. In addition to the basic rates employees working on a shift other than days will be paid the following shift premiums for hours worked during those shifts.

For shifts that begin any time on or after 12:00 p.m. (noon), an afternoon shift premium of ***two ($2.00) dollars*** per hour shall be paid for all hours worked.

For shifts that begin any time on or after 6:00 p.m., a night shift premium of ***two dollars fifty ($2.50) cents*** per hour shall be paid for all hours worked.

For employees working on twelve (12) hour shifts (nights), employees shall be paid a night shift premium ***of two dollars fifty ($2.50) cents*** per hour.

4. Security Premium

When a Security Guard Service is not being utilized, a night shift security premium will be paid to Power Engineers after normal working hours for manning the security system and responding to outside calls in a courteous and professional manner. It is understood that this night shift security premium encompasses and compensates those hours on day shift such as weekends and holidays where the operators are solely manning the security system. In the event a night shift is not scheduled for the Power Engineers, this security premium will not apply.

Qualifying Hours $1.20

5. PLC Programming Premium

A programming premium of one dollar twenty-five ($1.25) cents per hour will be paid to a qualified employee to work on PLC logic controllers and the programming thereof throughout the plant.

6. Journeyman Electrician/Instrumentation Technician/Programmer (Dual Ticket) ***retention premium will increase to two hundred fifty ($250.00) dollars per week,*** and ***the current*** Relief Power Engineer will ***continue to*** be paid a retention premium of two hundred ($200.00) dollars ***per*** week for this position. ***Upon ratification, new hires entering the Relief Power Engineer classification will no longer receive the retention premium.***

7. Dual Ticket Tradesperson

This position will be listed in the Wage Classification Table under Description 1.

In the event the Dual Ticket Electrician/Instrumentation Technician position is not continued; the PLC Programming Premium will be reinstated under the same terms as existed prior to its elimination.

In the event the Company wishes to hire or move a current Tradesperson who is willing to apprentice for a second ***(2nd)*** ticket, that individual's starting hourly wage rate shall be four ($4.00) dollars less per hour than the stipulated rate for the Dual Ticket Tradesperson. Upon successful completion of each stage of the Journeyman program (the "program"), the wage variance will reduce by one ($1.00) dollar per hour until the stipulated rate for the Dual Ticket is achieved. If at any time during the program, the individual does not fulfill or meet the conditions to remain in the program, the individual will be removed from the Dual Ticket position and will be subject to layoff or may exercise seniority rights if applicable. Upon successful completion, the Company will pay only for the following components of the Journeyman Instrumentation Technician Certificate/License apprenticeship: Course tuition and books.

The Company will have the sole discretion of selecting which trades are required under the Dual Ticket Tradesperson classification.

8. Weekly Pay

Employees will normally be paid on Thursday for wages earned the previous week. In the event of payroll delays, wages will be issued on the Friday of that week.

Appendix “B”

COMPANY PAID BENEFITS

The Company will provide the following benefit plans for all regular full-time employees as outlined in the ***B***enefit ***B***ooklets provided to employees.

In the event of a dispute regarding eligibility or level of any benefit, the terms of the contract between the Company and the benefit carrier shall apply.

To be eligible for benefit increases, an employee must be actively at work.

Basic Life Insurance
Accidental Death & Dismemberment
Dependent Life Insurance
Short Term Disability
Long Term Disability
Provincial Medicare
Hospital
Vision Care
Major Medical
Drug
Deluxe Travel
Dental
Pension Plan
Other Company Benefits
Sick Pay
Safety Glasses
Health Spending Account (HSA)

The benefits are as follows: (refer to Benefits Booklet for details on coverage and deductibles):

Basic Life Insurance

Group Life Insurance will pay ***an amount equal to two (2) years of the employee's annual salary to a maximum of three hundred fifty thousand ($350,000.00)*** dollars upon your death. ***This benefit reduces to fifty thousand ($50,000.00) dollars at age seventy (70).***

Accidental Death & Dismemberment

Group Life Insurance will pay ***one hundred thousand ($100,000.00) dollars*** in the event of loss of life due to accident. Details on dismemberment in ***B***enefit ***B***ooklet. ***This benefit reduces to fifty thousand ($50,000.00) dollars at age seventy (70).***

Dependent Life Insurance

In the event of the death of a dependent, you will receive a lump sum payment of ***fifteen thousand ($15,000.00)*** dollars upon the death of your spouse, and ***ten thousand ($10,000.00)*** dollars upon the death of each child.

Short-Term Disability

As of ***ratification,*** short term disability is ***eighty (80%)*** percent per week to a maximum of one thousand ***seven hundred ($1,700.00)*** dollars per week.

Waiting period of twenty-four (24) working hours.

Long-Term Disability

Seventy-five (75%) percent of your basic monthly earnings, reduced by the amount of any income you may be entitled to receive under Workers' Compensation, or the Canada Pension Plan.

Eighty-five (85%) percent of your net earnings less any income from certain other sources (see benefits booklet).

Three thousand ($3,000.00) dollars, which is the maximum monthly benefit.

Provincial Medicare

Premiums are paid by the Company.

Supplementary Health Care

Upon ratification, the deductible of ***twenty-five ($25.00)*** dollars per individual with a maximum of ***seventy-five ($75.00)*** dollars per family is applied once in each calendar year to the eligible expenses incurred in that year. If you do not pay all or a portion of the deductible until the last three ***(3)*** months of the calendar year, your payment will be credited toward the deductible for the following year.

See Benefit Booklet for details on deductibles and coverage.

Vision Care

Upon ratification, Laser Eye Surgery ***two*** thousand ***($2,000.00)*** dollars maximum lifetime for employees and dependents.

Prescription Glasses every two (2) years to ***five hundred ($500.00)*** dollars for employees and dependents.

Eye Examinations every two (2) years to one hundred ***sixty ($160.00)*** dollars for employees and dependents.

Safety Glasses every two (2) years to ***five hundred ($500.00)*** dollars for employees.

Major Medical:

Effective January 26th, 2017

Chiropractor up to a maximum of sixty-five ($65.00) dollars per visit. Maximum coverage four hundred ($400.00) dollars per person per year.

Either Certified professional Massage Therapist or Acupuncture Treatment to a maximum of sixty-five ($65.00) dollars per visit. Maximum coverage four hundred ($400.00) dollars combined per person per year.

No Deductible.

Details on other coverage in Benefit Booklet.

Drug:

Upon ratification, prescription drugs to be refunded at a rate of ***one hundred (100%)*** percent of the cost of the drugs.

Implementation of a Drug & Claims Management Program.

Travel Insurance:

You and your eligible dependents are covered under group travel insurance while vacationing or traveling outside of Canada for other than health reasons. See Benefit Booklet for coverage.

In addition, whenever you travel outside of your province of residence and require emergency medical attention due to illness or injury. See Benefit Booklet for coverage.

Dental:

The Company shall use the current annual fee guide established by the Canadian Insurance Association Industry for Alberta.

Orthodontic coverage for eligible dependent children at ***sixty (60%)*** percent of the cost for eligible expenses, up to ***three*** thousand ***($3,000.00)*** dollars per person per lifetime. See Benefit Booklet for details on treatments and coverage.

Pension Plan ***– Defined Benefit***:

To July 1st, 2006
All past Service to $50.00 dollars per month – Defined Benefit Plan

As of July 1st, 2006
Service from June 10th, 2006***,*** to $52.00 per month – Defined Benefit Plan
As of July 1st, 2007
Service from June 10th, 2007***,*** to $53.00 per month – Defined Benefit Plan

As of July 1st, 2008
Service from June 10th, 2008***,*** to $54.00 per month – Defined Benefit Plan

As of July 1st, 2009
Service from June 10th, 2009***,*** to $55.00 per month – Defined Benefit Plan

As of January, 2014
Service from January 1st, 2014***,*** to $56.50 per month – Defined Benefit Plan

As of July 1st, 2014
Service from July 1st, 2014***,*** to $58.00 per month – Defined Benefit Plan

As of July 1st, 2015
Service from July 1st, 2015, to $59.50 per month – Defined Benefit Plan

As of July 1st, 2016
Service from July 1st, 2016, to $61.00 per month – Defined Benefit Plan

As of July 1st, 2017
Service from July 1st, 2017, to $62.00 per month – Defined Benefit Plan

As of July 1st, 2018
Service from July 1st, 2018, to $63.00 per month – Defined Benefit Plan

As of July 1st, 2019
Service from July 1st, 2019, to $64.00 per month – Defined Benefit Plan

As of July 1st, 2020
Service from July 1st, 2020, to $66.00 per month – Defined Benefit Plan

As of July 1st, 2021
Service from July 1st, 2021, to $67.00 per month – Defined Benefit Plan

As of July 1st, 2022
Service from July 1st, 2022, to $68.00 per month – Defined Benefit Plan

As of July 1st, 2023
Service from July 1st, 2023, to $69.00 per month – Defined Benefit Plan

As of July 1st, 2024
Service from July 1st, 2024, to $71.00 per month – Defined Benefit Plan

As of July 1st, 2025

Service from July 1st, 2025, to seventy-two ($72.00) dollars per month – Defined Benefit Plan

Service from July 1st, 2026, to seventy-three ($73.00) dollars per month – Defined Benefit Plan

Service from July 1st, 2027, to seventy-four ($74.00) dollars per month – Defined Benefit Plan

Service from July 1st, 2028, to seventy-six ($76.00) dollars per month – Defined Benefit Plan

Service from July 1st, 2029, to seventy-eight ($78.00) dollars per month – Defined Benefit Plan

Employees shall be eligible for Unreduced Early Retirement (UER) once they have reached the age of sixty (60) years old and have twenty (20) years of service with the Company.

Pension – Defined Contribution:

Effective ***November 27th, 2025,*** the Company will offer a Defined Contribution Plan to New Employees with an Employee contribution of ***seven (7%)*** percent and a one hundred (100%) percent Company match of the employee's contribution. ***Contributions will be based on gross annual earnings.***

Upon request, employees will have the option to buy back pension contributions upon return from a Leave of Absence.

Upon early retirement the following benefits will be provided:

Extended Health - Glasses
Major Medical
Dental Insurance
Life Insurance - $3,000.00
Drugs to Age 65

Sick Pay:

Provides Sick Pay Benefits up to a maximum of forty (40) hours and twenty-four (24) hours of floating holidays at your basic rate of pay each contract year.

A doctor's certificate may be requested on all absences due to sickness, in order for you to qualify for payment under this benefit. ***Doctor's notes will not be required until an employee is absent for five (5) consecutive days. The Company will reimburse the cost associated with receiving a doctor's note, filling out any medical forms, or the printing of documents from a medical practitioner.***

Floating holidays will be granted with two (2) weeks notice or mutual agreement***, subject to operational requirements.***

At the end of a contract year or at retirement, the Company will buy back, at your basic rate of pay for the previous contract year, any unused Sick Pay Benefits and floating holidays at one hundred (100%) percent. Refer to Benefits Booklet for details.

Safety Glasses:

See coverage under Vision Care.

Health Spending Account (HSA):

Effective January 1st, 2026, two thousand five hundred ($2,500.00) dollars per year.

It is not the intent of the Company to restrict the benefits of active employees over the age of sixty-five (65). However, certain benefits may have age-related limitations or termination provisions as required by the insurance carrier or applicable legislation. Where such restrictions exist, the Company will advise the Union of these

provisions. Should additional age-related restrictions become known, the Company will meet with the Union to review the matter and determine whether any reasonable alternatives are available within the carrier's plan design or applicable regulations.

Letters of Understanding

Letter of Understanding #1 – Vaccinations

Should the Company intend to implement a mandatory vaccination policy, it will be subject to negotiation with the Union.

Signed this _____ day of _____, 202***6***.

Heaven Hill Distilling Canada Inc. Lethbridge, Alberta	United Food and Commercial Workers Canada Union, Local No. 401
_____	_____
Company Committee:	Bargaining Committee:
Jonathan Goldberg Claude Bilodeau	***Casey Barker*** ***Trevor Mcalpine*** Andrew Roth ***Cory Anderson*** Devin Yeager

This Agreement was ratified on ***November 27th, 2025.***