

MEMORANDUM OF AGREEMENT
between
The Province of British Columbia
as represented by the
BC Public Service Agency
and the
B.C. Government and Service Employees' Union

Re: Sale of the Liquor Distribution Branch (LDB)
Warehouses and Distribution System

In recognition of the February 21, 2012 announcement pertaining to the sale of the LDB warehouses and distribution system, the parties agree that the following provisions will apply in the event the proposed sale occurs:

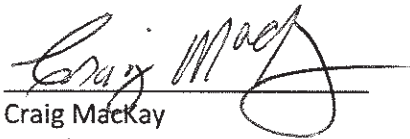
1. All Distribution Centre and Wholesale Customer Centre employees in the RS&W Component employed at the Vancouver and Kamloops distribution centres and Stores 100 and 231 whose job is made redundant by the sale will be offered employment with the successful bidder. Auxiliary employees hired after March 31, 2012 will be designated as special project employees as per Clause 31.5(d), ie., transitional employment up to the date of completion of the sale to the successful proponent. If any auxiliary special project employee is employed for more than two years prior to the completion of the sale to the successful proponent, they will be retroactively considered an auxiliary employee in all respects pursuant to Article 31 as of the start date of their employment.
2. The new operator will be required to structure their business to be eligible for participation in the Public Service Pension Plan (PSPP).
3. The new operator will apply to the PSPP to become a participating employer in the pension plan.
4. The successful proponent will recognize the existing union certification and meet with the Union prior to the transfer of the program for the purpose of consolidating the current Master and applicable component agreements into one amended agreement which is relevant to the sector. If an extension of the term of the agreement is required, the parties shall agree on appropriate amendments including compensation. It is agreed that a desired outcome is an agreement with at least two years duration from the date of disposition of the program to expiry of the agreement.
5. The parties recognize that employees should be encouraged to accept employment with the successful bidder and that those employees requiring placement within the Employer's operations should cooperate fully to have their placement concluded as expeditiously as possible.
6. Any employee who accepts an offer of employment with the new operator will be covered by MOU 9 and Clauses 36.2 and 36.3, with the exception of Clause 36.2(c)(6).
7. The employer will offer early retirement and voluntary departure programs as outlined in Appendix A for any employee adversely affected.
8. Employees who are not employed by the successful bidder will be covered by Master Agreement Article 36.

9. An employee receiving severance payment shall repay the payment if employed or contracted by the successful bidder or re-employed or contracted by the Province during the period equivalent to the severance pay.
10. Where the provisions of Master Agreement Article 36 modify or are in conflict with the terms of this memorandum of agreement, the terms of this memorandum of agreement will prevail.
11. This memorandum of agreement comes into force and effect April 1, 2012.

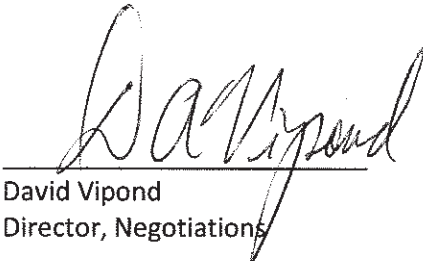
For the BCGEU:



Darryl Walker
President



Craig Mackay
Retail Stores & Warehouse Chairperson



David Vipond
Director, Negotiations

Dated this 21st day of March, 2012.

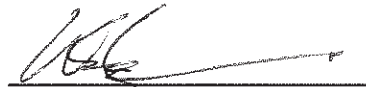
For the Employer:



Bert Phipps, BCPSA
Assistant Deputy Minister



Michael Procopio
Executive Director,
Liquor Distribution Branch



Bill Carragher, BCPSA
Director, Labour Relations