

EDMONTON - WINNIPEG

BURNABY - CALGARY



Employee Handbook 2009

www.juliantile.com





Welcome to Julian Ceramic Tile Inc.

You are now a member of a very dynamic and successful team, and as a member of our team, you have an important role to play in helping our company achieve its goal of continued success. Our goal can only be achieved through the efforts of conscientious employees dedicated to providing our customers with the friendly and helpful assistance which encourages them to return to us each time they are looking for quality tile products and service.

Our company is continually striving to provide our employees with a comfortable and professional working environment from which you and our business will benefit. This employee handbook will provide you with important information about our company, our company benefits and the company policies and procedures which establish the terms and conditions of your employment. Please read it carefully. Should you have any questions regarding any of the information contained in this handbook, do not hesitate to speak to your supervisor. Your questions, suggestions and recommendations are always welcome.

Thank you for joining our company. We wish you every success with Julian Ceramic Tile.

Sincerely,



Joe Giusti, President



Renato Baldo, General Manager



Steve Crtac, Operations Manager



Mission Statement:

Our mission is to build on our history of product excellence, innovation and dedication to provide the highest quality products. We strive to be the industry standard in service to our customers and are committed to integrity in business.



TABLE OF CONTENTS

1.0	Background of Julian Ceramic Tile Inc.	01
1.1	The Beginning	01
1.2	Company Organization	02
1.3	Our Company Products	03
2.0	Working For Our Company	04
2.1	Equal Opportunity Employer	05
2.2	Representing Our Company	05
2.3	Orientation	05
2.4	Probation Period	06
2.5	Training and Development	06
2.6	Performance and Salary Reviews	07
3.0	Compensation	07
3.1	Salary Administration	07
3.2	Employee Benefits	08
3.2.1	Provincial Medical Coverage	08
3.2.2	Group Insurance	08
3.2.3	Vacation Entitlement	08
3.2.4	General/Statutory Holidays	09
3.2.5	Paid Sick Leave	10
3.2.6	Meal and Coffee Breaks	10
3.2.7	Staff Purchase Plan	11
3.2.8	Employee Parking	11
3.3	Leaves and Jury Duty	11
3.3.1	Pregnancy Leave	12
3.3.2	Parental Leave	12
3.3.3	Family Responsibility Leave	13
3.3.4	Compassionate Care Leave	13
3.3.5	Bereavement Leave	14
3.3.6	Jury Duty Leave	14
3.3.7	General Leave	15
4.0	Terms and Conditions of Employment	15
4.1	Continuous Service on Approved Leaves	15
4.2	Hours of Work	15
4.3	Requirement to Record Hours of Work	16
4.4	Overtime	16



4.5	Confidentiality of Company and Personal Information	17
4.6	Attendance Management	17
4.6.1	Lateness	18
4.6.2	Illness/Injury	18
4.6.3	Frequent Absenteeism	18
4.6.4	Extended Absence Due To Illness/Injury	19
4.6.5	Reasonable Accommodation Due To Medical Condition	19
4.7	Professional Appearance	20
4.8	Attitude and Personal Conduct	20
4.9	Disciplinary Process	20
4.10	Termination, Layoff and Resignation	20
4.10.1	Termination with Cause	22
4.10.2	Lay Off	23
4.10.3	Resignation	23
4.11	Use of Employer's Computers and Telephones	23
4.11.1	General	23
4.11.2	Use of Company Computers	24
4.11.3	Personal Telephone Use	24
4.12	Moonlighting	25
4.13	Medical and Dental Appointments	25
5.0	Employee Relations	25
5.1	Confidentiality of Company Information	25
5.2	Harassment and Discrimination-Free Working Environment	26
5.2.1	Definitions of Discrimination and Harassment:	26
5.2.2	Harassment Complaint Procedure	27
5.3	Personal Relationships	29
5.4	Alternate Dispute Resolution	30
6.0	Workplace Health & Safety	31
6.1	Worker's Compensation	31
6.2	Smoke-Free Workplace	31
6.3	Alcohol and Drug Free Workplace	32
6.4	Use of Cell Phones and Beepers	32



1.0 - BACKGROUND OF JULIAN CERAMIC TILE

Established in 1978 as an owner-operated private company, Julian Ceramic Tile Inc. (“the company”) has grown to be one of the top tile importers & distributors in Western Canada.

1.1 - The Beginning

Our company was originally located in Abbotsford, then Vancouver, and Burnaby. We were located at Boundary Road & 1st Avenue for fifteen years. In August 2000, our Head Office and Warehouse relocated to 2720 Ingleton Avenue in Burnaby, B.C., where we continue to operate successfully. Our continuing growth and success led to our expansion into other provinces. In 1992, we opened our first branch office in Edmonton, Alberta, with a further expansion into Calgary in 1998. Winnipeg, Manitoba became our third branch office, opened in May 2001.

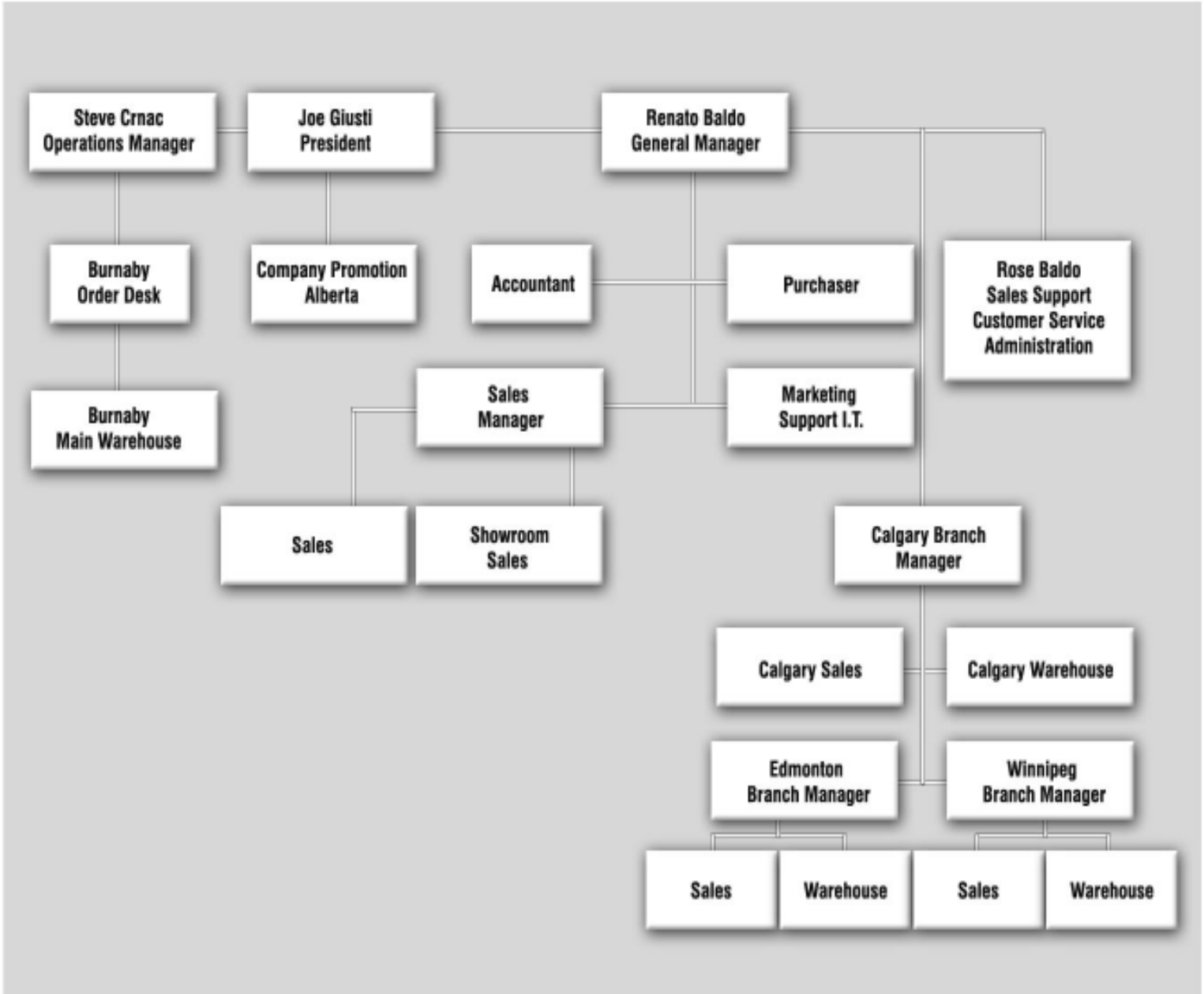
The two founding partners of our company were Joe Giusti and Renato Baldo: Steve Crnac joined the partnership in 1981. All three remain actively involved and committed to the success of Julian Ceramic Tile Inc.

Joe (Ermenegildo) Giusti, the company President, resides in Calgary and oversees the promotion of our company in Alberta, while operating several other companies in the construction trades with his three sons. Our company was founded the year that his second son, Giuliano, was born and this was the inspiration for the name of our company.

Renato Baldo, the General Manager, directs the day-to-day administrative operations out of Head Office in B.C.; Steve Crnac, the Operations Manager, handles the Warehouse operations from Head Office.

1.2 Company Organization

The management style of Julian Ceramic Tile Inc. is team-oriented. Every employee has an important role to play. See the organization chart below.





HEAD OFFICE (Burnaby, BC):

General Manager, Renato Baldo, directs the company administrative and accounting functions with the assistance of his wife Rose Baldo. He oversees the services of an Accountant, Credit Manager, Purchaser and a Sales Manager located in Head Office, as well as the activities of the Branch Managers in Edmonton, Calgary and Winnipeg.

Operations Manager, Steve Crnac, handles the Order Desk, Sample Room, and Warehouse staff in Head Office, and assists with the warehouse activities in Calgary, Edmonton and Winnipeg Branch offices.

THE BRANCH OFFICES (Edmonton, Calgary, and Winnipeg):

The Manager of the Calgary Branch Office reports directly to the General Manager and oversees the Edmonton and Winnipeg operations. Each Branch Manager manages the daily activities of inside and outside salespersons and warehouse personnel.

1.3 - Our Company Products

The “Julian Collection” includes a large and varied selection of ceramic, porcelain and natural stone tiles from all over the world. Our buyers travel to the most important international tile exhibitions and trade shows searching for quality products which will meet the standards of the “Julian Collection” and our discriminating customers. We can offer our products with confidence because we do business with the best factories in the world.

We have inspected the quarries and the factories where our tiles are produced. Only the best quality tiles and natural stones become part of the “Julian Collection”.



Our product line includes ceramic and porcelain tiles, natural stones such as marbles, limestones, slates and slabs for both indoor and outdoor installation in commercial and residential venues. As well, we offer our customers a vast array of borders, accent tiles and inserts to enhance their decorating styles.

With our wide resources, we can supply any job from a residential bathroom to a commercial building the size of an airport. We provide installers with their tools and setting materials from grouts and membranes to tile cutters and water saws.

For more company information, please go to our website at: www.juliantile.com

2.0 WORKING FOR OUR COMPANY

Our company is committed to the respectful, fair and equal treatment of all employees.

We offer generous terms and conditions of employment which comply with and often exceed all relevant Federal and Provincial legislation respecting employment and payroll administration. We reserve the right to make changes to our policies and procedures, and will ensure all employees are kept fully informed of any changes.

With respect to provincial Employment Standards matters, the company has opted to apply the more generous B.C. legislation for the benefit of our employees in the Alberta and Manitoba branch offices with respect to terms and conditions of work such as hours of work, statutory holidays, and leave entitlements. Where the Alberta or Manitoba legislation addresses an issue either not addressed in the B.C. legislation, or above the B.C. standard, the Manitoba or Alberta provincial legislation will take precedent and be applied by the company. These instances are specifically identified in the handbook.

All other matters such as provincial Human Rights or Worker's Compensation issues will be managed as per the requirements of the respective provincial legislation of each province. All employee matters and records are administered in a discreet and confidential manner in full compliance with the provincial Privacy legislation in each province.



2.1 - Equal Opportunity Employer

In compliance with provincial Human Rights legislation, Julian Ceramic Tile Inc. does not discriminate in our employment practices and will not tolerate discrimination by any of our employees.

Our company is committed to determining all personnel matters with regard to employment, including hiring, advancement opportunities, transfers, compensation, leave requests and any disciplinary matters solely on the basis of the individual employee's qualifications, experience and the merits of the situation.

When a vacancy, transfer or promotional opportunity occurs, management will recruit internally before recruiting outside the company. Employees considered by management to best meet the required qualifications for an available position and who also have a consistently satisfactory work performance and attendance record over the past year, will be advised of a vacancy and invited to apply.

2.2 - Representing Our Company

Effective the first day of employment with our company, each employee becomes a representative of our company both on and off the job. Employee appearance, attitude, on-the-job work habits and behaviour towards management, colleagues, our suppliers and our customers reflect on the professional reputation of our company. We will expect each employee to conduct themselves in a professional manner which will reflect well on our company.

2.3 - Orientation

New employees will be assigned to a more experienced colleague for orientation to our company. Management will determine the terms and the length of each employee's orientation assignment.



2.4 - Probation Period

All newly hired employees will be subject to a minimum three (3) month probation review of performance and suitability for their position. Management reserves the right to extend an employee's probationary period at its discretion. Our company expects new hires will use this opportunity to determine their satisfaction with our company and their job requirements.

Re-hired employees who return to work with our company within three (3) months of the date they left our company will be considered continuous employees and maintain their original date of hire. No new probation period will be served. However employees who are re-hired outside of this three (3) month period will be considered new hires and will need to serve the required probationary period.

A performance review will be conducted by management prior to the end of the initial three (3) months of employment to either:

1. confirm employment status;
2. vary the terms and conditions originally contracted;
3. extend the probation period; or
4. terminate the employment relationship due to lack of performance and/or suitability

2.5 - Training and Development

Our company supports employee training and development as a means of improving work performance and as preparation for future career opportunities within our company.

Employees who are required to attend staff meetings or training at the request of management will be paid for the training time in compliance with company policy and employment standards legislation.

Employee-initiated requests for training and development must be in writing and submitted in advance to management for review and consideration. Any request for reimbursement of related training expenses will be subject to review by management and may be reimbursed at our discretion.



2.6 - Performance and Salary Reviews

Any salary increases or bonuses paid by our company are at the discretion of management, and will be subject to the consistently satisfactory performance of each individual employee, as well as satisfactory company performance and economic business forecasts.

3.0 COMPENSATION

Our company endeavors to offer externally competitive salaries and benefits that are internally equitable as well as financially feasible.

3.1 - Salary Administration

The wages paid by our company exceed the minimum wages required under employment standards legislation.

Company wage rates are determined by management, and are specific to the type of job to be performed, the qualifications and experience required for the successful performance of the job duties, as well as the related work experience the individual will bring to the particular job.

All employees receive regular wages and overtime wages based on an eight (8) hour day and a forty (40) hour week as per B.C. employment standards legislation.

* Hourly paid employees are paid for their hours worked

* Salaried employees are paid set wages based on the 8/40 formula



3.2 - Employee Benefits

Our company offers a package of medical benefits to all full time continuous employees, following a ninety (90) day qualifying period. Details of the coverage and the claims process which become available following a successful probation period will be reviewed with eligible new hires during the recruitment and orientation process. Subsequent questions can be directed to the Accounting/Payroll Administrator in Head Office.

3.2.1 - Provincial Medical Coverage

Medical coverage is provided under provincial Health Care plans. Details will be provided by the Accounting/Payroll Administrator.

3.2.2 - Group Insurance

Group benefits coverage for Extended Health, Dental, and Life Insurance is available to full time employees following their completion of the probation period.

Details of the coverage available through our company are provided in the Employee Benefit booklet handed out during orientation. Questions can be referred to the Accounting/Payroll Administrator in Head Office.

3.2.3 - Vacation Entitlement

Vacation entitlement and vacation pay is earned in accordance with our company policy, which exceeds the minimum employment standards as follows:

* Employees who have completed 1 year to 5 years continuous service are entitled to two (2) weeks paid vacation leave, accrued at 4% of gross wages.

* After five (5) complete years of service entitlement is three (3) weeks of paid vacation leave, accrued at 6% of gross wages.



* After ten (10) complete years of service entitlement is four (4) weeks of paid vacation leave accrued at 8% of gross wages.

Vacation leave must be pre-authorized by management.

In consideration of fellow employees and the company's operational requirements, employee requests for vacation leave should be submitted a minimum of one (1) month prior to the dates being requested. Management will make every reasonable effort to accommodate each employee's vacation leave request, based on operational requirements.

As stated in the employment standards legislation and for the sake of employee health and safety, our company is obligated to ensure that all employees take vacation time away from work rather than merely receiving vacation pay. In B.C. and Manitoba, our company is obligated under this legislation to grant a minimum one week vacation leave; Alberta allows for a 1 day minimum if the employee makes a written request to management to take leave in shorter increments; denial or approval of this request will be at the discretion of management.

3.2.4 - General/Statutory Holidays

Our company provides paid leave for nine (9) statutory holidays in B.C. and Alberta and eight (8) in Manitoba. The holidays specific to only one province are identified by an asterisk (*)

The paid general (statutory) holidays in our company are:

New Year's Day*	Alberta Family Day	Good Friday
Victoria Day	Canada Day	**B.C. Day
Labour Day	Thanksgiving Day	Remembrance Day
Christmas Day		

Eligibility for pay on these holidays will be as per the requirements of employment standards legislation.

*Alberta only (3rd Monday in Feb.)

**B.C. only (1st Monday in Aug.)



3.2.5 - Paid Sick Leave

There is no entitlement to paid or unpaid sick leave in Employment Standards legislation. However, after 1 complete year of continuous service, our company offers our employees five (5) days of non-cumulative paid sick leave per year, in the event of illness or injury.

For medical absences in excess of two (2) continuous days employees will be required to provide our company with the medical reasons why they cannot attend work in a letter from their physician. Additional paid sick leave may be available through Employment Insurance benefits. Once management has received the required medical documentation, the Payroll Administrator will issue a Record of Employment which must then be submitted to their local Employment Insurance office by the employee along with their application for sick leave benefits.

3.2.6 - Meal and Coffee Breaks

Employment Standards legislation requires employers to provide employees with one (1) thirty (30) minute unpaid meal break after five (5) consecutive hours of work. However there is no requirement for paid or unpaid coffee breaks.

Our company allows employees to take two (2) fifteen (15) minute company-paid coffee breaks. Employees who wish to extend their meal break by adding the permitted coffee breaks and meal break together must get prior approval from their supervisor. Coffee breaks are company-paid time and work requirements must take priority.

Employees are discouraged from eating at their desks; and are encouraged to take meal breaks away from their desks/work stations by joining their colleagues in the staff lunchroom or by going off site.



3.2.7 - Staff Purchase Plan

Employees with a minimum of one (1) complete year of service may choose to purchase our products for their own use at a reduced staff rate.

Employee-ordered products will not be released until payment has been received in full for the order.

3.2.8 - Employee Parking

When available, employee parking spaces will be assigned by management at no charge. This benefit is not available on a company wide basis due to lack of space in some locations.

3.3 - Leaves and Jury Duty

Our company offers leave entitlements not required under Alberta or Manitoba Employment Standards legislation. In instances where the leave entitlement varies provincially, our company will apply the requirements for the applicable province per their legislation.

Pregnancy and parental leave are available under the employment standards legislation in B.C., Manitoba and Alberta. Please reference the applicable provincial employment standards legislation for the qualification requirements and the amount of leave available. Federal Government Employment Insurance legislation addresses the benefits which may be available for employees on these leaves.

3.3.1 - Pregnancy Leave

A pregnant employee who makes a written request for leave is entitled to up to seventeen (17) consecutive weeks of unpaid, job-protected maternity leave. Employees who wish to request this leave should ensure their application to management complies with the legislation in their province.

Our company reserves the right to request a medical certificate certifying the pregnancy and the estimated date of delivery.

Approval for payment of this leave rests with the Federal Government Employment Insurance program; therefore employees should contact their local Human Resources Development office for details.

3.3.2 - Parental Leave

Per employment standards legislation:

- * a birth mother who has taken maternity leave is entitled to up to thirty-five (35) consecutive weeks of unpaid, job-protected leave
- * Fathers, mothers who have not taken maternity leave, or adopting parents are entitled to up to thirty-seven (37) consecutive weeks of unpaid leave within 52 weeks of the birth or the adoption
- * An additional five (5) consecutive weeks of unpaid leave is available if the child has a physical, psychological or emotional condition requiring additional parental care.

Employees expecting to apply for this leave should ensure their application to management is in compliance with their respective provincial employment standards requirements.

Payment for this leave may be available through the Federal Government Employment Insurance program. Employees should contact their local Human Resources Development office for details.



3.3.3 - Family Responsibility Leave

This leave is only available under B.C. Employment Standards legislation; however our company is providing the same entitlement to our employees in Alberta and Manitoba.

An employee is entitled to up to five (5) days of unpaid leave during each employment year to meet responsibilities related to:

- * the care, health or education of a child in the employee's care, or
- * the care or health of any other member of the employee's immediate family

3.3.4 - Compassionate Care Leave

This leave is only available under B.C. and Manitoba Employment Standards legislation; however our company is making this entitlement available to our employees in Alberta.

An employee is entitled to up to eight (8) weeks of unpaid leave to provide care or support to an immediate family member who is terminally ill and at risk of death within the next twenty-six (26) weeks.

Benefit payments may be available under the Federal Government's compassionate care program. Employees should contact their local Human Resource Development Canada office to determine whether they qualify for E.I. benefits.

Family member means:

- * a member of the employee's immediate family,
- * or the spouse, child, parent, guardian, sibling, grandchild or grandparent of an employee, or
- * any person who lives with the employee as a member of the employee's immediate family.



The employee must get a certificate from the family member's physician confirming the serious illness and the potential imminent death within the next twenty-six (26) weeks to provide to our company and to the Federal Government if they wish to apply for benefits.

Under these difficult circumstances, there is no requirement for the employee to request the leave in writing or to provide advance notice to our company. However we do require an employee to let us know of the possible need for this leave as soon as they become aware of it.

3.3.5 - Bereavement Leave

Only B.C. and Manitoba Employment Standards legislation provide employees with any entitlement to unpaid bereavement leave. All of our employees are entitled to up to three (3) days of leave on the death of a member of the employee's immediate family.

Per company policy, one (1) day, the day of the funeral will be paid leave, and the remaining two (2) days will be unpaid leave.

No prior notice is required for this leave; however management reserves the right to request documentation before payment is approved.

3.3.6 - Jury Duty Leave

Only B.C. Employment Standards legislation provides employees with jury duty leave. However as our company recognizes that jury duty is a statutory requirement for all citizens, this leave is available to all of our employees.

Any employee required to attend court as a juror will be on unpaid leave for the required period of the jury duty. Employees should advise their supervisor as soon as they receive jury duty notification and provide management with a copy of the notification.



3.3.7 - General Leave

Management may grant an employee's request for general leave without pay at their discretion, dependant upon operational requirements.

An employee wishing to apply for a leave of absence must submit a written request to their supervisor no later than four (4) weeks before the date they wish the leave to commence, unless emergency circumstances prevail.

Management will make every effort to ensure that a general leave of absence request is not unreasonably denied. This leave will not be granted for an employee to work for another employer.

4.0 TERMS AND CONDITIONS OF EMPLOYMENT

4.1 - Continuous Service on Approved Leaves

While an employee is on approved leave from our company, their employment is considered continuous and all conditions of employment remain the same or comparable, dependent upon operational requirements.

There is no guarantee that an employee will be returned to the same job they left when they went on leave; however our company will attempt to ensure that their same job or a comparable job, with no less than the same salary and benefits, will be made available upon the employee's return to work.

4.2 - Hours of Work

Hours of work are determined by management and are based on the operational needs of the company, in compliance with employment standards legislation. As stated in employment standards legislation, overtime will be paid after 8 hours per day and 40 hours per week and hours of work will be restricted to no more than 12 hours per day.



* Warehouse employees are hourly-paid employees and are required to record their hours by punching the time clock located in their work area.

* Administrative and Sales employees are paid a fixed monthly wage, based on an 8 hour day and 40 hour week, and are required to sign in & out on company time sheets.

4.3 - Requirement to Record Hours of Work

Employment standards legislation requires employers to keep daily records of hours worked by all employees. Therefore, employees must co-operate with the company by ensuring they “sign” or “punch” in & out when beginning and ending work.

Under no circumstances is one employee permitted to enter hours for, or punch in or out, for a fellow employee. Employees who forget to punch their time card or enter their hours on the company time sheet must advise their supervisor as soon as possible and the necessary adjustments will be made.

Failure to comply with our reporting requirements may result in a delayed pay cheque and possible disciplinary action. (See 4.9)

4.4 - Overtime

Overtime occurs when an employee is requested to work more than eight (8) hours per day and forty (40) hours per week. Employees have the right to refuse to work overtime, except in an emergency situation. Without exception, all overtime must be pre-authorized by management. Failure to obtain pre-authorization, without any reasonable explanation, may result in disciplinary action. (See 4.9)



4.5 - Confidentiality of Company and Personal Information

All personal information provided to the company for job-related reasons is managed discreetly and confidentially, in compliance with provincial Privacy legislation.

Personal information will not be used or disclosed for purposes other than for which it has been collected, except with the consent of the employee, or as required or permitted by law. It is the employee's responsibility to keep the company informed of any change of address, telephone number, or any changes which may affect benefits entitlements or income tax deductions, i.e. marital status or the addition of any dependents.

Employee files are kept in a locked file cabinet in the office of the Accounting/Payroll administrator. These files are accessible only to payroll and management at Head Office and the Branch Offices. This is the official record of the employment history of the employee, including employee-signed forms required by law for Canada Customs and Revenue Agency (income tax), Canada Pension Plan, and Employment Insurance, as well as any forms required for benefits entitlement.

Our company policy is that there should never be any documents in an employee's file that the employee has not been copied on, signed or viewed. Employees may make a written request to view their own file and should provide management with minimum forty-eight (48) hours notice of their request.

4.6 - Attendance Management

Our employees are expected to responsibly manage their attendance and time management in order to report to work as scheduled and work the hours required to perform their job duties satisfactorily. Each employee is responsible for ensuring their availability for work during the hours agreed to with management, at the location agreed to with management.



4.6.1 - Lateness

Employees will be expected to make up lost time due to lateness or have their lost time deducted from their pay cheque. Should an employee's lateness persist despite verbal or written warnings, management reserves the right to investigate and consider further disciplinary action. (See 4.9)

4.6.2 - Illness/Injury

Employees who become ill or injured are required to contact their supervisor or another member of management as soon as they know they will be unable to report to work as scheduled.

4.6.3 - Frequent Absenteeism

An employee, who fails to contact management regarding their inability to attend work, will be considered "absent without leave" after the first day of absence. Management will make every reasonable effort to contact an absent employee at their last known address by phone and/or by registered mail. After an absence of five (5) consecutive work days, if management has been unable to contact the employee, they will be considered to have abandoned their position and will be terminated for "just cause".

Management understands that occasional sick days are unavoidable; however any apparent pattern of "long" weekends or sick days in excess of the norm for other company employees are issues which will be addressed by management through corrective action based on the facts of each individual situation. Where an employee has a less than satisfactory attendance record, management may exercise its' right to request an employee to provide our company with satisfactory medical information from their physician each and every time they are absent until their attendance is deemed to have improved for a determined period of time. Any costs associated with management's request for medical information will be the employee's responsibility.

4.6.4 Extended Absence Due To Illness/Injury

When an employee has been on extended sick leave, it will be their responsibility to provide proof of their fitness to return to work before management will schedule their return to work. Therefore, once an employee has been medically cleared by their physician as physically fit to return to work, the employee must contact their supervisor to arrange an appointment to discuss their fitness to return to work and to provide management with the required medical clearance.

The medical information requested would be the physician's assessment of the employee's medical fitness to return to work: whether the employee is medically fit to return to full, unrestricted duties, or to restricted duties such as part-time or alternate duties. Any costs associated with providing satisfactory medical information to management is the responsibility of the employee.

4.6.5 Reasonable Accommodation Due To Medical Condition

Where an employee's physician provides medical evidence for the company that the employee will be unable to return to their regular duties for a specified period of time or possibly never, management will make every attempt to "reasonably accommodate" the employee in compliance with the documented medical requirements and the requirements of provincial Human Rights legislation. Employees on medical leave are required to co-operate with management and to follow the treatment plan recommended by their physician. Failure to do so will be considered by the company when determining a return to work and/or "reasonable accommodation" possibilities.



4.7 - Professional Appearance

All employees are expected to maintain a well-groomed appearance and to wear clothing suitable for their work and the image of the company, both in the office (business casual) and the warehouse areas (clean jeans, not torn; t-shirts without offensive language or pictures). Management reserves the right to advise an employee when they are considered to be in conflict with our company dress code and, if necessary, send the employee home, on their own time, to change into more appropriate attire.

4.8 - Attitude and Personal Conduct

The company expects all employees to maintain a professional demeanour in their dealings with individuals inside and outside of our company.

Employees whose conduct compromises the integrity of our company, and/or the safety and well-being of fellow employees in the workplace or at a company function, on or off the company premises, may be subject to disciplinary action up to and including dismissal. (See 4.9)

4.9 - Disciplinary Process

The company disciplinary process is intended to correct unsatisfactory behaviour and provide an employee the opportunity to remain with our company if they can respond to management's concerns in a satisfactory manner.

In the interests of fairness, our company is committed to ensuring employees will be made aware of any complaints brought to their attention either from inside or outside of the company as soon as they are in receipt of the complaint.



If the circumstances warrant one, a confidential investigation will be conducted by management, during which all relevant individuals will be interviewed. Management will consider the employee's information, as well as any other relevant information before a decision is reached or any corrective action taken.

The investigation procedure will be as follows:

1. A member of the management team or an independent investigator will meet privately with the employee to review the complaint. A written statement may be requested from the employee. Dependant upon the seriousness of the complaint, the employee may be suspended without pay pending the outcome of the investigation.

2. Any other relevant parties will be interviewed and will be advised to keep their interview confidential. Written statements may be requested from the complainant and witnesses.

3. Dependant upon a number of factors including the employee's work history, the seriousness of the incident, the facts of the situation, the attitude of the employee during the investigation, as well as any previous disciplinary history, one of the following actions may be taken by management:

- * verbal warning
- * written warning
- * suspension without pay
- * dismissal

4. Management will review the reasons for their decision with the employee, and then confirm their decision in writing. The written decision will be placed in the employee's file.

5. Following the investigation, should management determine that there is no basis for disciplinary action, the employee will be returned to their job with full back pay should a suspension without pay have been considered necessary prior to the investigation. Any record of the disciplinary investigation will be removed from the employee's file.



4.10 Termination, Layoff and Resignation

Any decision made by our company to terminate an employee will be made only after all facts have been carefully reviewed and considered and management has determined that termination is the most appropriate company response, considering all of the factors.

Some instances where management may decide to terminate an employee and provide them with written notice or pay in lieu of notice include, but are not restricted to:

- * lack of suitability
- * failure to successfully complete probation
- * no significant improvement in performance or attendance despite warnings from management and additional training or coaching

4.10.1 - Termination with Cause

If management decides to terminate an employee for “just cause”, meaning without notice or pay in lieu of notice regardless of length of service and past work performance record, this will occur only where the facts prove to be serious enough to support this decision.

Examples of issues which could be considered an employee’s breach of trust with our company and result in management’s decision to dismiss the employee for “just cause” would include, but not be restricted to:

- * falsification of information on the application form/resume or benefits forms
- * theft of company property or a customer or employee’s personal property
- * insubordination/willful disobedience
- * serious or gross incompetence
- * contravention of company drug and alcohol policy
- * excessive absenteeism
- * contravention of company safety policies, including fighting
- * discrimination or personal or sexual harassment of an employee, customer or supplier

4.10.2 - Lay Off

Economic downturns or changes to our company operational requirements may result in management having to lay-off employees on either a temporary or permanent basis. Should a lay-off be necessary, management will provide written notice to the affected employee(s) at the earliest possible date, or a minimum of seven (7) days in advance.

In compliance with Alberta employment standards legislation, employees who have not been recalled within fifty-nine (59) days will be paid termination pay according to their years of service.

4.10.3 - Resignation

For the sake of operational requirements, management expects employees in B.C. to provide a written letter of resignation, a minimum of two (2) weeks in advance of their intended date of departure from the company.

Employees in Alberta and Manitoba are required to provide our company with written notice of their intention to leave our company, as follows:

* In Alberta, employees are required to provide one (1) weeks notice after 3 months and two (2) weeks notice after 2 years of employment

* In Manitoba, the notice required is equivalent to one (1) pay period in advance, which in our company would be equivalent two (2) weeks

4.11 - Use of Employer's Computers and Telephones

4.11.1 - General

All telephones and computers are the property of Julian Ceramic Tile Inc.

Our employees do not have a personal privacy right with regard to the use of the company computers and telephone systems. These systems are in place for work-related use and are to be used for business purposes only.



Due to the potential risk of the company being held liable for inappropriate use of these systems, management reserves the right to:

- * monitor the e-mail mailboxes, history, computer files and telephone usage of every employee, without any prior notice
- * ensure the policies prohibiting harassment & discrimination are being complied with, and
- * ensure that company property is not being used for purposes of offensive, defamatory, pornographic or other inappropriate communication which would jeopardize our systems, poison the work environment or harm our professional reputation

Employees are expected to report any suspected improper use of the company phone or computer systems to management. Any suspicions or allegations regarding improper use of company phones or computer systems will be investigated and disciplinary action may be taken. (See 4.9)

4.11.2 - Use of Company Computers

Due to the ever increasing number of viruses and “spam”, which could damage our computers and infect our company data, it is imperative that employees do not open e-mail and websites they do not recognize, or exercise extreme caution. Our employees are expected refrain from “surfing the net”, which could expose the company data to contamination and/or breach the confidentiality of our company data.

Employees assigned a Company Computer or Laptop for home use are responsible for replacement in event it is lost or stolen.

4.11.3 - Personal Telephone Use

The company understands that our employees will receive personal telephone calls during work hours, which is why we have made an employee phone available in the staff lunchrooms of each office for the receiving and making of personal calls. Employees are advised to use the staff phone or their personal cell phones during their break time.

Personal long distance calls using the staff phone or your desk phone require prior authorization from management. Employees will be required to reimburse the company for the cost of personal long distance calls. Failure to comply with this policy may result in disciplinary action. (See 4.9)

Employees assigned a Company Cell Phone or Blackberry are responsible for replacement in event it is lost or stolen.



4.12 - Moonlighting

Employees who take on additional employment while employed full-time with our company must understand there can be no infringement on the professional reputation of our company or the terms and conditions of employment with the primary employer, Julian Ceramic Tile Inc.

Where it appears that employee performance is being negatively impacted, or the reputation of our company is in jeopardy due to an employee's outside interests or employment, management reserves the right to take disciplinary action. (See 4.9)

4.13 Medical and Dental Appointments

Employees are expected to schedule their medical and dental appointments outside work hours whenever possible. If this is not possible, we expect our employees to schedule their appointments at times which will ensure the least disruption to the workday.

5.0 EMPLOYEE RELATIONS

Like most successful companies, Julian Ceramic Tile Inc., has created an extensive customer base and unique product and sales expertise.

5.1 - Confidentiality of Company Information

All information regarding customers, suppliers, employees, or company finances is confidential. Confidential information regarding company finances, private business activities, suppliers and marketing plans is considered the property of the company.

Confidential company information cannot be used by employees for their personal advantage or private speculation either during their employment with the company or after leaving the company. Should there be any doubt as to what information is confidential, please discuss with management prior to disclosing any company information.

A breach of the duty of confidence is a serious issue and may result in our company taking corrective action up to and including dismissal during employment, or pursuing a remedy through either criminal or civil litigation if the employee has left the company. (See 4.9)

5.2 - Harassment and Discrimination- Free Working Environment

Our company believes that everyone has the right to be treated with respect and dignity. We are committed to providing all employees, customers and suppliers a safe and respectful environment in which to conduct business.

This policy is not intended to interfere with social interactions or consensual personal relationships among our employees; however employees who appear to have crossed the line and acted in contravention of our company policy and provincial human rights legislation, either in the workplace or in any work-related setting off premises and/or outside working hours, may be subject to disciplinary action. (See 4.9)

Our company will also not tolerate an employee being subjected to discrimination or harassment from someone outside of the company such as a customer or supplier. We will make every effort to prevent harassing or discriminatory behaviour that undermines our company commitment to provide a respectful, productive and professional work environment.

5.2.1 - Definitions of Discrimination and Harassment:

Discrimination is defined as any act or omission based on any of the restricted grounds within B.C., Alberta or Manitoba provincial human rights legislation when that act or omission results in the loss or limit on opportunities to fully participate in work or offends the dignity of an individual

Harassment is defined as abusive and unwelcome conduct or comments, including workplace bullying.



Sexual Harassment is defined as abusive, unwelcome conduct or comments made on the basis of gender; or any sexual solicitation or unwelcome advance. The unwanted behaviour may be either verbal or physical, and may include unnecessary physical contact, unwelcome sexual remarks or jokes which are sexually suggestive or obscene, leering or suggestive staring or gestures, persistent, unwanted contact or attention after a consensual relationship has ended, the display of derogatory materials, or demand for sexual favours as a condition of employment or service.

Psychological Harassment is defined as any vexatious behaviour such as hostile, inappropriate verbal comments or conduct that affects an employee's dignity or psychological integrity. This includes any abuse of authority, including intimidation, threats, blackmail or coercion, where a person improperly uses their power or authority to endanger an employee's job, undermine the employee's job performance, threaten their economic livelihood or interfere with the career of the employee, suppliers or clients of our company.

5.2.2 - Harassment Complaint Procedure

An employee who believes they are the subject of discrimination or harassment can and should request assistance from company-appointed Harassment Advisors in ending any unwanted behaviour as soon as it occurs. The role of the Harassment Advisors is to offer advice, support and the informal resolution of complaints in a confidential and discreet manner. They have no decision-making authority. Whenever possible, the Advisors will assist an employee with the resolution of their complaint either informally or by mediation.

Confidentiality, subject to any limits or legal requirements, will be maintained by all company-appointed personnel in order to protect the complainant, respondent and witnesses. The company has designated the following Head Office employees as Harassment Advisors:

Melanie Narvaez, Payroll/ Accounting Manager
Greg Guidotti, Credit Manager



They can be contacted by e-mail or phone. Outside of B.C., please call 1-800-587-9877.

The following process will be followed when an employee contacts a Harassment Advisor:

1. The Harassment Advisor will hear the employee's concern, provide the employee with a definition of what constitutes discrimination and harassment and discuss with the employee possible options for resolution such as:
 - a) Whether the complainant wishes to resolve their complaint informally through negotiation or facilitation by discussing their concern directly with the alleged harasser, with or without the presence of a third party to facilitate the meeting; or
 - b) formally, through mediation or a harassment investigation conducted either by senior management or an independent investigator
2. When the Advisor and the complainant agree that the conduct in question is not discrimination or harassment and no further action is requested or required, the matter will be considered closed
3. Should the Advisor and the employee determine that the alleged behaviour may constitute discrimination or harassment which cannot be resolved informally, and/or is considered to be serious enough to be investigated; the Advisor will notify the General Manager
4. Depending on the nature of the issue, the General Manager will appoint a member of the management team or an independent investigator from outside of the company to investigate the matter and report back with their findings.



The Harassment Investigation

1. The Employee must be prepared to co-operate with the investigation by meeting with the investigator and providing a written summary of the offensive behaviour including as many details as can be recalled, i.e. the name of the alleged offender, the date(s) of the allegedly offensive behaviour, the nature of the allegedly offensive behaviour, and the names of anyone who may have witnessed the allegedly offensive behaviour.
2. The Investigator will conduct the necessary investigation, ensuring that all relevant parties have been heard from, review the evidence and provide written recommendations as to what, if any, corrective action may be the appropriate company response to the allegedly offensive behaviour.
3. The Partners of our company will review the Investigator's recommendation and determine the appropriate response warranted.
4. Our company recognizes the seriousness of unfounded allegations of discrimination or harassment and disciplinary action will likely result where it is determined that a complainant filed a frivolous, vexatious or malicious complaint.

5.3 - Personal Relationships

As stated in 5.2, our employees are expected to exercise good judgement when forming personal relationships with fellow employees, customers or suppliers which may have the potential to negatively impact the workplace either during the relationship or once it ends.

Personal relationships can compromise the objectivity required where supervisory personnel are required to make decisions with regard to performance, discipline, or salary reviews of employees reporting to them. Therefore, any employee in a supervisory capacity will not be permitted to supervise an employee with whom they have a close personal relationship such as dating, spousal or co-habitation.



The termination of a personal relationship between work colleagues, an employee and a supplier, or an employee and a customer can be emotionally demanding on the parties as well as the company and interfere with the operation of business. An unforeseen and unintended result could be harassment when one party continues to pursue the other, who considers this to be unwelcome behaviour. Therefore, in the interests of a harassment-free work environment, each employee will be held responsible for advising management of:

1. The existence of such a personal relationship, and for
2. Confirming that it is a consensual relationship, and for
3. Confirming their awareness and understanding of the company harassment policy

These steps are necessary to ensure that neither the company nor any individual employee is placed in a compromising situation. An employee's failure to advise management as required may result in the company taking disciplinary action. (See 4.9)

5.4 - Alternate Dispute Resolution

Our company is committed to providing an inclusive workplace that fosters co-operation and respect for colleagues and clients. We recognize however that disputes can occur and we expect that our employees will make every effort to manage their dispute in a reasonable and discreet manner, without the use of offensive language, threats or violence, and to make every attempt to keep personal matters out of the workplace.

Management is available to provide assistance, including the use of alternative dispute resolution services such as mediation or facilitation. Whether a dispute occurs with a customer, another employee or management, the employee(s) involved are required to advise management at the time of the incident, or immediately following the incident, and to co-operate in resolving the matter. Failure to do so may result in disciplinary action. (See 4.9)



6.0 - WORKPLACE HEALTH & SAFETY

Our company is committed to providing a safe environment for all employees and clients.

All employees are responsible for co-operating with management to ensure an accident-free work environment and by immediately reporting any incident which threatens another employees' physical or emotional safety.

* The use of alcohol, illegal drugs, or any behaviour which could be considered discrimination, harassment, bullying or physical violence will not be tolerated and offenders will be subject to disciplinary action by management. (see 4.9)

* Safety boots, which comply with provincial health and safety standards, must be worn by all employees working in the warehouse and/or the sample room areas. Safety boots are a condition of employment for all warehouse employees and the employee bears the responsibility for purchasing safety compliant boots at their own expense.

6.1 - Worker's Compensation

The company is required to report any workplace accident to the Workers Compensation Board in each province. Therefore all employees must make management aware of any illness or accident occurring in the workplace as soon as an incident occurs.

6.2 - Smoke-Free Workplace

Our offices are smoke-free environments. Employees, who wish to smoke, must do so outside of the building, away from the customer entrance, and only while on an approved break. This activity must not interfere with job duties and the effective operation of company business.



6.3 - Alcohol and Drug Free Workplace

Employees are prohibited from using, possessing or consuming illegal drugs or alcohol in the workplace, or from bringing these substances onto the company premises. For safety reasons, employees should discuss any concerns they may have about a fellow employee's possible alcohol or drug use with management without delay.

Employees appearing to be under the influence of either alcohol or drugs will not be permitted to work or drive either their own vehicle or any company vehicle. Management will assume responsibility for the safety of the workplace by removing the allegedly "intoxicated" employee and delivering them home safely. Corrective action or human rights requirements to accommodate drug or alcohol dependencies may follow, dependant on the individual circumstances. (See 4.9)

6.4 - Use of Cell Phones and Beepers

For safety and liability reasons:

- * cell phones and beepers must be shut off while employees are in the workplace and only used in the company lunchroom or outside of the building
- * cell phones and beepers cannot be used by employees working in the Warehouse or
- * by any employee while operating a motor vehicle on company time

The same terms and conditions discussed in Section 4.11 apply to employee use of company issued cell phones and beepers. Employees issued cell phones by the company are reminded that these devices are for company business and limited personal use only is permitted.