

**PRE-COMMERCIAL THINNING  
AGREEMENT**

**between**

**CORNER BROOK PULP AND PAPER LIMITED**

**and**

**COMMUNICATIONS ENERGY AND PAPERWORKERS  
UNION OF CANADA, LOCAL 60N**

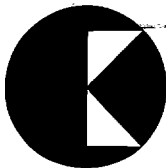
**effective**

**JANUARY 1, 2004**

**to**

**DECEMBER 31, 2008**

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**THIS AGREEMENT** made at Corner Brook in the Province of Newfoundland and Labrador, this 4th day of September, Anno Domini Two Thousand and Five,

**BETWEEN**

**CORNER BROOK PULP AND PAPER LIMITED** of Corner Brook, Newfoundland, (hereinafter called the “**Employer**”) of the one part,

**AND**

**COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA, LOCAL 60N** (hereinafter called the “**Union**”) of the other part.

**WHEREBY IT IS AGREED AS FOLLOWS:**

Where the masculine gender appears, it shall also mean feminine gender.

## ARTICLE 1 - Purpose

**1.01** - It is the general purpose of this Agreement to set forth the working conditions, the hours of work, the rates of pay, and all other items that both parties have agreed to through the process of collective bargaining. This Agreement, moreover, seeks to ensure to the utmost extent possible, the safety and physical welfare of the employees, economy of operation, quality and quantity of output and protection of property, and also seeks to provide for fair and peaceful adjustments of all disputes that may arise between the parties. It is recognized as a duty of the parties hereto and of all employees to co-operate fully, individually, and collectively for the advancement of the conditions set forth herein.

## ARTICLE 2 - Term of Agreement

**2.01** - This Agreement shall come into force on the date of its signature by the parties and shall remain in full force and effect to and including the 31st of December, 2008, and from year to year thereafter, unless either party desires to change or terminate the Agreement, in which case the party desiring change or termination shall notify the other party in writing at least sixty (60) days prior to the end of December of the particular year that such is its desire.

## ARTICLE 3 - Recognition and Jurisdiction

**3.01** - All employees of Corner Brook Pulp and Paper Limited, including all employees on the seniority list of Corner Brook Pulp and Paper Limited, engaged in Pre-Commercial Thinning Operations on the timber limits of Corner Brook Pulp and Paper Limited in the Province of Newfoundland and Labrador, save and except technical, clerical and office staff, scalers, persons employed in supervisory or confidential capacity, non-working foremen and those above the rank of non-working foremen.

**3.02** - The Employer agrees that if contracts are made, such Contractors shall be required to apply all the terms of this Agreement including the wage rates.

**3.03** - Supervisory personnel shall not perform work which would normally be a function of an employee listed in the job classifications covered by this Agreement including new job classifications under Article 4, except for the purpose of instruction or in cases of emergency.

**3.04** - The jurisdictional area of application under this Agreement shall be upon any of the Employer's timber limits, within the Province of Newfoundland and Labrador.

**3.05** - The Employer shall not be asked to act upon and shall not be responsible for questions of jurisdiction which may arise between the Union and any other Union or Unions. Employers' operations shall not be interrupted as a result of any jurisdictional dispute that may arise between the Union and any other Union or Unions.

## **ARTICLE 4 - Rates and Classifications**

**4.01** - The Wage Schedules are attached hereto and form a part of this Agreement.

**4.02** - For job classifications not listed in the attached Wage Schedules, the Employer shall set estimated or temporary rates of which the Union will be notified in writing within thirty (30) days from the date the new job commences. Any such rates will be based on comparison with the prevailing rates for similar and/or related occupations in the attached Wage Schedules. After a trial period of sixty (60) days, any such rate or rates shall be negotiated with the Local Union and, after agreement is reached, it shall then become a part of the Wage Schedules and attached hereto. Upon failure to reach agreement on the rate or rates, the matter may be referred to **Stage 3** of the Grievance Procedure. It is understood that the sixty (60) day period can be extended by mutual consent of the parties to this Agreement. The employees concerned shall be entitled to all the benefits of the Agreement from the date the new job commences. All rates under this Clause may be made retroactive to the end of the trial period by an Arbitrator.

## **ARTICLE 5 - Union Membership**

**5.01** - The Employer is in favour of its employees, covered by this Agreement, becoming members of the Union and will facilitate Union membership solicitation as hereinafter provided.

**5.02** - All employees covered by this Agreement shall become members of the Union within thirty (30) working days from the date they begin to work. All members shall maintain their membership in good standing as a condition of employment through the term of this Agreement. In the event of the Union having to suspend a member, the Company shall be notified by the Union, in writing, at least seven (7) days before the suspension.

**5.03** - It is the responsibility of the Union to notify the employer, in writing, of any employee who has refused to join the Union or any member who refuses to maintain his membership in good standing, and an Employer shall not be required to release an employee until ten (10) calendar days after notice in writing has been received.

**5.04** - The Employer shall deduct each week, from the wages of each employee within the Union's jurisdiction, the regular weekly working membership dues of the local Union and, on his behalf, remit the same to the local Union on a monthly basis.

**5.05** - If an individual employee, who is a member of the Union or wishes to become a member, so desires, the Employer will, on his behalf and upon written request, deduct Union initiation fees and/or back dues from monies due him.

**5.06** - Remittance of all deductions accompanied by an itemized list, in duplicate, showing the S.I.N., full name, hours worked as defined for Union Dues, and amounts by individual and totals by work areas shall be sent to the local Union as soon as possible, but, in any

event, not later than two (2) weeks from the end of the calendar month in which it is deducted.

**5.07** - The employer shall advise the Union from time to time of the Employer's labour requirements. When hiring additional employees, the Employer will give preference to Union members who have applied in writing within the previous six (6) months and who are capable of doing the work required of them.

However, a Union member shall not exercise his rights under the provisions of this Clause to the extent that the Employer shall have to hire him and provide him with board and lodging in order to make him available within commuting distance from any commuter job.

**5.08** - The Union shall furnish the Employer with a list of local officers and a list of representatives and shall amend these lists promptly as changes occur.

**5.09** - Union representatives, as per list supplied by the Union, shall have the right to visit all Pre-Commercial Thinning Operations in connection with Union business as it pertains to the Employer's operations on condition that said representatives abide by the regular rules and regulations of the Employer. In so doing, the Union agrees that their representatives shall have due regard for production.

**5.10** - All new employees shall be on probation for the first thirty (30) days worked.

## **ARTICLE 6 - Annual Vacation**

### **6.01 -**

(a) Because of the seasonal nature of Pre-Commercial Thinning work, annual vacation time off will not be granted. This does not prevent the Company to grant special requests for time off. Vacation pay will be paid weekly with regular earnings, at the percentage of gross earnings rate as shown in the following schedule:

<b>A</b>	<b>0 - 900 days</b>	<b>4%</b>
<b>B</b>	<b>901 - 1500 days</b>	<b>6%</b>
<b>C</b>	<b>1501 - 3150 days</b>	<b>8%</b>
<b>D</b>	<b>3151 - 5150 days</b>	<b>10%</b>
<b>E</b>	<b>5151 days or more</b>	<b>12%</b>

(b) An employee's vacation entitlement in any calendar year is based on his accumulated seniority as of the end of the previous computer payroll year. However, if an employee reaches a period described in 6.01 a) after the end of the previous computer payroll year, he will become entitled to the additional vacation entitlement of this new period as of the date on which he reaches it.

## ARTICLE 7 - Holidays with Pay

**7.01** - Qualified employees covered by this Agreement shall be granted the following holidays with pay providing the qualifying time is worked on the operations of the Company - Victoria Day, Memorial Day, and Labour Day. The holidays as outlined above will be observed on the official date as declared by Provincial legislation, unless otherwise mutually agreed. If any of the above holidays fall on the employee's scheduled day or days off, the employee shall be granted an extra day or days off as his holidays with pay.

**7.02** - To be eligible for pay for the holidays, as outlined in Clause **7.01**, employees must qualify as follows:

- (a) For employees whose names have not been entered on the seniority list as per Clause **12.03**, the required days worked between holidays shall be fifteen (15) days.
- (b) Employees must have worked the last scheduled shift before, and the first scheduled shift after, the holiday, except when the employee is absent due to a confirmed illness or accident, in which case the employee shall be paid if he otherwise qualifies.

Employees absent due to a confirmed illness or accident shall only be entitled to one holiday after the start of such absence. A special leave of absence for any of the above holidays may be granted to employees who have to travel long distances to be home for the holiday, provided that a request for such leave is made at least five (5) days before the holiday.

- (c) Employees who otherwise qualify but are laid off on any of the twenty-five (25) calendar days immediately preceding the holiday will be paid for the holiday.

**7.03** - An employee does not have to report before or after the stipulated day as per **7.02 (b)**, if his regular employment is not available.

**7.04** - All employees qualifying for a paid holiday, except those working on negotiated piecework rates, shall receive pay for the holiday at their regular rates. Those working on piecework rates shall receive pay for the holiday at regular labour rate, plus eight (8) percent.

**7.05** - All employees who qualify for a paid holiday and work on the paid holiday will receive pay for the time worked at time and one-half and, in addition, will receive the "Holiday Pay" for which they qualify. All employees who do not qualify for pay for a holiday and work on such holiday shall receive pay for time worked at time and one-half. All days for which an employee receives pay or part pay shall be considered as days worked for the purpose of qualifying for a paid holiday.

**7.06** - Employees with one hundred and fifty (150) days or more of seniority will be entitled to one (1) floating holiday if they have worked thirty (30) days in the previous year, two (2)

floating holidays if they have worked sixty (60) days in the previous year and, effective in year 2000, three (3) floating holidays if they have worked seventy-five (75) days in the previous year.

These floating holidays shall be paid on the basis of eight (8) hours at his regular straight time rate. An employee may elect to take the holidays or eight (8) hours pay, in lieu of time off. Time off must be arranged with the employee's immediate supervisor.

An employee who does not take the floating holidays when the job is in operation will be paid for the days during the last week of operations, prior to the regular fall shutdown. The floating holidays will not be accumulative from year to year.

**7.07** - For the purpose of administering **Articles 6 and 7**, employees who have accumulated seniority on both regular Woods Operations and Pre-Commercial Thinning operations will be given the benefit of combined total seniority. Benefits payable to the employee will be paid once only in the calendar year whether an employee is employed at regular Woods Operations or Pre-Commercial Thinning Operations at the time application is made.

## **ARTICLE 8 - Adjustment of Grievances**

**8.01** - It is the mutual desire of the parties hereto, that complaints of employees be adjusted as quickly as possible, an employee has no grievance until he has first given the Foreman, or his Representative, an opportunity to adjust his complaint, an employee must be hired and have clearly made known to him the name of the Foreman or the Foreman's representative before commencing work.

### **8.02 -**

- (a) Where possible, the Union shall arrange for election, from its working membership at each worksite by the members therein, of a Union committee of up to three (3), one of whom shall be the Union Steward and spokesman for that committee. Immediately after an election, the Union committee at the worksite will notify the foreman, in writing, as to the name of the Union Steward and committee members.
- (b) There shall be no discrimination exercised in any manner towards the Stewards or Union committee members.

**8.03** - A grievance under the provisions of this Agreement is defined to be any difference including the degree or extent of disciplinary action between the parties or between any one of the employees and his employer covered by this Agreement involving the interpretation, application, administration, or alleged violation of any of the provisions of this Agreement.



## **Stage 1**

Complaints of employees must first be taken by the employee himself directly to the foreman and/or his representative for adjustment without undue delay but, in any event, not more than thirty (30) days immediately following the occurrence of event giving rise to the complaint. It is understood that an employee may, if he so desires, be accompanied by the Union Steward and/or representatives. If the complaint is not adjusted satisfactorily within three (3) days it may be taken up at **Stage 2**.

## **Stage 2**

The matter shall be taken up by the Union Committee and/or Union representative(s) with the P. C. T. Supervisor and/or their representatives within three (3) days from the end of the three (3) day period in **Stage 1**. If the complaint is not adjusted satisfactorily within fourteen (14) days then:

## **Stage 3**

The complaint becomes a grievance and is submitted, in writing, to the Woodlands Manager and/or his representative within three (3) days from the end of the decision period in **Stage 2**.

No employee's grievance will be recognized until Stages 1 and 2 have been followed providing the employee remains employed under the same foreman. If the employee is no longer employed under the same foreman, the complaint may be taken up commencing at **Stage 2**.

The Woodlands Manager, or his representative, will make a reply, in writing, within ten (10) days and failing a satisfactory adjustment then:

## **Stage 4**

Either party may, within the following fifteen (15) days, refer the matter to arbitration. Failure of the grievor or the Union to process a grievance to the next step in the Grievance Procedure within the time limit specified shall not be deemed to have prejudiced the Union on any future similar grievance.

**8.04** - The Employer will notify the local Union secretary, in writing, at the time of discharge or suspension of an employee, giving the reasons for such discharge or suspension. A grievance arising from a claim of unjust discharge or suspension may be processed beginning at **Stage 3** of the Grievance Procedure, in writing, not later than six (6) days after receipt of notification. Where it has been finally established by an Arbitration Board that an employee has been improperly discharged or suspended, he shall be reinstated in his former job without loss of seniority, and the consideration of his grievance shall include the determination of the extent, if any, to which he shall be compensated for lost pay, and reimbursement for the premium cost of any health and welfare coverage currently in effect. Arbitration will in no way award redress exceeding that which the employee would have

earned in the Company's employ had he not been improperly discharged or suspended.

**8.05** - If the Union has a grievance as defined in **Section 8.03**, it shall commence at **Stage 3** of the Grievance Procedure.

**8.06 -**

- (a) In arbitration, the Employer and the Union shall each select one member, these two shall select a third party who shall act as Chairman. Either party shall appoint its nominee not later than five (5) days after receipt of written notice of the name of the other party's nominee and shall forthwith inform the other party of the name of the nominee.

The Arbitration Board's decision shall be final and binding on both parties to this Agreement. In the event of the failure of the two (2) members selected by respective parties to select a third party as provided above, within ten (10) days, they shall ask the Provincial Minister of Environment and Labour to appoint a third party, and such appointee shall be accepted by both parties as Chairman. If the party to whom notice is given fails to select an arbitrator within the period of five (5) days after receiving the notice, the Provincial Minister of Environment and Labour shall, on the request of either party, name an arbitrator on behalf of the party who failed to select an arbitrator.

- (b) By agreement of the parties, a sole arbitrator may be appointed in lieu of an Arbitration Board. A sole arbitrator shall be bound by the same rules and regulations as outlined elsewhere in this Article.
- (c) The arbitration Board or arbitrator shall file their decision with the parties within fifteen (15) days of the hearing.

**8.07** - It is understood that the function of the Arbitration Board shall be to interpret and apply this Agreement, and that it shall deal only with the specific questions as submitted and shall have no power to alter, add to, or amend this Agreement, except arbitrations under **Article 4**.

**8.08** - Each party to this Agreement shall pay all expenses of the member of the Arbitration Board selected by it or by the Provincial Minister of Environment and Labour, and shall share equally in the fees and expenses of the third member of the Board. The decision of the majority of the members of the Arbitration Board shall be the decision of the Board and if there is no majority decision, the decision of the Chairman shall be the decision of the Board.

**8.09** - Time limits specified in this Article may be extended by mutual consent of the parties, or by mutual consent of the respective nominees to an Arbitration Board. Saturdays, Sundays, and holidays specified in **Article 7** shall not be included in any time limits of this Article.

## ARTICLE 9 - No Strike - No Lockout

**9.01** - It is agreed that all disputes shall be settled in accordance with the procedure set forth in **Article 8** of this Agreement and that there shall be no strikes caused, called, or supported by the Union or its members against the operations covered by this Agreement nor lockouts by the Employer during the life of this Agreement.

## ARTICLE 10 - Working and Living Conditions

**10.01** - Subject to this Agreement, it is the sole right of the Employer to administer the operations, direct employees in such a way as to ensure maximum efficiency, change its methods or system of operation and distribute work.

**10.02** - For each pay period, a memo of earnings slip will be issued to each employee giving the following information- the period covered, hours and/or days worked, rates of pay, earnings and deductions, and any other pertinent information. An employee's regular pay period will cover all time worked from 8:00 a.m. on Sunday to 8:00 a.m. the next following Sunday. An employee's weekly pay cheque will consist of his earnings up to normal starting time Sunday morning of the previous week and will be available at the end of an employee's regular shift on Thursday.

**10.03** - Employees will observe all regulations pertaining to the prevention of forest fires as established by the Provincial Government and the Company. All employees shall fight forest fires when called upon to do so by an authorized person. Employees taken from their job to fight forest fires will be paid their regular rates for such work, except for pieceworkers who will receive the regular labour rate. The Employer will make every effort to limit the daily working time on fire fighting to eight (8) hours.

**10.04** - Employees losing personal belongings through fire while on the Employer's operations will be reimbursed for the **loss** of personal belongings up to a maximum of \$200.00. In addition, the loss of a brush saw due to fire will be reimbursed for a maximum of \$600.00. Individuals who lose personal belongings through fire caused by their own negligence will not be compensated.

**10.05** - Employer regulations require every chain saw operator to have a reliable fire extinguisher on his person when using a chain saw during the fire season. Extinguishers will be supplied by the Employer. The fire extinguisher shall be on loan to the employee and he shall return it in good condition to the Employer when he returns the chain saw. If the fire extinguisher has been lost or damaged, he shall compensate the Employer for the cost of same.

**10.06** - Chain saws, gas and oil will be supplied by the Employer free of charge. If, in a spirit of co-operation due to an emergency, an employee uses his own saw, he will be paid chain saw rental at the rate of \$8.00 per day with gas and oil supplied free of charge by the Employer.

**10.07** - The Company will sell brush saws and parts, at the Company's invoice cost, to

employees, if so requested

**10.08** - Unless otherwise specified in this Agreement, all hand tools required on the job will be made available to employees on loan. No person shall be required to own or rent any tools or equipment as a condition of employment unless otherwise specified in this Agreement. When tools are provided on loan by the Employer, such tools will be charged to the employee at full price if not returned. If returned in worn out or broken condition, they will be replaced by the Employer.

**10.09** - There shall be **no** shacking or batching on the Pre-Commercial Thinning Operation of the Employer except by mutual agreement between the parties and under conditions mutually agreed to before any shacking or batching commences.

**10.10** -

- (a) Where a midday meal is taken, a ten-minute break is allowed in the morning and in the afternoon.
- (b) Employees may decide themselves, on a crew basis, to take their lunch at midday with ten-minute breaks in the morning and afternoon or they may have two regular lunch periods of forty **(40)** minutes each per day.
- (c) During work hours, breaks shall be on the Employer's time.

**10.11** - If it becomes necessary on any operation to house the employees in Company camps, the camp conditions as per Woods Agreement will apply.

**10.12** - There shall be emergency first aid kits on all work sites and in all vehicles regularly used for the transportation of employees. All employees will be provided with a mini-safety kit.

**10.13** - All employees who have accumulated a minimum of one hundred (100) days of seniority at the end of the previous computer payroll year shall receive on a separate cheque after spring recall, a \$235 annual payment to cover subsidies dealing with safety footwear, safety pants, all clothing and gloves. All safety related clothing must adhere to the Employer's protective clothing policies and CSA Standards.

**10.14** - Lunch shelters will be provided and equipped with a table and benches. Coleman stoves, fuel and parts will be provided in all lunch shelters free of cost.

**10.15** - Spare saws will be provided on the basis of one (1) for every four **(4)** employees.

**10.16** -

- (a) The board rate will be frozen at \$2.13 per meal, \$6.39 per day, for the life of this Agreement.

- (b) An employee who reports to the cook on or before 7:00 p.m. on Thursday that he will not be eating supper at the camp on Friday shall not be charged for the supper meal, nor shall he be charged for any meals while away from the camp on weekends. However, if it becomes evident that this is being abused, the Company will revert to the practice of charging for the Friday evening meal.

**10.17 -**

- (a) On all Pre-Commercial Thinning Operations under Schedule "D", those employees who choose the option of using their own brush saw, will receive an allowance of \$3.25 per hour worked (maximum of \$26.00/day); this allowance includes cost for saw, parts, blades, plugs, fuels, lubricants, and maintenance.

Effective the date of ratification, increase allowance to \$3.35 per hour worked (maximum \$26.80/day). Effective January 1, 2007, increase allowance to \$3.45 per hour worked (maximum \$27.60/day).

- (b) The Company will standardize the price of gas and oil supplied to employees based upon the average invoice cost for all existing areas less 10%. Such price will be communicated to the Union prior to the cutting season. Once the price is set it will remain in effect until the beginning of the next cutting season. Any increase in the set price will be paid by the Company during each cutting season.

**10.18** - When a breakdown occurs, the Company may charge the employees who choose the option (**Clause 10.17**), \$9.50 per day (\$1.19/hour) hire for a spare saw. The period of hire shall not be longer than five (5) days.

**10.19** - Van shall be sold to employees at Employer's invoice cost.

**ARTICLE 11 - Hours of Work**

**11.01** - The standard work week for operation shall be six (6) days per week, Monday to Saturday inclusive.

**11.02** - The regular work week shall be forty (40) hours, composed of five (5) shifts of eight (8) consecutive hours per day, meal time excepted, from Monday to Friday or Tuesday to Saturday, inclusive, unless otherwise specified in this Agreement.

Employees may be required to work in excess of their regular work week or work day, and shall be paid in accordance with the provisions of this Article. If an employee requests to be excused from working overtime, permission shall not be unreasonably withheld.

**11.03** - All hours worked in excess of eight (8) hours per day or forty (40) hours per week shall be paid for at time and one-half.

**11.04** - When work has to be discontinued after commencing, an employee shall be paid one-half (½) day if he works less than four (4) hours and a full day if he works more than

four (4) hours.

**11.05** - An Employee who, during his scheduled work week, reports for work at his scheduled starting time and is unable to commence work for reasons beyond his control, shall receive two (2) hours pay at his regular rate and at the regular labour rate for pieceworkers, unless he was notified previously that work would not commence, and providing that when requested to do so by the Employer, the employee shall remain available for work for the two (2) hours. An employee on commuter operations shall be deemed to have reported for work when he arrives at the marshalling point. This clause does not apply when the reason for non-commencement is due to Acts of God.

**11.06** - An employee who, when recalled reports for work as directed and no work is available, shall be paid as per **11.05** for all regular working hours spent waiting to go to work.

## **ARTICLE 12 - Seniority**

**12.01**- The Company recognizes the principle of seniority so that in promotions, demotions, hiring, lay-off, and recall from lay-off, seniority shall govern subject to reasonable consideration of skill, efficiency, and ability in the work required. Pre-Commercial Thinning seniority only shall apply where Pre-Commercial Thinning projects are involved, and such seniority accumulation will not be applied to other operations outside Pre-Commercial Thinning Operations.

For the purpose of hiring and lay off, a person's position on the seniority list as of January 1, 1999 for his Division shall prevail.

**12.02** - Seniority for the purpose of this Agreement shall mean all days worked plus working days lost as a result of sickness or injury (certified by a licensed physician, dentist, chiropractor, optometrist, or registered nurse in an outport hospital or clinic) and authorized leaves of absence up to a maximum of thirty (30) days in any calendar year. An employee who has accrued seniority and is then employed by the Union, or is on authorized leave of absence on Union business, shall accrue seniority for a period not exceeding twelve (12) months.

An employee who has accrued seniority and is then employed in a management position shall accrue seniority for a period not exceeding twelve (12) months. In both cases, twelve (12) months dating from when the first such change of employment status took place, unless one (1) year has expired since the last change of employment status.

**12.03** - An employee shall be entered on the seniority list once he has completed his probationary period as per **Clause 5.10**.

### **12.04** -

- (a) Recall will be made to an employee's address or telephone number on record at the Employment Office. The employee is responsible for notification of any change in

the records herein referred to. If an employee fails to report for work or does not acknowledge recall, in either case due to circumstances beyond his control, he shall be given the right to exercise his seniority after giving the Employer one week's notice regarding his availability for work.

- (b) In recall and lay-off, seniority accrued while working on Pre-Commercial Thinning is the seniority that will be used.

**12.05** - An employee who has established seniority shall lose all seniority if he:

1. Quits the employ of the Company.
2. Is discharged and not reinstated.
3. Fails to answer recall, or fails to report for work, in both cases without satisfactory reasons, following leave of absence or recall from lay-off.
4. Is laid off for over twenty-four (24) months.
5. Has not complied with **Article 5** of the Collective Labour Agreement.

**12.06** - Subject to the provisions of **12.02**, employees who are prevented from continuing work because of sickness or accident may accrue their seniority during the period of absence required to recover from such sickness or accident, it being understood, however, that a medical certificate of fitness shall be required for purposes of rehiring.

**12.07** - Employees who have to leave the job because of personal injury or sickness shall, when cleared for work in accordance with **12.06**, return to the job from which he left, if same is continuing. However, should a lay-off occur while the employee is off on accident or sick, he shall then be recalled in the same manner, with the same conditions applying as all other employees.

**12.08** - Days referred to in this Article are working days.

**12.09** - In cases of lay-off other than those caused by Acts of God, employees shall be given one (1) week's written notice of such lay-off or one (1) week's pay in lieu thereof. For the purpose of this Agreement, an Act of God shall include weather conditions and any other conditions over which the Company does not have control.

**12.10** - A list in names of the employees for whom seniority is established as above shall be submitted to the Union office by March 31st, showing accumulated seniority as of December 31st of the previous year. In addition, the list will show each employee's Social Insurance Number, occupation or occupations, date of birth, and detailed address. Seniority lists will be confirmed as accurate if no protest is received within sixty (60) days from date of posting such lists in camps and/or buses on commuter operations, after the first commencement of Pre-Commercial Thinning Operations following December 31st.

**12.11** - In promotions, demotions, hiring, transfers, lay-offs, recalls from lay-offs, and subject to reasonable consideration of skill, efficiency and ability in the work required, Union members who are qualified and have applied in writing within the previous six (6) months, shall at all times receive preference over Non-Union applicants.

## **12.12 -**

- (a) For the purpose of this Article, the Pre-Commercial Thinning program of the Company shall be divided as follows:
- 1.** Western Division
  - 2.** Central Division
  - 3.** Eastern Division

An employee shall only apply his seniority in his designated division.

- (b) Notwithstanding paragraph a) above, in the case of a permanent reduction in the work force, total Company seniority shall prevail. When an employee is transferred on a permanent basis, the employee's total Company seniority shall apply in the Division to which he is transferred.
- (c) When an employee is temporarily transferred, his seniority will only apply in the division indicated on the Seniority List. Days accrued while on temporary transfer shall be applicable in the division to which he is designated.

**12.13** -Seniority accumulated while employed in the Pre-Commercial Thinning Operations shall not be portable to, or acceptable in, the regular Woodlands Operations of the Company without prior consultation, application, and approval.

**12.14** -Employees who are transferred from production work to a Pre-Commercial Thinning Operation by Company initiation, shall continue to accumulate seniority and shall be eligible for benefits as though working on regular production operations. In case of lay-off, any such transferred employees will be transferred back to regular production operations in accordance with the provisions of Clause **12.01** of this Article.

**12.15** - When it becomes necessary for the Company to hire new employees for the Logging Operation, the Company will post a Notice for a period of ten (10) days on all buses and all operations to seek interested employees.

Employees who apply will be considered subject to seniority and skill.

In the event an employee is transferred on the logging operation as per above, he will be subject to Clause **5.10** of the logging agreement.

Upon satisfactory completion of this period, the employee will forego all seniority rights in the thinning group. He will be considered junior on the seniority list of the Loggers Agreement. However, his acquired seniority in the Pre-Commercial thinning group will be considered for benefits purposes and vacation.



## **ARTICLE 13 - Safety**

**13.01** - In order to promote safe conditions within the operations of the Employer, every employee and every representative of the Employer must co-operate fully and make known dangerous conditions or practices and help to eliminate them.

### **13.02 -**

- (a) Every employee who suffers an injury is required, subject to circumstances prevailing, to present himself as soon as practical to his supervisor, or his representative, who will arrange for first aid treatment and, in the case of a serious injury, have arrangements for medical treatment.
- (b) In case of delays exceeding two (2) weeks in obtaining Worker's Compensation payments, the Company will, upon request, arrange to advance an amount not exceeding the Worker's Compensation payments due.

### **13.03 -**

- (a) The Company and the Union fully understand that it is imperative to *obtain* and maintain a good accident experience on the Woods Operations. To this end, the Company will continue with the introduction to the operations of such items of safety apparel as are common to the industry.
- (b) The wearing of safety hat and safety footwear is a condition of employment. Safety hats and harness, eye protection (either shields or goggles), and hearing protection will be made available to employees on loan.
- (c) The wearing of safety knee patches by employees using power saws, axes, and pulphooks is a condition of employment.
- (d) **\*ANNUAL JOINT SAFETY MEETING**
  1. During spring of each year, the Company will arrange a Joint Union-Management Safety Meeting.
  2. One (1) Union and one (1) Management Representative from the Occupational Health and Safety Committee will prepare a tentative Agenda.
  3. Said Agenda will be confined to matters affecting Health and Safety and will be submitted to Management and Union for approval.
  4. The purpose of this meeting is to develop and support joint participation in Health and Safety on Company operations.
  5. Management and Supervisory Personnel, Executive Officers of the Local Union and a Union Representative from each operation should attend.

6. Employees attending the Conference, who would have been scheduled work at the time of the meeting, will be paid eight (8) hours at their regular hourly rate for each day lost.
7. Board and lodging will be at Company expense when necessary.
8. Transportation will be provided to as per **Clause 15.03**.

"This Safety Meeting will be held simultaneously with the Safety Meeting for Loggers under the Logging Agreement.

#### **13.04 -**

- (a) All those engaged in the transportation of employees in Employer vehicles will follow good and safe transportation practices.
- (b) The Employer will instruct all others engaged in the transportation of employees on Employer's roads to engage in safe transportation practices.

**13.05 -** No employee will be required to work alone in an isolated location that is considered dangerous.

### **ARTICLE 14 - Discipline**

**14.01 -** Disciplinary action by an Employer may be taken against an employee for just cause.

**14.02 -** Should an investigation of a case of minor absenteeism fail to disclose a justifiable reason, discipline will be administered to the employee as follows:

- FIRST CASE: Instruction and written reprimand.  
SECOND CASE: Instruction and up to three day suspension.  
THIRD CASE: Instruction and up to one week suspension.  
FOURTH CASE: Termination (upon consultation with the Division Manager).

With respect to the above, if an employee has a clear record for twelve months between cases, his record shall be considered clear for the purpose of administering discipline, as it pertains to minor absenteeism.

**14.03 -** Any employee subjected to disciplinary action, other than discharge, will be considered to have a clear record if he has no further disciplinary action taken against him, under this Article, for a period of twenty-four (24) months.

### **ARTICLE 15 - Transportation**

**15.01 -** The Employer will provide free and acceptable transportation from a marshalling

point to and from the disembarkation point in the work area.

#### **15.02 –**

- (a) Employees who commute will be advised of the marshalling point for the purpose of commuting.
- (b) A commuter for the purpose of this Agreement, is an employee who is a resident of a community within two (2) hours drive from the job site.
- (c) Effective date of ratification, if it becomes necessary to hire an employee who is not a commuter, he will be entitled to an allowance of \$25.00/work day.

Effective January 1, 2007, the amount of the allowance will increase to \$30.00/work day.

- d) For short notice of recall or transfer, the Employer will pay an additional allowance of \$15/work day for the first five (5) scheduled work days under the following conditions:
  - 1. employee qualifies for commuting allowance in **clause 15.02 c) and,**
  - 2. employee receives less than forty-eight (48) hours notice prior to the start of his first scheduled shift of recall or transfer and;
  - 3. employee is required to relocate his lodgings.

Effective January 1, 2007, the above amount of \$15.00 will be increased to \$20.00/work day.

**15.03 -** Employees shall not be allowed to commute to an operation in their own vehicles except by arrangement between the parties. In such a case, employees who use their own vehicles will be paid thirty-five (35) cents per kilometre.

**15.04 -** It is recognized that marshalling points have been established by the parties as per the following conditions:

- (1) The designation of a marshalling point is dependent on at least 10 employees using that marshalling point.
- (2) Marshalling points may be established for less than 10 men where that point falls along the bus route.
- (3) Should a change in operation occur or other circumstances warrant, the parties will amend the marshalling points to accommodate same.

## **ARTICLE 16 - Bereavement Leave**

**16.01** -When death occurs to a member of an employee's immediate family, the employee will be granted leave to attend the funeral and shall be paid eight (8) hours at his regular straight time rate (pieceworkers shall be paid eight (8) hours at the general labour's hourly rate plus eight (8) percent) for time lost up to a maximum of five (5) consecutive days. When death occurs to a member of an employee's family other than the immediate family, leave will be granted under the same conditions, to a maximum of three (3) days. One day must be the day of the funeral and pay will only be granted for the regular scheduled work days lost during this period.

**16.02** - Any claim for bereavement pay must be submitted to the Company by the employee, accompanied, if requested, by written verification from an acceptable authority. Such verification shall designate the employee's relationship to the deceased.

**16.03** - For the purpose of this Article, immediate family is defined as husband, wife, child, stepchild, and adopted child. Family other than immediate family is defined as father, father-in-law, stepfather, mother, mother-in-law, stepmother, foster parent, grandparent, brother, brother-in-law, stepbrother, sister, sister-in-law, stepsister, and grandchild.

**16.04** - If the employee is on annual vacation when bereavement leave is granted following the death of a member of the employee's immediate family as defined in **clause 16.03**, the vacation will be interrupted to allow bereavement leave. The balance of the vacation period shall be resumed immediately following the bereavement leave.

## **ARTICLE 17 - Piecework and/or Incentive Bonus System**

**17.01** - The Employer reserves the right to introduce incentive bonus and/or piecework system. However, over a pay period, such incentive system will not pay less than the PCT labourer rate.

During the probationary period, as per **Clause 5.10**, the above rate will apply which is 70% of the established rate.

**17.02** - Downtime shall be paid at the regular rate agreed to in this contract and will be paid for interruption to production because, when upon completion of a strip, another has not been prepared.

### **NOTE:**

The attached Wage and **Piecework** Rates are part of **Article 17** and form part of this Agreement.

## **ARTICLE 18 - Jury Duty**

**18.01** - Any employee who presents evidence of his being called to serve a juror or as a witness in a criminal or quasi criminal case, shall be reimbursed for regular scheduled

hours lost at straight time pay at the rate he would have otherwise received.

If an employee is called for duty as in above and is scheduled to work the midnight shift immediately prior to court convening, he shall have the shift off with eight (8) hours pay.

(Pieceworkers shall be paid the general labour's rate.)

### **ARTICLE 19 - Leave of Absence**

**19.01** - Leave of absence without pay and without benefits, up to a maximum of three (3) months, may be granted at the discretion of management for the following reasons:

- i) Attendance at a recognized establishment of learning.
- ii) When the employee has to be dealt with according to law.
- iii) Candidacy for public office at the Federal or Provincial level. Such leave may be extended until seven (7) days have elapsed following the date of the election.
- iv) Legitimate personal reasons.

Before a leave of absence will be considered, the employee must apply in writing.

**19.02** - Any employee elected at the Federal or Provincial level will be granted a leave of absence without pay and without benefits to extend to one (1) term in office.

**19.03** - Maternity leave and parental leave will be granted in accordance with applicable Provincial legislation.

**19.04** - The Company may require an employee to exhaust his normal vacation entitlement before commencing a leave of absence.

### **ARTICLE 20 - Semi-Incapacitated Employees**

**20.01** - The Company will give individual consideration to each case of accident resulting in temporary or permanent partial physical disability by trying to reintegrate said employee in a job provided he has the required skill, efficiency, and ability to perform the work required, and provided such an opening exists.

### **ARTICLE 21 - Walking and/or Riding**

**21.01** - Employees will be paid for walking and/or riding time to and from work over forty-five (45) minutes each way on the basis of a flat rate of \$11.05/hour.

Effective second payroll following the ratification, the flat rate will be increased to \$12.00/hour.

Effective January 1, 2007, the flat rate will be increased to \$12.10/hour.

Effective January 1, 2008, the flat rate will be increased to \$12.35/hour.

## **ARTICLE 22 - Fringe Benefits**

**22.01** - The Group Insurance Plans consist of the following:

- 1) Life Insurance Plan;
- 2) Accidental Death and Dismemberment Plan;
- 3) Short Term Disability Plan;
- 4) Long Term Disability Plan;
- 5) Dental Plan;
- 6) Health Insurance Plan; and
- 7) Vision Care.

The Group Insurance Plans will be maintained in force for the term of the present Collective Agreement.

In all cases, the provisions of the Group Insurance Plan is set out in the Master Policies. The interpretation, application and administration of the Group Insurance Plan shall be governed exclusively by the provisions of such Master Policies.

Copies of Master Policies will be made available to the union annually upon request.

A summary of the revised group insurance plans appears in Appendix "A". The description of the benefits included in Appendix "A" forms part of the Collective Agreement.

**22.02** - A Pension Plan shall be maintained in force for the term of the present Collective Agreement. The provisions of the Pension Plan are set out in the Pension Plan Text. The interpretation, application, and administration of the Pension Plan shall be governed exclusively by the provisions of such Pension Plan Text.

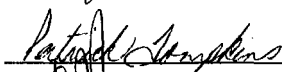
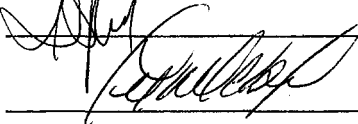
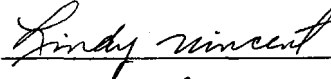
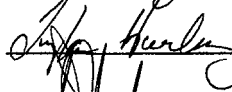

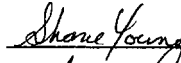

## **ARTICLE 23 - General**

**23.01** - Field layout procedures for Pre-Commercial Thinning involves the use of both strips and, in the case of small isolated or irregular shaped blocks, traverses. The Company agrees that in the case of strips, which is the dominant procedure used, the maximum width will be sixty (60) metres. An exception to this would be a circumstance whereby a reasonable widening of the last strip on the edge of a given area would complete the treatment block. Traverse size will not exceed 2 hectares.

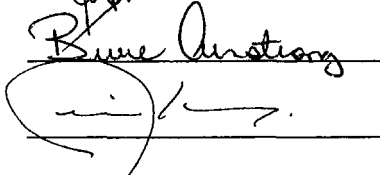
By virtue of which the parties have signed in Corner Brook, on September 4, 2005, by their representatives duly authorized.

FOR THE ICAW ENERGY AND  
UNION OF CANADA  
LOCAL 60N

FOR CORNER BROOK PULP  
AND PAPER LIMITED



**Ron Smith**  
National Representative, CEP



**Schedule " A**  
**HOURLY WAGE RATE**

	<b>Effective</b> <b>1-Jan-04</b>	<b>Effective</b> <b>1-Jan-05</b>	<b>Effective</b> <b>1-Jan-06</b>	<b>Effective</b> <b>1-Jan-07</b>	<b>Effective</b> <b>1-Jan-08</b>
<b>Regular Labour Rate</b>	18.89	19.27	19.66	20.05	20.45



**Schedule "D"**

**PIECEWORK SYSTEM**

	<b>01-Jan-04</b>	<b>01-Jan-05</b>	<b>01-Jan-06</b>	<b>01-Jan-07</b>	<b>01-Jan-08</b>
PCT Labourer	18.25	18.62	18.99	19.37	19.76
Probationary Labourer (70% of PCT Labourer)	12.76	13.02	13.28	13.55	13.82

**PIECEWORK RATES PER HECTARE**

	<b>01-Jan-04</b>	<b>01-Jan-05</b>	<b>01-Jan-06</b>	<b>01-Jan-07</b>	<b>01-Jan-08</b>
R1 86,000 + (Extreme Conditions)	949.76	968.76	988.13	1007.89	1028.05
R2 86000+	888.11	905.87	923.99	942.47	961.32
R3 62,001 - 86,000	773.98	789.46	805.25	821.35	837.78
R4 44,001 - 62,000	586.40	598.13	610.09	622.29	634.74
R5 25,001 - 44,000	419.80	428.20	436.76	445.50	454.41
R6 15,000 - 25,000	280.73	286.34	292.07	297.91	303.87
R7 < 15,000	190.21	194.01	197.89	201.85	205.89

## APPENDIX "A"

### SUMMARY OF REVISED GROUP INSURANCE PLANS

This document is a summary of the provisions of the Group Insurance Plans as set out in the Master Policies and does not create or confer any contractual or other rights. In all cases, the provisions of the Group Insurance Plans are set out in the Master Policies. The interpretation, application and administration of Group Insurance Plans shall be governed exclusively by the provisions of such Master Policies.

The Company agrees to modify its group insurance program and will make the following amendments to its insurance policies. All other provisions of the master policies will remain unchanged.

Subject to the provisions of the master policies, the following modifications will come into effect on the 1st day of the month following ratification, unless otherwise specified, and will cover only those regular employees who are members of the bargaining unit and actively at work on the effective date of these changes, as well as new regular employees who will join the bargaining unit thereafter.

#### PREMIUMS

Unless stated otherwise, premiums for the benefits are paid by the Company.

#### DEFINITION OF ELIGIBLE DEPENDENTS

**Spouse:** Married spouse or a person who, although not legally married to an employee, cohabits with the employee in a marital relationship which has been recognized as such in the community in which they reside for at least one (1) year.

**Child:** An unmarried natural, adopted or stepchild of the employee or any other unmarried child for whom the employee has been appointed guardian for all purposes by a court of competent jurisdiction. A child who is age twenty-one (21) or over but under age twenty-six (26) must be a full-time student.

An incapacitated child will be covered beyond the maximum age provided his incapacity began before reaching the maximum age. A child is considered incapacitated if he is incapable of supporting himself due to a physical or psychiatric disorder.

Children under fifteen (15) days of age are not covered under the dependent life provisions.

## BENEFITS - SUMMARY

- 1) LIFE INSURANCE: \$60,000.
- 2) ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE- LOSS OF USE

The full amount is equal to \$60,000. The maximum payable for any one accident will not exceed the amount of the A.D. & D. benefit described below.

a) Accidental Death and Dismemberment:

The percentage of the full amount payable varies depending on the extent of the loss, as shown in the following table:

Loss of life	100%
Loss of both hands or both feet	100%
Loss of sight of both eyes	100%
Loss of one hand and one foot	100%
Loss of one hand and sight of one eye	100%
Loss of one foot and sight of one eye	100%
Loss of one arm or one leg	75%
Loss of one hand or one foot	66⅔%
Loss of entire sight of one eye	66⅔%
Loss of thumb and index finger or any four fingers of the same hand	33⅓%

b) **Loss of Use:**

“Loss of Use” shall mean the total or irrevocable loss of use of any of the following: leg, foot, arm or hand, during a continuous period of twelve (12) months after which the indemnity becomes payable if the loss of use is considered as permanent.

The percentage for loss of use of a member varies according to the following table:

Hemiplegia, Paraplegia or quadriplegia	200%
Loss of use of both feet or both hands	100%
Loss of use of one arm or one leg	75%
Loss of use of one hand or one foot	66⅔%

3) LIFE INSURANCE FOR DEPENDENTS

The amount of life insurance payable to the insured at the death of one of his dependents shall be as follows:

Spouse: \$10,000

Child: \$ 5,000

4) ACCIDENTAL DEATH INSURANCE FOR DEPENDENTS

The amount of insurance payable to the insured at the accidental death of one of his dependents shall be as follows:

Spouse: \$10,000

Child: \$ 5,000

5) a) HOSPITALIZATION

No deductible.

100% for unlimited accommodation in semi-private room.

b) MAJOR MEDICAL

Deductible:

\$25 per calendar year under both individual and family coverage.

Prescriptions:

Effective January 1, 2006, brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs and drugs with no generic, the

reimbursement will be 100%. Brand name drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

Other Eligible Expenses:

80% of other eligible expenses according to the provisions of the master policy such as:

- i) Room and board in a licensed nursing home (for convalescent or chronic care) and for hostel home care expenses up to a maximum expense of \$45 per day for a maximum of 30 days per year.
- ii) Emergency transportation by a licensed ground ambulance to and from a local hospital.
- iii) Services of the following licensed practitioners up to a maximum reimbursement of \$400 per practitioner per calendar year: Psychologist, Acupuncture, Osteopath, Podiatrist, Physiotherapist, Chiropractor.
- iv) Purchase of trusses, braces (excluding molded arch supports), crutches and artificial limbs or eyes, etc.
- v) Orthopedic shoes where prescribed by an attending physician subject to an annual maximum reimbursement of \$100.00.
- vi) Vaccines will be a covered expense.

No payments will be made under this plan for expenses incurred for routine eye examinations, eye glasses, contact lenses or hearing aids.

## 6) SHORT TERM DISABILITY

- a) Effective January 1, 2003, \$585 per week for any disability that commences on or after the above specified date that prevents an employee from performing his own occupation for a maximum period of fifty-two (52) weeks.

Effective on the first day of the month following ratification, the Short Term Disability benefit will increase to \$615 per week for any disability which will commence on or after that date.

Effective January 1, 2006	- \$625
Effective January 1, 2007	- \$640
Effective January 1, 2008	- \$650

- b) Short Term Disability shall be paid as follows:

- i) From the first (1st) scheduled workday lost due to an accident or illness

requiring hospitalization.

The same conditions apply when an employee is admitted to the hospital as an outpatient for surgery, for a medically required surgery.

- ii) From the fourth (4th) day lost due to illness. The employee must have consulted his physician during the first three (3) calendar days.
- iii) If an employee receiving Short Term Disability payments is laid off, the employee must apply for Unemployment Insurance benefits. When the Unemployment Insurance benefits expire, or if the employee is not entitled to any such benefits, Short Term Disability benefits will continue to be paid, provided the employee is still disabled. However, Short Term Disability benefits together with Unemployment Insurance benefit payments will not exceed 52 weeks.

c) Miscellaneous

- i) Any employee not actively at work on the effective date or dates of changes in benefits will not be eligible for the increase of benefits until the date of his return to active employment.
- ii) A daily rate of payment for each calendar day of absence that qualifies for payment shall be one seventh (1/7) the weekly amount of disability as per 6 a) above.

7) LONG TERM DISABILITY

Long Term Disability benefits will commence at the later of 52 weeks of disability or expiration of Short Term Disability benefits, provided the employee is still disabled due to illness or accident.

- a) The employee will qualify if his disability prevents him from performing the duties of his own occupation.
- b) Amount of Benefit

Effective the first day of the month following ratification, the maximum monthly benefits for any eligible employees who are actively at work on that date will be \$1,760.00 per month.

Effective January 1st, 2006, the maximum monthly benefits payable for any eligible employees who are actively at work on that date will be \$1,795.00 per month.

Effective January 1st, 2007, the maximum monthly benefits payable for any

eligible employees who are actively at work on that date will be \$1,830.00 per month.

Effective January 1st, 2008, the maximum monthly benefits payable for any eligible employees who are actively at work on that date will be \$1,865.00 per month.

- c) Benefits shall be payable until the earlier of the following occurrences:
- i) the employee is no longer totally disabled or derives a salary or profit from his work;
  - ii) he received benefits for a period of 156 months: (This will only apply to new disabilities beginning effective the date of ratification.)
  - iii) the date on which he becomes entitled to receive early retirement benefits without actuarial reduction, if the amount of pension is greater;
  - iv) the employee is not under continuing medical care or treatment recommended by his doctor for his rehabilitation;
  - v) the insurer requests, but does not receive, further proof of total disability;
  - vi) the employee fails to take a physical examination and/or mental evaluation that the insurer has requested;
  - vii) the date of the employee's dismissal with just cause;
  - viii) the date on which he dies;
  - ix) the date he attains age 65.
- d) The employee receiving Short Term Disability or Long Term Disability Benefits must undergo rehabilitation, if requested. The rehabilitation program aims at returning people to active work either within the woods industry or outside.

This will provide the employee with improved skills allowing him to find gainful employment. Benefits will not be cut during the rehabilitation process, nor will they be cut for the sole reason that the rehabilitation process is completed.

The elements of the rehabilitation program will be discussed with the union.

<b>Employee Contributions</b>		
	<b>January 1, 2006</b>	<b>January 1, 2008</b>
<b>Family</b>	\$5 / month	\$10 / month
<b>Single</b>	\$3 / month	\$5 / month



premium shall be retained by the Company.

b) Insurance coverage while totally disabled

Employees receiving Short Term Disability benefits:

Benefits are maintained and the employee and the employer pay their portion of the cost on the same basis as if the employee was active.

Employees receiving LTD benefits:

Coverage for accidental death and dismemberment and dependent accidental death cease.

The employee may have his life, dependent life, health care (includes hospital, major medical and vision care) and his dental care coverage extended, provided the employee pays the full premiums, until the cessation of Long Term Disability benefit payments.

However, the employee receiving Long Term Disability benefits may be eligible for a waiver of his life and dependent life premiums.

c) Insurance Coverage During Lay-offs

During the first three (3) months of lay-off, benefits other than Short Term Disability and Long Term Disability, are maintained and the employer and employee pay their portion of the cost on the same basis as if the employee was active.

After the first three (3) months of lay-off, employees will be entitled to retain their benefits other than Short Term Disability and Long Term Disability as long as he retains seniority rights under the Collective Agreement provided he is paying the entire premium.

d) Resolution of Claims

After an employee goes on claim and is in receipt of Short Term Disability or Long Term Disability benefits, the Company and/or insurer reserves the right to require periodic physical examinations throughout the duration of the employee's absence due to disability. Such examinations shall be conducted by physicians designated by the Company and/or insurer.

When there is a medical dispute as to the validity of claim following a decision made by the insurer, the dispute will be referred to an appropriate specialist who will render a final and binding decision.

Cost of physical examinations, transportation and reasonable out of pocket expenses related thereto will be paid by the insurer.

When proper medical evidence has been submitted and there is a dispute to the validity of the claim, upon request from an employee, the Company will make advance payments at the normal intervals until a final decision is reached as per above. If the decision to refuse the claim is maintained, the employee will reimburse the Company for the money so advanced.

e) Medical Certificates

Cost of supplementary medical reports and or information required by the insurance company in connection with a short term or a long term disability claim for the evaluation of a claim will be reimbursed up to a maximum of \$40 each, provided such certificate is completed to the satisfaction of the insurer.

## **APPENDIX "B"**

### **PENSION PLAN**

Effective July 1st, 1996, the Company implemented a defined contribution Pension Plan (also known as a money purchase plan). Participation in the Plan is mandatory and a condition of employment.

The Plan is registered with Revenue Canada and the Department of Finance of Newfoundland and, as such, is subject to all Laws and Regulations applicable to Registered Pension Plans.

The following is only a summary of the Plan design. All applicable provisions are part of the Plan Text filed with the government authorities.

#### **Eligibility**

Employees will become members of the Plan on the first day of the month following completion of ninety (90) days of seniority.

All eligible employees must complete an Application for Membership form.

#### **Contributions**

Each employee will contribute 3% of his weekly earnings to the Plan. The Employer will match the employee's required contribution.

Each employee can elect to contribute an extra 1%, 2% or 3% of weekly earnings to the Plan.

Effective the first of the month following ratification, each employee will contribute 4% of his weekly earnings to the Plan. The Employer will match the employee's required contribution.

Effective the first day of the month following ratification, each employee can elect to contribute an extra 1%, 2%, 3% or 4% of weekly earnings to the Plan.

The election for voluntary contribution can only be changed once a year.

#### **Termination of Employment**

A member will not be allowed to withdraw or transfer his account balance as long as he retains his seniority.