

Collective Agreement

Dated: 16 April 2000

Ending: 13 April 2003

Between:

**Kellogg's Canada Inc.
London Plant**

London, Ontario

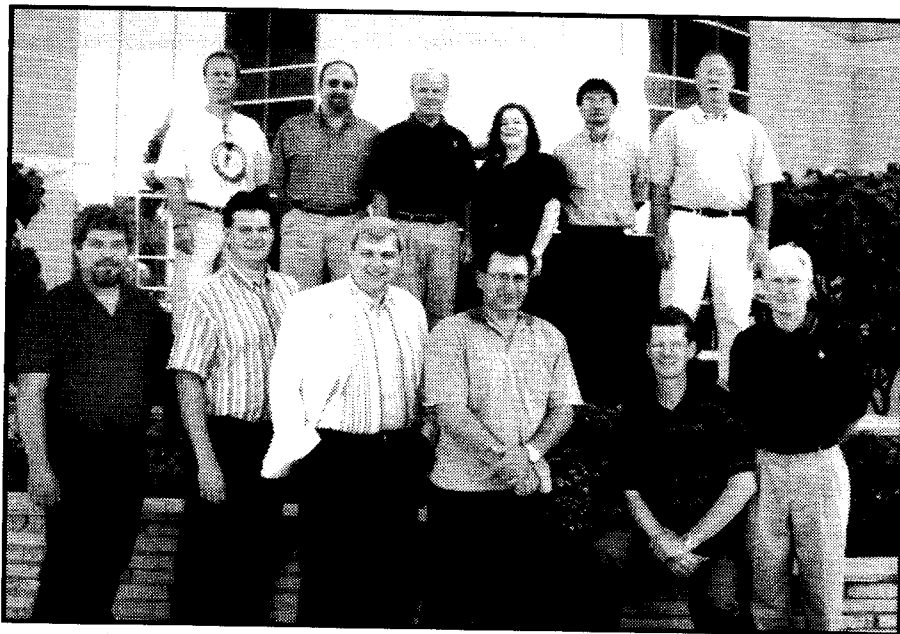
And:

**Bakery, Confectionery, Tobacco Workers
& Grain Millers**

A.F.L.- C.I.O. - C.L.C.

Local 154G

00451 (06)



Front Row:

Bob Thompson, Scott Petrie,
Mike Konesko, Leonard Firmani,
Patrick Blaney, John Mcleod

Back Row:

Paul McCombs, Alex Roschkow,
Mike Ward, Catherine Wood,
Paul Chang, Mickey Apthorp

Absent:

Susan Kennedy

JOINT PHILOSOPHY STATEMENT

It is the intention of the Company and the Union to direct their efforts towards the following Philosophy:

Provide job security for its employees by being the most cost effective, high quality producer of ready-to-eat cereals;

Provide a work environment that values the diversity of our workforce;

Provide a work, environment which will recognise the importance of **employee** health, safety and motivation;

Create an environment which encourages meaningful communication at all levels and ensures that employees are kept informed about the **organization** and the general state of the business;

Have equitable and non-discriminatory employee practices, policies and procedures;

Design meaningful, challenging, and responsible work roles, which allow employees the freedom to act;

Design work in a manner which enables employees to accept accountability for agreed objectives;

Provide effective leadership in an environment which promotes employee participation in decision making;

Maintain a constructive relationship between the parties through timely sharing of information and debate in an environment of mutual trust and respect;

Ensure a competitive reward system that **recognizes** employee contribution to agreed objectives;

Provide opportunities for employees to grow, develop and **utilize** their skills and abilities.

April 16, 2000 to April 13, 2003.

CONTRACT

Between:

**KELLOGG CANADA INC.
(LONDON PLANT)**

- and -

**BAKERY, CONFECTIONERY, TOBACCO WORKERS
& GRAIN MILLERS,
LOCAL 154-G
A.F.L. - C.I.O.- C.L.C.**

AGREEMENT

**This agreement is made and entered into this
16th day of April, 2000 to the 13th day of April, 2003**

Between:

**Kellogg Canada Inc., hereinafter called the Company,
of the First Part.**

.and-

**Local 154-G, Bakery, Confectionery, Tobacco Workers &
Grain Millers affiliated with A.F.L.-C.I.O., C.L.C.,
hereinafter called the Union, of the Second Part.**

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ARTICLE I

SECTION 1:01

RECOGNITION

By the terms of this contract, the Company recognizes the said Union as the exclusive bargaining agency for all regular employees with the exception of the following: All First Line Group Leaders, Chief Engineer, Office Staff, Draftsperson, Plant Security Guards, and persons above the rank of the First Line Group Leaders.

Employees who are not included in classifications that come under the scope of collective bargaining representation will not be eligible for membership in the Union.

SECTION 1:02

STUDENTS, PROBATIONARY

It is agreed that students, and probationary employees are not to be considered regular employees for the purposes of Section 1:01 above.

ARTICLE II

SECTION 2:01

PURPOSE OF AGREEMENT

The purpose of the agreement is to promote and ensure harmonious relations, co-operation and understanding between the Company and its employees; to encourage economy and efficiency of operation, maintenance of high standard of product quality; elimination of waste, cleanliness of plant, protection of property and safety of employees; to ensure true collective bargaining on matters relating to hours of labour, wages, seniority, promotion, discharge and layoffs, working conditions and the general welfare of its employees.

The parties of the contract feel that this Agreement represents more than mere understanding regarding words to express certain procedures and policies, and reflects the attitudes of respect for the responsibilities of each other. This or other agreements between the parties do not represent a deviation from such recognized responsibilities as have been in existence in the past, except as may be specifically modified in this agreement.

It is understood that the specific provisions in this Contract shall be final and binding on all parties, and that a method is provided for orderly settlement of disputes which might arise regarding interpretation of the terms of the Agreement.

SECTION 2:02

PLEDGES

The Company pledges itself to give its employees considerate and courteous treatment and employees, in turn, pledge themselves to render the Company loyal and efficient service.

The Company and the Union agree to cooperate with each other in developing fair and just working conditions, and in carrying out the terms and conditions laid down in this Agreement.

DISCRIMINATION

It is agreed that the provisions of this Agreement shall be applied to all bargaining unit employees without discrimination in regard to race, colour, religion, sex, age, handicap, or national origin. Such employee who claims that he or she has been discriminated against with regard to rights guaranteed by this Agreement or Government Statutes, may grieve as provided in Article X.

SECTION 2:03

JOB CONVERSION

The Company agrees it will not convert any present hourly rated job classifications to salary status throughout the term of this Agreement without first discussing the matter with the Union committee.

Prior to discontinuing or transferring a product line, the Company will provide the Union with information pertaining to the contemplated change (e.g.: lack of capacity, unprofitability, etc.). This information, to be provided in a timely manner, will enable the Union to provide its input, prior to the decision being finalized.

SECTION 2.04

JOB DISCONTINUANCE

On the planned introduction or implementation of technological change, change in mechanisation, attrition, or change in operating methods that might affect one or more employees, the Company shall give the Union a minimum of one hundred and twenty (120) days written notice of such change. The Company will meet with the Union to seek ways and means to minimize the affects on employees, which might result from such changes.

The written notice shall state:

- (a) The nature of the technological change or reorganization, or change in method of operations.
- (b) The date on which the Company proposes to effect the technological change or reorganization, or change in method of operations.
- (c) The approximate number and classifications of employees to be affected by the technological change or reorganization, or change in method of operations.

- (d) The effect that the technological change or reorganization is likely to have on the terms, conditions and security of employment of the employees affected.
- (e) The number of jobs or job classifications to be discontinued and the number of new jobs and job classifications to be created by the proposed technological change or reorganization, or change in method of operations.

All employee(s) who are rendered surplus due to changes outlined above will be given ninety (90) days advance written notice followed by a personal interview to discuss their options.

A) Guidelines for Severance

The following procedures will be implemented to assist employees who are affected by the changes stated above.

Employee "A"

Employee(s) in the initial classification(s) affected (who will be referred to as employee "A") will be offered severance pay in accordance with Section 2:05 by seniority and will have sixty (60) days to indicate their choice, prior to the implementation of Employee "B" list.

1. If Employee(s) "A" accepts the offer, he/she will leave sixty (60) days from the date of the job discontinuance.
2. If Employee "A" will be retirement eligible * within one year from the date of job discontinuance, he/she could accept and will leave upon their eligibility date as long as they have had sixty (60) days notice from the date of severance offer.

Employee "B"

If additional openings are available, Employee "B" will be offered severance pay in accordance with Section 2:05 by seniority and will have thirty (30) days to indicate their choice.

A list for Employee "B" will be posted the first full week in January for thirty (30) days and be compiled in order of seniority.

If an employee signs the list after the thirty (30) day period, his/her name will go to the bottom of the list.

If employee(s) on the "B" list are offered severance and decline, he/she will not have another choice until all employees on the list have been offered the option.

Within the ninety (90) day period, the option to take severance will remain available to employees on the list, on a **first come first serve** basis.

On subsequent job discontinuances during the year, severance will be offered to employees in the order their name appears on the list.

1. Employee(s) "B" who is retirement eligible * at date of job discontinuance, will be offered severance and will have thirty (30) days to indicate their choice and if he/she accepts, will leave within sixty (60) days of severance offer.
2. Employee(s) "B" who will be retirement eligible* within one year from date of job discontinuance, will be offered severance and will have thirty (30) days to indicate their choice and if he/she accepts, will leave on their eligibility date as long as they have had sixty (60) days notice from the date of offer.
3. Employee(s) "B" who will not be retirement eligible* within one year of date of job discontinuance, will be

offered severance and will have thirty (30) days to indicate their choice and if he/she accepts will leave within sixty (60) days of severance offer.

Primary Trades are not eligible for severance pay as Employee(s) "B".

*** at least 55 years of age**

B) Claiming a job within an Employee(s) Department

- i) Employees will utilize their seniority first on their shift and claim the job of the most junior employee in the same or equivalent classification,
- ii) Failing that, they may claim the job of the most junior employee on their shift in their department for which they are qualified or can qualify within the qualifying period as stated in Sections 8:02 and 8:07.
- iii) If the employee does not have sufficient seniority, or does not claim, on their own shift he/she will move to the next preferred shift within the department and exercise their seniority and claim the job of the most junior employee as described above.

C) Claiming a job Out-of-Department

If the employee does not have sufficient seniority to claim a job above, the employee will be counselled by the Company as to the job of the most junior employee he/she could claim within the qualifying period as stated in Sections 8:02 and 8:07.

D) Familiarisation Procedures

In order to assist employees in making their selection of a position outside their regular department, the Company will allow the

employee(s) by seniority to familiarize on jobs listed in the following manner:

- i) As soon as it is determined that an employee cannot remain in his/her own department, the Company will meet with the employee(s) and a Union representative and provide guidance as to the options available.
- ii) If necessary, employee(s) will be given the opportunity to familiarize on any job(s) for which they could claim under this section. The familiarization will be for a maximum of one week on each job.

The Company will make every effort to ensure the employee receives fair treatment while familiarizing.

- iii) Once the employee decides on the position he/she will claim, the Company will arrange to move the employee within thirty (30) days.
- iv) The employee would receive their regular card rate throughout the familiarization process.
- v) The Company will determine the number of employees to be familiarized at any one time. This is to minimize operational disruption. Prior to implementation this number will be reviewed with the Chief Steward.
- vi) Employees who require basic skills training to assist them in securing another position will be given training on specific pieces of equipment.

E) Employee Counselling

The employees who have been displaced will be notified as soon as possible so they can be counselled on their options and prepare themselves to exercise their rights under this section.

F) Timing

Changes will be made at a rate that will ensure an orderly and efficient transition.

G) Claiming Restrictions

Jobs that require Apprenticeship cannot be claimed under this Section.

H) Employees Not Claiming

Employees who do not claim a job will be assigned to the floaters list.

I) Pay Rate

Employees covered under Section 2:04 will be paid the rate of the job assigned or their card rate, whichever is higher for all hours paid, for a period of one year.

J) Benefit Classification

Employees displaced to another department or job will maintain their benefit classification as a minimum standard for their term of employment.

SECTION 2:05

SEVERANCE PROVISION

Employees accepting severance under the terms outlined in Section 2:04 (Employee "A" or "B") will receive payment under the following schedule:

PAYMENT SCHEDULE

0	up to	3	years continuous service	\$1,000
3	up to	7	years continuous service	\$3,000

8

7 up to	13 years continuous service	\$6,000
13 up to	20 years continuous service	\$9,000
20 up to	25 years continuous service	\$13,000
25 or more	years continuous service	\$14,000

Employees shall not be eligible for severance pay under the Payment Schedule above in the event of termination for any reason except as outlined in Section 2:04.

I. It is also understood that this Section does not cover the following situations or conditions:

(a) Short-term layoffs due to changes in weekly schedules unrelated to technological change.

(b) Layoffs caused by fluctuations in sales demand.

SECTION 2:06

PLANT CLOSURE

Prior to the closure of the plant or a major portion thereof the Company shall provide the Union with a minimum of ninety days notice.

Any regular employee whose employment is terminated as a direct result of the closing of the plant, or a major portion, shall receive pay as follows:

(a) One (1) week for every year of service for employees with up to ten (10) years of service and two (2) weeks for every year of service for employees with over ten (10) years.

(b) A weeks pay shall be forty (40) hours at the employee's straight time hourly rate.

It is agreed that if applicable Provincial or Federal legislation is more favourable to employees in the event of the closure of the plant, then government rules will take precedent.

ARTICLE III

SECTION 3:01

UNION MEMBERSHIP MAINTENANCE OF MEMBERSHIP

All employees covered by the agreement who have acquired and who hold seniority under the provisions of Article V, will be required to become members of the Union and will be required as a condition of employment to maintain their membership in good standing in the Union for the life of this Agreement. All employees whom the Company may hire in the future will be accepted as members when they have acquired seniority under this Agreement, but will not be required to become members until they have completed the probationary term, and have acquired seniority.

The Company will provide the Union with a list of current addresses and seniority list of all regular hourly employees on January 31st, and July 31st of each year.

SECTION 3:02

EXCEPTIONS

Notwithstanding anything contained in this article, the Company shall not be required to discharge any employee to whom membership in the Union has been denied or terminated on some ground other than the refusal of such employee to tender the initiation fee and dues uniformly required in order to acquire or maintain membership in the Union, unless the Company agrees that the grounds upon which the Union refused or terminated such employee's membership are valid, or in the alternative, unless the matter is referred to arbitration in the same manner hereinafter prescribed by this Agreement, and a Board of Arbitration decides that the grounds upon which the Union refused or terminated the membership of such employee were sufficient to justify his/her discharge by the Company.

SECTION 3:03

UNION CHECK-OFF

The Company agrees to deduct the regular weekly Union dues **from** the pay of each hourly rated employee, commencing on the first week following his/her successful completion of the probationary period. The deduction of dues will be made **from** each weekly pay cheque, in an amount determined by the Constitutional Bylaws of the Bakery, Confectionery, Tobacco Workers & Grain Millers Local 154-G; similarly, Union dues will be deducted from all vacation cheques. One day worked or eight (8) hours in one week shall be considered a full week for the purpose of deducting dues.

The sums collected for weekly dues shall be forwarded by the Company to the Financial **Secretary** of the Union not later than the last day of each week. A record showing from whom the deductions were made shall be forwarded by the Company to the Financial Secretary of the Union not later than the last day of the current month.

The initiation fee becomes due upon the first week the employee successfully completed his/her probationary period to the satisfaction of the Company and has obtained the status of regular employee.

The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise out of, or by reason of, deductions made or payments made in accordance with this article.

It is understood student employees will commence payment of regular Union dues on the first week of actual work, as defined in Section 5:06. However, this will not change their status as

non-regular employees, as defined in the Contract. Payment of dues would commence in the first week of subsequent periods of summer relief employment.

ARTICLE IV

SECTION 4:01

COMPANY RIGHTS

Subject to limitations provided in this Agreement, the Union acknowledges that it is the exclusive function and right of the Company to manage its plant; to maintain order, discipline and efficiency; to direct the working force, including the right to hire, suspend or discharge for just cause; to assign and reassign employees to jobs; to transfer employees from department to department; to increase or decrease the working force; to determine the product to be handled, produced, processed or manufactured; to determine the schedule of production and methods, processes, and the means of production or handling of its products.

SECTION 4:02

OUTSIDE CONTRACTORS

- (a) During the time that any outside contract is in effect for work which could be done by the Company's own mechanics, no regular mechanic will be transferred out or laid off nor scheduled for less than a five (5) day work week. An exception will apply when work is fabricated elsewhere in order to secure the materials.

This does not in any sense limit the number of regular mechanics to be carried by the Company. The Company agrees that whenever it is necessary to have work done by outside contractors, Union labour will be procured if available in the city, provided other considerations such as quality or workmanship, cost and service are satisfactory.

- (b) The Company agrees to notify the Chief Steward, and the Maintenance Department Steward before a contract is “Let” for such work. This is for the purpose of informing them so that the steward can answer questions if they should arise when “outside” workers come into the plant.

A designated Maintenance\Engineering management contact will be available to the Union representative to clarify contracting out notifications, if necessary.

The Union notification of contract work (form 565) will include the approximate man-hours and days duration for the contract.

EXCEPTION

- (c) This section will not apply during a planned Christmas and New Year’s schedule. However, outside contractors will not perform work covered under the contract.

The Company will schedule a meeting for the first week of December at which time the parties will discuss planned contract work scheduled during the Christmas shutdown.

Maintenance employees will be asked to indicate their availability for work if required during the Christmas shutdown by means of a sign-up sheet to be completed by the first week in December.

The Company will notify employees by the second week of December if they are required to work.

All trades people who volunteer will be scheduled to work before any outside contractor is used provided the work involved would normally be done by our trades.

- (d) The Company will meet with the International Representative and the Union Negotiating Committee quarterly to review outside contracting experience.

At the quarterly reviews the Company and Union will:

1. Review contracting out experience.
2. Identify work that potentially could be done by Company employees.
3. Develop ways and means of eliminating obstacles that prevent Company employees from performing the work.

It is agreed that, during the period between the reviews, no regular employee will be laid off as the result of an outside contract for work that the bargaining unit is doing and employees are qualified to perform that work.

It is the intent of the Company and the Union through this process to work towards cost effective methods of operation, without undermining the bargaining unit.

- (e) The Company agrees to notify the Union 48 hours before any work is started by an outside contractor unless equipment in production is down or will not be starting as scheduled or we do not have the required skills, and the Company has **utilized** all qualified resources.

If the Company fails to give proper notice under paragraph three above the Company will either leave the job down until 48 hours has elapsed and proper notification is provided or complete the job with bargaining unit employees.

- (f) In the event the Company uses off-site warehouses in the London area for storage of its product, the off-site warehouse will not ship directly to customers, unless staffed by **Bakery, Confectionery, Tobacco, & Grain Millers, Local 154-G** bargaining unit employees.

ARTICLE V

SECTION 5:01

SENIORITY

Plantwide seniority as used herein shall mean the period reflected by the Company's employment records of an employee's continuous service in the plant.

The plantwide seniority date will be the date of the employee's orientation or the first day worked in the London plant, which ever comes first.

In determining plantwide seniority where such seniority is equal, the alphabetical order of the employee's surname, at date of hire, shall govern.

For those who were in Kellogg's employ as of August 28, 1983, the order seniority which prevailed on August 28, 1983 (ratification date), as it pertains to those employees is the official order and is not subject to any further change.

It is agreed that, with respect to lay-offs, recalls, transfers, bidding promotion or demotions, plantwide seniority will be utilized.

SECTION 5:02

ADMINISTRATION OF DEPARTMENT

For purposes of administration, the plant shall be divided into departments as designated under Classifications Article VIII.

SECTION 5:03

RECORD OF SENIORITY

To certify the period of continuous service, the Company records will be the determining factor. The Company will publish and post on its Bulletin Board, quarterly, a seniority list. If an error is not protested within two (2) weeks, the records will be considered conclusively

correct. This shall not limit the rights of employees to secure a correction of their seniority date if not protested as above but shall limit the rights of employees to grieve over any action taken while the error existed on layoff, recalling or distributing overtime.

An hourly employee, who accepts a salaried position with the Company, would not continue to accumulate seniority within the bargaining unit after being out for one (1) year.

SECTION 5:04

LOSS OF SENIORITY

An employee will lose seniority and employment will be terminated under any of the following circumstances:

- (a) If employee voluntarily quits employment with the Company.
- (b) If discharged for just cause and is not reinstated pursuant to the grievance procedure.
- (c) If absent from work without leave for three consecutive days, unless there was reasonable justification for such absence; or if an employee obtains a leave of absence for the purpose of accepting **unauthorized** employment; or if an employee overstays a leave of absence or vacation for more than three (3) consecutive days, unless there was reasonable justification for such overstay. Where illness or injury is claimed as a reasonable justification, the Company may require certification by a Company doctor. If a dispute should arise out of the operation of this clause it will be decided by additional medical consultation in accordance with procedure outlined in Section 5:2 I.
- (d) If the employee has been off work for a continuous period of twelve (12) months or more, for reasons other than established cases of bona fide illness, accident, injury, lay-off, or approved leave of absence.

- (e) The Union's Chief Steward will be notified forty-eight (48) hours before terminating employment and continuous service record for reasons covered in paragraph (c). This is for the purpose of permitting a personal contact, if desired, and consideration of special circumstances, if necessary.
- (f) It is understood that a probationary employee or a student may be terminated at any time at the sole discretion of management. Such termination shall be deemed for just cause and shall not be reviewable in any manner by any Arbitrator or Arbitration Board appointed under the Collective Agreement or the Labour Relations Act.

SECTION 5:05

PROBATIONARY EMPLOYEES

An employee will be considered probationary for the first four hundred (400) hours worked.

During the period when an employee is regarded as a probationary employee, the Company will not be responsible for the continuation of employment, or for re-employment, and such employee shall not have recourse to the grievance procedure until completion of their probationary period.

If an employee's services are satisfactory to the Company during the probationary period, at the completion of such period, he/she will attain the status of a regular employee. Those employees hired under the entry level classification, wage and benefits will be administered as per the memorandum of agreement reached April 15, 2000.

No probationary employee may waive a recall during the term of the Agreement.

SECTION 5:06

STUDENT UTILIZATION

May 1 to September 30

- (a) Students will be **utilized** for vacation and temporary assignment for training or absent regular employees between May 1st and September 30 and they will have no seniority rights or right to the grievance procedure.

This means the number of students **utilized** will not exceed the number of regular employees (excluding Trades, Industrial Mechanics and Warehouse/Receiving employees) off for vacation, temporary assignment for training or absent employees during this period.

Students will only be **utilized** within the confines of the Collective Agreement.

No student may waive a recall during the term of the Agreement.

STUDENT UTILIZATION

October 1st Through to April 30th

- (b) Students may also be **utilized** to replace employees on a one for one basis during this period under the following guidelines:
 - 1. Student help will not be used until all regular employees have had the opportunity in their own department and there are no Out of the Department employees available for extra shifts, or daily opportunities.

If regular employees are not available for voluntary daily overtime then students may be called in for an eight hour shift.

The extra shift schedules will be posted at **2:00 p.m.** Wednesday and Thursday respectively showing students in positions unfilled by regular employees.

2. Student help will be used on the shift where vacancies occur. Preferred shift will be granted to regular employees if possible.

(c) Student and Training Definition

A student is defined as a person who has attended a full time educational institution and will be returning for further studies.

Student employees may be trained and **utilized** to a maximum of one (1) qualified operating job as listed in Section 8:07 Processing groups I through IV and other classification 1 and 2 jobs.

Employees training within their bid processing groups I through IV will not be adversely affected by students training on these operating jobs.

SECTION 5:07

REALIGNMENT WITHIN DEPARTMENT

During a slack period when it is necessary to make staff reductions in a department, the employee(s) to be realigned will be selected according to **his/her** plant seniority rights and his/her ability, and qualifications to perform the work at hand.

The Chief Steward will be notified in advance if a layoff, realignment, or recall is to be out-of-line of seniority order.

- a) Employee(s) who are not required on their regular bid job will be scheduled to available work for which they are qualified before being scheduled off shift.

However, when scheduling employees other than their regular shift, in order to provide five (5) days of work if available in a week (or five (5) day's pay in a week in which a holiday occurs), every attempt will be made to place them on a shift on the first day of the work week in their classification or to available work for which they are qualified.

Employee(s) would return to their regular shift bid job the next day or as soon as possible.

SECTION 5:08 REALIGNMENT TO ANOTHER DEPARTMENT

In cases of crew reduction in a department, employees with insufficient seniority or qualifications will leave their regular department first.

Employee(s) with sufficient seniority to work will be assigned to jobs in the following manner:

- a) Vacancies in other departments - for the start of a work week the senior unscheduled employee(s) will be assigned to available jobs in seniority order to the highest rated open jobs for which they are qualified on their regular shift or secondly, to an off-shift if necessary. When possible, the assignment will be made to permit return to their own shift and department if recalled during the week.
- b) Employee(s) will not be laid off when they are qualified for a transfer to a different department unless they would be required to work consecutive **shifts**.
- c) **In** making recalls to a department, the most senior of those displaced shall be recalled first or as soon as possible.
- d) Employee(s) will have the preference of returning to their regular **shift** on any day of the week, when the opportunity occurs, before other employee(s) exercise their rights as in (c) above.

- e) Employee(s) who do not have sufficient seniority to be assigned to available work in other departments will replace the junior employee(s) **scheduled** for work on jobs for which the senior employee(s) have the qualifications and ability to perform the work.

EXCEPTION

This section and all overtime departmental procedures do not apply in the event of an interruption of production beyond the control of the London Plant.

SECTION 5:09

SHORT TERM LAYOFF

- a) In making recalls to a department, the senior laid off employee(s) who has acquired seniority, will be entitled to recall to a department other than his/her regular department in advance of a junior employee(s), providing he/she has the necessary skill and ability to perform satisfactorily the work that is available.
- b) Unscheduled employee(s) who are recalled **from** layoff will work where an opening occurs. Adjustments considering seniority and qualifications will be made on the day of the recall when possible and no later than the day following the day of recall.
- c) When the Company requires additional employee(s) it will recall qualified **employees** from layoff rather than work overtime.

SECTION 5:10

LONG TERM LAYOFF

An employee on long term (thirty (30) days or more) layoff status, upon notification of recall to work, shall have not more than twenty-four (24) hours from receipt of such written notice in which to decide whether to accept the recall. Up to fifteen (15) days will be granted if time is required for making necessary arrangements for return to work. If it is not accepted, he/she will be dropped from the recall list and continuous service cancelled. The Company is not responsible for notification of recall from layoff if any employee has failed to give proper notice to the Company of current address and telephone number where he/she may be reached. The Health Centre will be the official record of current address and telephone numbers.

If an employee(s) with ten (10) years or more of seniority who is on long term layoff as defined above, he/she will be offered training, as follows:

- a) First on a position where a junior employee(s) could be displaced within ten (10) weeks in their own department.
- b) If not available on a position where a junior employee(s) could be displaced within ten (10) weeks in another department.

SECTION 5:11

RECALL FROM LAYOFF

The Company will identify itself initially when telephoning an employee or leaving a message on the answering machine.

The following procedure will be utilized when employees are being called in from layoff:

- i) The employee(s) that are on the call-in list should be telephoned only once.

- ii) ~~Should~~ an employee not be available for work either because of no answer or unable to accept the call-in, he/she will be by-passed and not called again until his/her turn arises after a full rotation.

During the time when the Company is using the call-in list to get employee(s) back ~~from~~ layoff; a recording ~~from~~ an answering machine will be considered as a contact and the employee will be by-passed.

HIRING NEW EMPLOYEES

No new employees will be hired until all regular employees temporarily laid off have been offered an opportunity to **return** to work if they have the skill and ability for the opportunity that is available.

SECTION 5:13

BIDDING PROCEDURE

Definition of Departmental Openings and Procedures:

- (a) An opening shall occur when a regular employee on a job classification as listed in Section 8:07, leaves such job classification for any reason, and future operation would require replacement to fill ~~the~~ jobs which are operating.

Determination will be made, in not more than thirty days, as to whether a job is to be considered as temporary or permanent.

All vacancies will be posted plant-wide through one posting.

If there are no bids for the plant wide vacancy, then the Floater who has been on the Floater list for the longest period of time will be assigned, unless the vacancy is one requiring an apprenticeship.

If a vacancy is not to be posted, or if there are no bids for a posted vacancy, the Chief Steward will be notified.

Vacancies related to advertising or promotional programs would not be posted.

- (b) Announcements of vacancies will be posted on all designated Company bulletin boards from Wednesday noon until the following Monday noon and will include information about job classification, rate and number of vacancies. In the event there is a holiday within the week of the posting, the Company will extend the posting for an additional day. Any regular employee of the department may apply within the time allotted by completing the designated job bid form.

An employee interested in bidding will complete the bid form, take same to the Group Leader in the department where the vacancy exists. The Group Leader will explain details of the job to the applicant and affix **his/her** signature to the bid form and return the bid form to the applicant. The applicant will then deliver the completed bid form to the Shift Operations Resource and/or Human Resources Department, where an **authorized** staff member will accept the bid form, sign it and return the receipt.

- (c) It is agreed that an employee accepting a bid job shall not be allowed to bid on another job until completing the qualifying period defined in Section 8:02, unless he/she is removed from the job because of inability to qualify, or because the position has not been actively **utilized** for an eight week period.

Employee(s) accepting a bid job in Groups III or IV and/or an apprenticeship program shall not be allowed to bid on another job for a period of eighteen (18) months, unless the job is in the same group on another shift.

Employees who currently hold qualifications on a job listed in Section 8:07, which has not significantly changed, will not be required to complete another qualifying period.

It is agreed that if the qualifications of a departmental bid position are a part of the qualifications of a related bid position, the employee would be allowed the opportunity to bid on that

position, however, he/she must complete both qualifying periods. This does not apply to apprenticeship programs.

Employees are not allowed to switch jobs or shifts on a permanent basis.

- (d) In filling job openings for department vacancies, the Company will award the senior eligible departmental employee first, then the senior eligible plant-wide employee who has the skill, qualifications, and ability required to learn and perform the work involved. The selection will be made within five working days after the posting is terminated, unless a longer period is necessary to complete aptitude testing, as provided in Section 8.04, and the name posted of the applicant selected.

Processing employees awarded vacant Weekend Worker positions will not be released to these positions until they have met the requirements of Section 8:04 Processing Progression.

An employee who bids to another position may be held by the Company for up to ten (10) weeks, for employee(s) in Group III or IV and/or apprenticeships may be held up to fifteen (15) weeks. However, if the posting is the result of the Company adding a new product line or introduces a significant change in methods of operations, then this period could be extended.

In this event the Company would discuss in advance the circumstances with the Chief Steward.

Trade employees will be held for up to ten (10) weeks from the date of hire if the replacement is a new employee.

- (e) "A" industrial Mechanics in the Packaging Department will be allowed the first opportunity to bid Packaging Millwright Apprenticeship in the Maintenance Department and will be credited with two (2) years of training in that trade.

They must demonstrate their ability to apply the training they have received, or be removed from the apprenticeship program and returned to their former position.

- (f) For the replacement, or addition, of “A” Industrial Packaging Mechanic the following procedure will be utilized:

“A” Industrial Mechanics vacancies will be bid plant-wide. Senior eligible departmental employee(s) will be awarded the job first. If there are no departmental bids, then the senior eligible plant-wide employee will be awarded the job. If the position remains vacant, the Company would post plant-wide for an Industrial Mechanic “Trainee”.

It is understood that “A” Industrial Mechanic will be **equalized** on all three shifts. If an imbalance occurs do to fluctuation of “A” Industrial Mechanics the least number of “A” Industrial Mechanics will be on night shift.

It is understood that at the completion of the Industrial Mechanics training period, the “A” Industrial Mechanic(s) will be assigned to night shift. As “A” Industrial Mechanic position(s) become available on A and B shift, these position(s) will be posted as per (a) of this section. These position(s) will be bid in sequential order, i.e. first position(s) bid, will be first position(s) moved to A or B shift.

If an employee bids an “A” Industrial Mechanic job on A or B **shift** from another classification, then he/she would go to the night **shift** if there is any “A” Industrial Mechanic(s) waiting to move to their A or B bid shift.

- (g) The Plant Cleaner positions on 3-11 and 11-7 shifts in the Plant Service department will be bid as fixed shifts.

SECTION 5:14

OPENINGS DURING AN EMPLOYEE'S ABSENCE

Employees on vacation, or temporarily absent (which will not exceed six (6) weeks from the date the job is to be awarded) due to illness, injury, lay-off or leave of absence, may apply for job openings by notifying the Human Resources office. However, the Company is not obligated to give notice of those openings to such employees.

SECTION 5:15

OPPORTUNITIES FOR TRANSFER TO ANOTHER DEPARTMENT

- a) Opportunities for transfer to another department will be handled according to the same procedure defined in Section 5:13.
- b) Opportunities for temporary bid job may be available as part of the posting and bidding procedure, dependent on each individual case and will not exceed six (6) months.

Circumstances will be reviewed with the Chief Steward prior to the decision being finalized.

If two (2) or more Processing Weekend Worker positions become vacant within the same classification, the above language will be reviewed through the Chief Steward and Human Resources. An exception may be made through mutual agreement of the parties.

- c) The Company may utilize temporary Weekend Workers throughout the year. If required, these positions will be posted for a six (6) month duration as temporary openings and would be awarded to the senior employees who bid in classification III or less as outlined in Section 8:07. Jobs in classification IV and V will be posted as qualified. Employees accepting this temporary opening may be required to delay all or part of their vacation

allotment during this time period. These positions would-work 11:00 p.m. to 11:00 a.m. shift only or may be posted for rotation.

- (d) Jobs **utilized** in this manner can only be re-posted two (2) times in the course of twelve (12) months. After this time period has elapsed these jobs will be posted as permanent jobs.

SECTION 5:16

TEMPORARY RELIEF

Temporary relief employees may be **utilized** to fill vacant positions due to absenteeism and/or vacation in the Maintenance Stores, Lubrication Mechanic Classifications (letter on file between the parties) on a daily or weekly basis.

Employees holding a temporary relief bid job may relinquish their temporary bid position at the expiration of each collective agreement.

If temporary relief employees bid and are awarded a classification 2 or above, **they** automatically relinquish their temporary relief bid job.

Temporary relief jobs will be posted, in accordance with Section 5:13 and are only available to employees in classification 1 or Floaters.

When temporary relief are covering vacation or other absences for a week or more, he/she will be scheduled to the vacant position **after** the regular employees have been offered a preferred shift.

Temporary relief employee(s) will be identified as **TR** on schedules.

On a daily absence, the temporary relief will be scheduled on the shift where the vacancy occurs.

Overtime will be available to temporary relief in accordance with Section 6:04 and 6:05.

SECTION 5:17

DISQUALIFICATION - CLASSIFICATION 2 & 3

An employee permanently transferred who fails to qualify as a regular member of a new department as set forth in Section 8:02, Classification 2, and 3, will be returned to his/her former department, shift and job.

SECTION 5:18

INSPECTION OF RECORDS

The Company's records of transfers and posting procedure results will be available for inspection, as necessary, by any Union Steward.

SECTION 5:19

OPENINGS NOT COVERED BY AGREEMENT

It is agreed that the Company will be free to select employees to fill openings or positions which **do** not come **under** the jurisdiction of this Agreement without such selections being subject to review in the grievance procedure.

SECTION 5:20

PROTEST OF WORK ASSIGNMENT

Employees in any classification are **required** to perform any duties to which they may be reasonably assigned. In event of any protest regarding work assignment, the work will be performed without delay or interference, and supervision will investigate the problem without undue delay, during that Shift, Normally this contact will be made during the first half of the shift.

The Company, Union, and employees will comply with the regulations as stated in the Occupational Health and Safety Act.

SECTION 5:21

A) MODIFIED/TRANSITIONAL WORK PROGRAM

POLICY

Kellogg Canada Inc. and Local 154-G are committed to providing employees with a Modified/Transitional Work Program designed to ensure, where reasonable, the successful return to meaningful, productive work of those employees with limited capabilities resulting from injury or illness.

Modified/Transitional Work requires the placement of employees with limited capabilities into meaningful, productive work that is suitable to their capabilities. It should use their skills, while maintaining the integrity of the job and of the work performed.

Modified/Transitional Work permits the matching of an individual's restrictions and abilities with the demands of a job, while permitting movement into other suitable jobs through the job posting procedure in Section 5:13 and in keeping with the Transfer Due to Disability guideline below.

A co-operative and consistent program that uses modified work, rehabilitation, job placement, and follow-up to ensure that ill, injured and disabled employees can remain at work or quickly return to productive and meaningful work. The Modified/Transitional Work Program will confirm this commitment.

OBJECTIVES

- to **minimize** the disabling effects of injury and illness.
- to assist in the early rehabilitation of disabled employees and thereby allow a return to their regular jobs, to a comparable job or to suitable work.

- to **optimize** the work contribution of the disabled employee who otherwise would be off work receiving Weekly Indemnity benefits or Workers' Compensation benefits.

CASE REVIEW COMMITTEE

A Case Review Committee will be the means by which the Company and the Union work together to administer the Modified/Transitional Work Program. The Committee consists of three (3) Union and three (3) Management representatives. The Committee may resource other personnel as necessary.

Case Review Committee responsibilities will be developed to include communication of the Program to all employees, a procedure for reviewing and assessing cases, and ensuring effective and uniform practices within the Program.

It is understood between the parties that the objective and procedures of modified work are outlined through a letter dated September 30, 1996 and will be open to modification as necessary through agreement by the parties.

B) TRANSFER DUE TO DISABILITY

Any employee becoming unable to perform the duties to which he/she is assigned as a result of infirmities of age or disability will be transferred by the Company to any job at the regular job rate for such job, providing his/her plant seniority is sufficient and only for the duration of the disability.

This employee shall become a regular member of the shift and department and will not be required to bid the assigned position. The junior employee of the assigned shift will be displaced as a result of the above including a person already disabled, provided another 5:2 I position is not available.

Employee(s) displaced by the above will retain departmental bidding rights for regular or temporary positions for a period of

two (2) years. Such displaced employees will be utilized in the department before bid temporary employees are used provided they are available.

The existence of such disabilities will be certified by the Company doctor.

If an employee is dissatisfied with the Company doctor's diagnosis or recommendations, employee may consult his/her own personal physician at his/her own expense. Employee's own doctor's findings would then be furnished to the Company. If the Company still wants to make the change in a job, a third doctor would be selected by the Company's doctor and the employee's doctor. The decision of the third doctor would be accepted by both parties.

Employees with short term disabilities (certified by the Company doctor) will be assigned to positions on a weekly basis, as they become available.

When an employee is under a work restriction covered by a doctor's certificate and is on an overtime assignment, the employee cannot displace another bid employee to accommodate the overtime.

SECTION 5:22

SCHEDULED FOR LESS THAN 40 HOURS

- (a) Except for weeks which include the holidays covered by Section 6.11, employees with less than four years' service will be laid off from their departments prior to employees who remain in the department being scheduled for less than forty hours.

Employees so displaced will immediately exercise their seniority in other departments where they are able to perform the available work.

In this section and all overtime departmental procedures do not apply in the event of an interruption of production beyond the control of the London Plant.

- (b) The Company will not be expected to operate this clause in a manner which would conflict with a special training program, provided, however, that a trainee shall not be kept on at the expense of laying off a senior employee in that particular department.

SECTION 5:23

SPECIAL SCHEDULING PROVISIONS

The following system for scheduling Packaging, Warehouse/Receiving employees is not to be interpreted in conflict with other provisions of the contract:

- (a) Shifts 1 & 2 shall alternate weekly.
- (b) The 3rd shift shall be composed as follows:
 - 1. Those who prefer that shift as a regular assignment.
 - 2. Those employees with insufficient seniority to maintain a place on shifts one or two.
- (c) Opportunities within a department to move to a more favourable shift shall be administered according to Section 6:03 (f). Where an employee is required on a less favourable shift, the most junior employee will be assigned.
- (d) If the Company has additional labour requirements in the Packaging Maintenance department, "A" Industrial Mechanics who are surplus to their job would be canvassed by seniority to provide assistance.

The Industrial Mechanics will not carry the pager or answer calls alone, but assist Trades on a one on one basis.

e) Packing Department Overtime

Overtime will be offered initially to employees within three (3) overtime classifications:

1. Industrial Mechanics
2. Packing Operators
3. Packing Resource

Note: The Company will make every effort to rotate employee(s) weekly within the Packaging Resource classification (as qualifications permit) in a fair and equitable manner.

SECTION 5:24

PROCEDURE FOR SCHEDULING FLOATERS

1. Floaters will be scheduled on Thursday for the following week in seniority order to the highest hourly rated job available.
2. Rotation to a more preferential shift will be considered when floaters are scheduled as in #1 above and assigned, whenever possible, but not in conflict with # 1.
3. Any job that has been posted plant wide and not claimed will be assigned to the Floater who has been on the Floater's list the longest period of time.

**PROCEDURE FOR SCHEDULING ENTRY LEVEL
EMPLOYEES**

1. Entry Level employees who have completed their probationary period will be scheduled as per applicable sections of the Collective Agreement.

SECTION 5:25

PROCEDURE FOR RETURN TO WORK CERTIFICATION

Employees who have been absent for three (3) consecutive days or more for health reasons must be certified by the Plant Physician or designate (Nurse on duty) before returning to work.

Employees who lose time due to a work related injury must be certified by the Plant Physician before returning to work. Employees who lose time due to W.C.B., long term disability, surgery, pregnancy, communicable diseases (other than flu or colds), psychological disorders or recurring illness must be certified by the Plant Physician.

Employees who lose time due to colds, flu, upper respiratory infections, or general malaise must report to the nurse on duty for clearance upon their return to work. If in the opinion of the nurse, an employee is not physically or mentally capable of returning to work safely, the employee would not be allowed to work, and would then be required to be certified by the Plant Physician before being permitted to return to work.

Employees who have been cleared by the nurse to return to work may from time to time be required to report to the Plant Physician during their shift for further consultation.

An employee will be reimbursed (upon submission of a receipt) for the cost of a return to work certificate required from their personal physician.

ARTICLE VI

SECTION 6:01

WORK WEEK

Hourly employees will be paid weekly based on pay computations commencing at 11:00 p.m. each Saturday.

SECTION 6:02

HOURS OF WORK

- (a) 1. The regular hours of work and **shifts** of operation will be:

Day/ Core Shifts	7:00 a.m.	3:00 p.m.
	8:00 a.m.	4:00 p.m.

Maintenance hours will be delayed by one (1) hour to the following schedule:

1st Shift	7:00 a.m.	3:00 p.m.
2nd Shift	3:00 p.m.	11:00 p.m.
3rd Shift	11:00 p.m.	7:00 a.m.

Weekend Worker		
"D" and "E" shift	11:00p.m.	11:00a.m.
"D" and "E" shit?	11:00a.m.	11:00p.m.

Crews alternative **shifts** weekly.

2. Receiving and Transfer Room normal hours of work are as follows:

Receiving	7:00 a.m.	3:00 p.m.
	3:00 p.m.	11:00 p.m.
	11:00 p.m.	7:00 a.m.
Core Employee	7:00 a.m.	3:00 p.m.

Other crew members

Rotate weekly 7:00 a.m. 3:00 p.m.

 3:00 p.m. 11:00 p.m.

Night shift crew is fixed

 11:00 p.m. 7:00 a.m.

- 3) Utility Sweeper, Vitamin preparation, Quality Lab, Truck/Rec/Unload/Checker, Transfer Room Operator core employees normal hours of work are as follows:

 7:00 a.m. 3:00 p.m.

Different hours may be scheduled on "extra shifts" in accordance with departmental work rules agreed to by the parties.

- (b) Employees are required to be in their work area dressed and ready to work before the shift change. Employees will remain on the job until relieved or relief is arranged by supervision.
- (c) If employees are recalled from lay-off' after the normal shift starting time and, in the opinion of the Company, have made a reasonable effort to report as soon as possible, they will be permitted to leave the job at the normal shift termination time and will be paid for the full eight (8) hours.
- (d) Employees reporting for work on instructions of their Group Leader/Scheduler or due to the Group Leader's/Scheduler's failure to instruct them not to report for work, will be permitted to work one-half day or will be given one-half day's pay for reporting.
- (e) Employees who are unable to be at work at the regular shift starting time, due to not having been notified to report to work in advance of the normal shift starting time, but who report within two (2) hours of the time of call will be permitted to leave the job at the normal shift termination time and be paid for a full day's work. Employees who fail to report within two (2) hours of

receiving such call will be paid for actual hours worked on that shift.

(f) During April and October of each year, when the changeover to/from daylight saving time occurs, employees who work the 11:00 p.m. - 7:00 a.m. shift on those days will receive pay for actual hours worked. This normally would equal seven (7) hours in April and nine (9) hours in October. Also, all nine (9) hours paid in October would be paid at the Saturday premium rate.

(g) Changes to Crew Sheets

When a Group Leader makes a change to a crew sheet, the employee affected will be notified.

(h) When available, the privilege of being excused early will be offered to the senior regular member of the shift who asks to be excused within the two (2) hours of the shift start time.

SECTION 6:03

NORMAL SCHEDULE

(a) The normal day will be eight (8) hours.

(b) The normal work week will begin Sunday 11:00 p.m. for night shift, Monday for core/day shift and afternoon shift. However, for the purpose of scheduling, shift changes will be made starting Saturday 11:00 p.m. It is **recognized** that some leeway is necessary to the Company in the application of this provision in order to provide for instances that necessitate exceptions be made in order to ensure sufficient and continuous plant operations.

An employee is responsible for checking the schedules for his/her next scheduled shift, if they are absent from work for sickness, vacation and short term lay-off (one (1) to five (5) days).

Effective April 19th, 1992, all overtime over eight (8) hours in a day or beyond the normal forty (40) hour work week including Holidays listed in Section 6:11 will be on a voluntary basis.

OVERTIME HOURS LIMITATION

- (c) Employees with bid positions within the Receiving, Warehouse, Maintenance Department and Packing Industrial Mechanics only, who have reached the 100 hour Government permitted limit will only be allowed to work overtime over 48 hours per week, when they work within their classification.

The 100 hour limit will apply to all overtime hours worked, until the limit is reached.

OVERTIME FOR EMPLOYEES WITH TEMPORARY/PERMANENT MEDICAL RESTRICTIONS

- (d) An employee(s) on a Doctor approved temporary medical restriction will be eligible for overtime after all other scheduled regular employees in the department have been offered an opportunity.

An employee(s) on Doctor approved temporary medical restriction will be eligible for off-shift or out of department overtime, after all other regular employees have been offered an opportunity.

An employee(s) who has been clinically diagnosed with a permanent disability by a medical doctor will be scheduled according to sections 6:04 and 6:05 for overtime opportunities, provided working overtime is not in conflict with their permanent disability.

Overtime refers to both daily opportunities and extra shifts.

When an employee(s) is under a work restriction covered by a doctor's certificate and is on an overtime assignment, the employee cannot displace another bid employee to accommodate overtime.

DOUBLE BACK

- (e) i) In the event that employees are scheduled to work a full shift after "Doubling Back" without having had sixteen (16) hours free time between shifts they will be paid one hour extra at straight time.

EXCEPTION

- ii) The one hour will not apply when reporting for regular shift after working overtime the previous day or if premium rate is being paid or if the double back is arranged at employee's request.

PREFERRED SHIFT POLICY

- (f) An employee who has signed the appropriate list and is eligible for a preferred shift opening will be assigned in rotation.

Opportunities within a department to move to a more favourable shift shall be divided as equally as possible among all qualified employees who have registered for such opportunities.

Preferred shift is from night shift to afternoon shift to day shift.

Preferred shift to days will be given to the night shift if no one on afternoon shift has indicated a preferred shift and it would not result in an employee working consecutive shifts.

If the required number are not secured as above, the opportunity will be offered to the junior employee in seniority order and, if necessary, the junior employee will be required to accept the

assignment. Daily and weekly opportunities will be recorded separately.

Daily and weekly preferred shift lists will be posted on the bulletin board Wednesday with the names of employees next entitled to more favourable shift opportunities, if such opportunities are expected to occur. Those wishing to accept the opportunities may do so by signing their name in the appropriate column. The lists will then be used by the scheduling department in preparing the schedule.

Three (3) days will constitute a preferred shift weekly opportunity.

Those who fail to indicate a choice will be by-passed. Employees may not transfer their privilege for a preferred shift to other employees.

- (g) The work week will continue for consecutive days except for emergencies or as noted in the following paragraph.

In the Powerhouse, a plan will be in effect for providing regular scheduled days off per week.

SECTION 6:04

EXTRA SHIFTS

- A. Employees may voluntarily work extra shifts when required and have "Booked On" the extra shift availability Form/Lists by 10:00 a.m. Tuesday of each week for such assignments, if they receive forty (40) hours advanced bulletin board notice.

An employee who received less than forty (40) (clock) hours notice by schedule on the Bulletin Board of being required on an extra **shift** assignment, may waive the assignment without being charged on the extra work list.

When extra **shift** assignments are required, they will be handled in accordance with the following provisions.

- 1) An “extra shift” means any shift worked in a department on Friday night shift, Saturdays, Sundays or Holidays. Friday night shift to Saturday afternoon shift will be recorded on one list, and Saturday night shift, Sundays and Holidays will be recorded on a separate list and scheduled accordingly.
- 2) Extra shift book **ons** will be provided for eight (8) hour shifts only.
- 3) Employees would be considered unavailable for extra shifts unless they explicitly “Book on” for extra shifts through their signature and initials, with the exception of those employee(s) who have access to electronic **book-ons**.

In order to book on for shifts other than your normal shift you must book on your normal shift **first**.

CHRISTMAS/NEW YEAR’S EXCEPTION

The Company will provide an Operational/Clean-up schedule during the first week of December. Employees who wish to volunteer for this schedule (provided there is work available) will have one week to book on for the Christmas/New Year’s downtime. The Company will notify employees by the end of the second week of December, if they are required to work.

B. SCHEDULING PROCEDURE

For extra shifts for Friday night shift, Saturday and Sunday, the following rules will apply:

1. Weekend Workers will fill their normal shift positions first.

2. Regular employees on each shift, of a department who have booked on, including those with temporary bid jobs who are scheduled in the department will be scheduled in order of seniority and lowest number of hours on each respective extra shift list when qualified for the available job.

- 3a) The **1st** shift will be worked by the crew scheduled for first shift that week. The same rule will apply to **2nd** and **3rd** shift.

Should extra crew be required, preference will be given to **1st** and **2nd** shifts before taking employees from the third. The only exception would be where the extra shift would conflict with their normal weekday shift (i.e.: An employee could not be scheduled onto days Saturday if they are scheduled Friday night shift).

- b) If sufficient qualified employees are not available the employees who are in their qualifying periods and are capable of performing the work in a competent manner will be scheduled.

If an employee is **utilized** in this manner he/she will be deemed qualified for future overtime opportunities on this specific job.

- c) Qualified employees will be by-passed and charged if absent due to illness, vacation, leave of absence, or being excused.

4. An employee who is temporarily out of department would be eligible for extra shifts in own department if available. Employees shall not work two (2) consecutive shifts to receive an extra **shift** but will be by-passed and not charged,

Employees working **3rd** shift at their own request will be charged. Employees unavailable because they are working **3rd** shift will not be charged.

5. Employees who are off their regular **shift**, by choice (i.e.: preferred shift) or scheduled off shift are eligible for extra shifts, by seniority and lowest in hours, on their own bid shift.
 6. Out of Department (including Floaters, Entry Level Employees, and those with Temporary relief bid jobs) by seniority and lowest in charged hours when qualified and have booked on.
- C. For extra shifts on a Paid Holiday the following sequence will apply (Holiday hours are charged on the Sunday list):
1. Regular Department employees as per B.2. then:
 2. Department Weekend Workers with the required qualifications who have “Booked On” then:
 3. Out of Department as per B.6.
 4. Out of Department Weekend Workers with the required qualifications who have “Booked On”.
- D. Daily opportunities On Extra Shifts and the Sequence for awarding them:
1. Will be offered only **after** regular employees have been given the opportunity for an eight (8) hour Extra Shift for unscheduled absences.
 2. Offered by seniority rotation among those scheduled by shift for Friday night shift/Saturday or Saturday night shift/Sunday.
- E. Regular day shift employees will not share in the extra shift or overtime work normally performed by rotating **shift** employees nor will regular rotating shift employees share extra shifts or

overtime work normally performed by regular day **shift** employees except when relieving for vacation or illness.

- F. Employees will not necessarily be transferred from one **shift** to another within a department for the sole purpose of balancing extra shift credits.
- G. Trading of extra **shifts** is not allowed.
- H. Extra **shift** schedules will be posted on the bulletin boards by 2:00 p.m. Wednesday of each week for Friday night shift – Saturday afternoon shift, and by 2:00 P.M. on Thursday for Saturday night shift - Sunday and Holiday extra shifts (exception Christmas/New Year's refer to section 6:04 A).
- I. If a holiday falls on Friday:
 - 1. The book on form must be completed by Tuesday 10:00 a.m. of that week.
 - 2. Schedules for Friday and Saturday will be posted by 2:00 p.m. Wednesday, and schedules for Sunday will be posted by 2:00 p.m. Thursday.
- J. The employee is responsible for **confirming** if he/she is scheduled for extra shifts if they are absent from work when the extra shift schedule is posted.

Contact areas for confirming the schedule are:

- 1. Department Schedulers
 - 2. Security
 - 3. Immediate Group Leader
- K. For any revisions to the posted schedule forty (40) clock hours or more in advance of the start of the extra shift, the Company will immediately contact affected employee(s). If the revision is less than forty (40) clock hours in advance of the start of the extra shift, the Company will use the call-in list to secure employee(s).

The call-ins will begin within two (2) hours before the start of the extra shift.

- L. Employees will not be scheduled to work on Saturday night shift, Sunday day and afternoon shift at the conclusion of a vacation period or leave of absence (5 days or more), unless they indicate in writing their availability within the week prior to leaving on vacation or leave of absence.

M. CHARGING OF HOURS

- 1. Records of hours charged on extra shifts including the previous three (3) weeks will be posted on Bulletin Boards weekly. Hours charged for call-in assignments will not be charged to the extra **shift** Records.
 - 2. A turn for an extra shift will be charged if worked, waived, or performing non bargaining work.
- N. An employee who does not report for work as scheduled, on or off their **shift** will be charged triple on the extra work list except when the employee is:
- 1. Absent on Friday night **shift**, Saturday, and/or Sunday due to legitimate illness and had not returned to work by the following Wednesday.
 - 2. Unable to work a scheduled extra shift opportunity due to an occupational injury.
 - 3. Unable to work due to death in the immediate family.
 - 4. Unable to work because of Acts of God.
 - 5. A member of Union Executive who is unable to be at work and has been granted a leave of absence for the day by the Company to attend to Union business.

6. Scheduled but secures **his/her** own replacement. Own replacement can only be secured if the book on list has been exhausted.
7. Would be available for less than four (4) hours on Friday night shift or Saturday.

Note: Signing a blank is the same as being scheduled.

- O. A regular or temporary bid employee will be added to the extra **shift** and overtime lists of his/her new **shift** in seniority order and given the same charges as the next senior employee.

An employee assigned off their regular bid **shift** for on the job training purposes will be added to the extra shift lists of his/her assigned **shift** in seniority order and given the same charges as the next senior employee.

P. NON CHARGING OF HOURS

1. When an employee receives a weekly preferred shift, but does not work at least three (3) days on the preferred shift, he/she would not be charged the hours for a missed Saturday night extra shift or Sunday extra **shift** (during that week) which results from **him/her** being scheduled on the preferred **shift**.
2. When an employee misses an extra shift, as a result of being involved in training, he/she would not be charged the hours for the missed extra shift.
3. Extra shift hours in a department will not be charged for employees who were scheduled on a shift other than their normal shift.

Q. OUT OF DEPARTMENT OVERTIME

Extra shifts will be divided as equally as possible under the following guidelines:

1. The overtime list will be compiled in descending order by seniority,
2. The employee lowest in hours will be assigned the “extra shift”.
3. Hours will be charged in the same manner as the department in which the employee worked the assignment.
4. If an employee is absent without a bona fide reason for two assignments during a year, they will be removed from the list and will be required to discuss the matter with the Human Resources Department before considered back on the list.

R. EQUITABLE DISTRIBUTION OF “OFF SHIFT” OVERTIME

Employees who volunteer to work “Off **shift**” overtime will not be charged on their regular shift.

However, off shift overtime will be assigned equitably by lowest in hours and qualifications for those employees who agree to work.

S. CLEANUP IN PACKAGING AND PROCESSING DEPARTMENTS

The following guidelines will be **utilized** in the Processing and Packaging Department to ensure a quality, timely and safe cleanup of the area:

1. For any given cleanup shift, the Packaging and processing

crew will consist of 70% capable employees.

Note: Flavour, All Cookers, and C.I.P. will require 100% qualified employees.

2. All cleanup shifts will be scheduled for eight hours duration on a run through.

T. WAREHOUSE DEPARTMENT OVERTIME /RECEIVING DEPARTMENT OVERTIME

Warehouse and Receiving department overtime will come from their own respective departmental lists.

The Core employee(s) name will be positioned on extra shift list for “A” and “B” shift, as if they were a regular employee on that shift. They will be assigned hours by taking the next senior person’s hours, once per shift. The core employee(s) will only use their overtime hours on whichever shift is on days, “A” or “B”, he/she is scheduled for that week. They will be charged hours by the same rules as per M. Charging of hours. They will have no rights to the afternoon shift but will be charged hours on the afternoon shift by the same rules as per M. Charging of Hours.

SECTION 6:05

DAILY OPPORTUNITIES

When employees are needed for daily overtime, selection will be made in rotation from the list of employees of the shift in the department who have “Booked On” and are qualified for the assignments. Daily overtime assignments will be reported on a separate list for each shift as “Opportunities” rather than in actual hours worked and persons unqualified for assignments will be by-passed and charged. Employees on temporary bid assignments would share daily overtime according to seniority and qualifications.

Overtime “opportunity(s)” will be filled where they occur. Moving the “opportunity(s)” from group to group, classification to classification or from shift to **shift** will not occur if there are **sufficient** employees available.

If **sufficient** employees are not secured in the normal selection, then any employee who is capable may be assigned or scheduled on that shift.

If an employee is **utilized** in this manner he/she will be deemed qualified for future overtime opportunities on this specific job.

Those accepting such assignments but failing to report as scheduled would be charged for two opportunities.

Daily overtime of two (2) hours or less for meetings or to cover for temporary absenteeism would not be recorded as an opportunity unless it is over and above the crew.

DAILY OPPORTUNITY STAY OVER

- (a) Employees who volunteer to work beyond **his/her** regular shift hours without one hour notice shall be paid double time for all hours worked, unless **he/she** is replacing an absent employee.

EXCEPTION

When an opportunity for daily overtime occurs prior to the employee’s next scheduled shift, an employee off ill or excused will not be called, and would be charged and by-passed.

DAILY OPPORTUNITY CALL-INS

- b) 1) Employees called in over and above the scheduled number of employees will be paid double the straight time rate for the extra hours worked.

EXCEPTION

- 2) Section 6.05(b)(1) will not apply if the call-in is a result of absenteeism, or recall from lay-off.

NORMAL DAILY OPPORTUNITY CALL-IN

- 3) Employees who are called to report for work early ahead of their scheduled **shift** will be paid one hour of straight time in addition to time and one-half for the actual hours worked preceding their regular shift.

DAILY OPPORTUNITY - NOTIFIED OF SCHEDULE

- (c) Employees who are notified the previous day to report for work early ahead of their scheduled **shift** on the next day or are receiving double the regular rate, will not be paid the “one hour reporting time” referred to in Section b) 3) above.
- (d) If sufficient Industrial Mechanics are not available to cover the overtime opportunities, two (2) “A” Industrial Mechanics will be assigned the responsibilities of three Packing lines which are in close proximity supported with an assigned help.

The assigned help will be responsible for loading cartons into the magazines, placing cases, filling glue pots, clearing jam-ups, line clean-up etc.

This procedure will not be **utilized** to overcome a continuing shortage of Industrial Mechanics.

SCHEDULING PROCEDURE

1. There will be availability lists in each department indicating stay over and call-in overtime opportunities in four (4) hour blocks. Employees must sign and initial their request to work overtime opportunities. Any changes to the sign-up list must be brought by

the employee to the attention of the Group Leader and initialled by the **Group** Leader.

- a) Sign-up lists for Daily Opportunities will be kept in strict seniority rotation and are perpetual. The list will not revert to the top.
2. a) Processing Department will have two availability lists. One list will be for opportunities for qualified South Module Operators only, located in the Group Leaders' office on the South side; and the other list will be for opportunities for Operators on the North side as well as resource opportunities for either the North side or South side.

b) Packaging Department will have availability lists for "within classification" and "out-of-classification".
3. Weekend Workers will sign and initial the Weekend Worker availability lists in the same manner as the Weekday Workers sign and initial their availability lists. Weekend Workers sign up lists will be kept in strict seniority rotation and are perpetual.
4. Employees will have the first five (5) hours of their **shift*** to make themselves available for overtime opportunities, at which time the list will be taken down.

* Note: Until 12:00 p.m., 8:00 p.m. and 4:00 a.m. for all departments, Maintenance will have until 1:00 p.m., 9:00 p.m. and 5:00 a.m.
5. Employees may remove/cancel their availability up until the lists are taken down, at the times noted in item #4.
6. The sequence for awarding overtime opportunities is **in** seniority rotation, as follows:
 - i) Department Regular Weekday Workers of the shift in the department, including those with temporary bid jobs

scheduled in the department, qualified for the assignment, who have signed the availability list, then:

- ii) Employees with temporary relief bid jobs, Floaters, Entry Level, and out-of-department Weekday Workers qualified for the assignment and scheduled in the department for the week (3 days constitutes a week), who have signed the availability list, then:
- iii) Department Weekend Workers qualified for the assignment who have signed the availability list, then:

Note: Weekend Workers are only eligible for a maximum of 20 overtime hours per week and can work up to three, 4 hour opportunities for a total of 12 hours of overtime in a 24 hour period, when following the procedures outlined in Section 6:12(E).

- iv) Out-of-department Weekday Workers qualified for the assignment (including Floaters, Entry Level and Temporary Relief bid scheduled for the week in another department) who have signed the availability list, then:
- v) Out-of-department Weekend Workers qualified for the assignment who have signed the availability list.

Note: If opportunities still exist after completing Step i) through Step v), Group Leaders may exercise their discretion within the confines of the Collective Agreement to fill the vacancy.

- 7. Employees who make themselves available for the stay over will be notified two (2) hours before the end of their shift of the available overtime, except for absenteeism. If less than two (2) hours notice the employee may waive the opportunity, but will still be charged (i.e.: by-passed).
- 8. Employees who make themselves available for a call-in will be notified two (2) hours before the start of the opportunity. If less

than two (2) hours notice is given, the employee may waive the opportunity, but will still be charged (i.e.: by-passed).

Note: Maintenance employees should refer to Section 6:10.

Note: Premium rates will be paid, as per Section 6:05(a) and 6:05(b).

9. Once employees have been informed of overtime and for any reason it has to be cancelled, the employees will be offered alternate work or the employee may waive the opportunity.

Both the employee(s) who accept and refuse alternate work will be charged (i.e.: by-passed).

10. Employees who have indicated their availability will be expected to work the overtime.

Employees are expected to sign only for those opportunities for which they fully intend to be available.

11. Daily Opportunity - 7:00 p.m. - 11:00 p.m. Friday Afternoon Shift.

The Opportunity is offered to those who signed the daily opportunity list **from** Thursday night shift, including those who are not in on Friday night shift, in regular seniority rotation order.

12. Daily **Opportunity** - 11:00 p.m. - 3:00 a.m. Sunday night Shift.

The opportunity is offered to those who signed, by Friday, the daily opportunity list for the following Monday afternoon Shift, including those who are not in on Sunday afternoon shift, in regular seniority rotation order.

13. Employees Not on Their Regular **Shift** (by choice - i.e.: preferred shift, or schedule off shift).

For daily opportunities, these employees have their name placed in order of seniority below all regular shift employees, and they receive an opportunity after the complete seniority rotation for all regular employees.

Note: Employees temporarily assigned to another shift for training purposes of one day or more, will be inserted in regular rotation order according to their seniority (this is done due to the length of time involved for training in these areas.)

14. Employees Out-of-Department - Temporary Bid

For daily opportunities, these employees are treated the same as regular weekday department employees and are placed, by seniority, within the temporary department.

15. Employees Out-of-Department - Temporary Relief Bid (If scheduled in the department for less than 3 days per week).

For daily opportunities, these employees are eligible in the Temporary Relief department after all regular Weekday Workers, preferred shift employees, and Floaters, and Entry Level employees.

Note: These employees are also eligible for daily opportunities in their bid regular department, after all regular Weekday employees who were scheduled for the week in that department, and department Weekend Worker.

SECTION 6:06

RECORDING OVERTIME HOURS

The extra shift, daily opportunities, and shift preference lists will continue from year to year in sequence.

When the lowest employee(s) extra shift hours reach one thousand (1000), then one thousand (1000) hours will be deducted from everyone on the list.

SECTION 6:07

PROCEDURE FOR EMPLOYEE CALL-IN,

On extra shift and daily overtime assignments, employees will be charged on the work list when their turn comes for an assignment, regardless of whether they work or not, subject to provisions of Section 6:04.

Employees who expect to be called for such extra assignments will be responsible for keeping their telephone numbers up to date in the Health Centre. Personal pagers carried by employees are not to be called for daily overtime or extra shift opportunities.

The Company will initially identify itself when telephoning an employee for a daily opportunity, whether it is a direct contact or via an answering machine. This function will be the responsibility of management.

The telephone system, will automatically record the number called in, the date, the time of the call, and the duration of the telephone call.

To ensure employees have an opportunity to receive the call, the following procedure will be **utilized**:

- (a) The first call will be for one minute duration from the time of the ring or busy signal.
- (b) If a second call is required, there will be a one minute interval between calls and the same procedure followed in (a) above.
- (c) No more than two calls will be made to any one person.

Any dispute pertaining to a questionable call will be reviewed with the Human Resources Department and the Chief Steward.

SECTION 6:08

OVERTIME UNBROKEN HOURS

When employees are called in to work overtime and have not had eight (8) hours unbroken **free** time since the completion of their last regular working period such employees shall not continue working into the next regular day. The Company will not allow employees to work more than twelve (12) hours in a twenty four (24) hour period unless:

- (a) It is an emergency.
- (b) Employees are on a double back.
- (c) Employees were attending a meeting of two (2) hours or less, before or **after** a shift.

SECTION 6:09

NO OVERTIME OFFSET

Employees who have been called in for overtime work, over and above their regular workday, will not be required to take time off, during the remainder of the work week to offset such overtime.

SECTION 6:10

MAINTENANCE DEPARTMENT

All employees in this section are subject to the provisions of the Collective Agreement except as specifically covered in this section.

1. REGULAR SHIFTS

- a) i) Regular shifts - The regular Maintenance Department shifts are:

Core Shift	8:00 a.m. - 4:00 p.m.
Day Shift	8:00 a.m. - 4:00 p.m.
Afternoon Shift	4:00 p.m. - Midnight

- e) **Special Shifts - The Company reserves the right to schedule Special Shifts as required to complete major project(s) or to take advantage of downtime on production equipment.**

These shifts would be scheduled for up to a one week duration. Scheduling of trades employee(s) would be posted by 2:00 p.m. Thursday in advance of the scheduled Maintenance window for the following week. (call-m language will be applied to equipment break down or in emergency cases).

Employee selection will be based on:

- i) Canvass non-rotating trade members for volunteers to fill Special Shifts, or
 - ii) Fill shift requirements on basis of inverse seniority with the condition that no trade member will be required to work two consecutive weeks off day shift.
- f) **Shift Vacancies, Temporary Replacements - Shift** vacancies as a result of vacation, illness, leave of absence, training, union business, jury duty, or funeral leave will be filled by the junior non-rotating trade member who may be assigned as “**shift**” employee every week, subject to working off day shift only every other week (provided the number of employees permits).

For temporary vacancies of six (6) weeks or more, the junior non rotating trade(s) will be assigned for the duration of the temporary absence (seniority will be the determining factor for this absence).

It is understood the Company has the option of electing not to fill the vacancy.

If two or more shift vacancies occur on a simultaneous basis, the more senior assigned non-rotating trade member will receive his choice of the vacancies.

Replacements to cover unscheduled vacancies of short duration

will be arranged as follows, at the Company's discretion:

i) Coverage on an overtime basis - (12) twelve-hour shifts (generally used to cover one-shift vacancies)

- replacements who stay over beyond regular shifts are paid time and a half (1 1/2) for hours worked beyond regular shifts.
- replacements scheduled during a regular shift to report for work early ahead of their next scheduled shift are paid time and a half (1 1/2) for actual hours worked preceding their regular shift.
- replacements called to report early ahead of their next scheduled shift are paid time and a half (1 1/2) for actual hours worked preceding their regular shift, plus one hour's pay for reporting.

ii) Coverage by junior non-rotating employees (generally used for two or more consecutive shift vacancies).

iii) No Coverage

- Should the Company elect not to provide a replacement, but should it be necessary to call in an employee from the call-in list for the purpose of correcting a specific breakdown, the employee called in is paid for a "Call-in".

iv) Full shift coverage with selection from the call-in list (generally used when vacancy is filled off day shift by the appropriate Group Leader).

- replacements called in from the call-in list for an entire shift for the purpose of covering calls are paid time and a half (1 1/2) for the shift plus one hour's pay for reporting.

g) **Shift Vacancies: Permanent Replacements** - A vacancy shall occur if a regular employee leaves a shift or core

position, or if **future** operations require additional shift or core coverage. A vacancy will not be filled if **future** operations do not require the coverage.

Such vacancies shall be posted according to Section 5:13.

h) Miscellaneous Items

- i) No machinists are provided off day shift; hence Millwrights are required to complete minor machining operations within their own capabilities (and subject to ensuring **personal** safety and safety of others) as required to keep production equipment running.
- ii) On regular afternoon and night shifts, work priorities for breakdowns are determined by the appropriate Group Leader.
- iii) All trade employees will prepare daily a log of work performed for review by the appropriate area Trade Leader.
- iv) If operations require reassignment of Millwrights or Packaging Maintenance Millwrights in excess of one month, the requirements will be posted as temporary positions. The selected employee(s) will be added to extra shift list(s) and given the same charges as the next senior employee, and added to the call-in list(s).

If insufficient employee(s) apply, the junior qualified employee(s) will be assigned to fill the vacancies, and added to the extra shift and call-in lists.

For requirements of one week or less, junior Millwrights or junior Packaging Maintenance Millwrights will be

assigned; however, this will not change their status in respect to overtime lists.

- v) No employee will be allowed to work more than sixteen (16) accumulative hours in a twenty-four (24) hour period. The twenty-four (24) hour period will commence at the start of their regular scheduled shift, or at the start of an overtime opportunity, after the employee has had eight, (8) hours unbroken time off.

Any employee who works sixteen (16) hours in a twenty-four (24) hour period must have eight (8) hours unbroken time off before he/she is eligible to work **further** hours.

- vi) The opportunity for double backs or preferred **shifts** will be divided equally as possible in rotation to eligible employees who have registered for such opportunities.
- vii) Overtime will be divided as equally as possible in rotation to eligible employees who have registered for such opportunities.

2. PROCEDURE FOR DAILY OPPORTUNITY STAY-OVER

- a) i) Day shift work will be passed to the afternoon shift where practical. In situations where this is not practical, day **shift** employees may volunteer via the Daily Opportunity list to complete the work assignment. Where necessary, a day **shift** employee may be requested to stay over a sufficient length of time to **familiarize** an **afternoon** shift employee.
- ii) Core **shift** employees who have signed and initialled the daily opportunity list may stay over to complete a work assignment.

- b) The right and responsibility of core employee(s) will be from 4:00 a.m. through to 8:00 p.m. for daily opportunities for all assignments, except to replace shift absenteeism.
- c) The right and responsibility of the shift employee(s) will be for a four (4) hour opportunity before or after their shift to replace absenteeism and a four (4) hour opportunity after their shift to complete a job assignment carried over from Afternoon or Night shift.
- d) The Company will ask the employee who is on a scheduled shift/core assignment in the plant to either stay over or come in early for shift support from the daily sign up list.

Procedure for replacing Shift absenteeism:

Note: This call will be made one (1) hour before the start of the shift.

- i) Replacing Shift Absenteeism on Day Shift 8:00 a.m. to 4:00 p.m. will be at the Company's discretion, as follows:
 - 1. Assign a Core shift employee(s) to cover 8:00 a.m. to 4:00 p.m.
 - 2. Ask Night shift employee(s) to stay over to cover 8:00 a.m. to 12:00 noon,
 - 3. Secure Afternoon shift employee(s) to come in early to cover 12:00 noon to 4:00 p.m.
 - 4. Utilize available weekend worker as per Section 6:12 E.
- ii) Replacing Shift Absenteeism on Afternoon Shift 4:00 p.m. to 12:00 midnight by the following sequence:
 - 1. Ask Day shift employee(s) to stay over 4:00 p.m. to 8:00 p.m.

2. Ask Core Shift employee(s) to stay over 4:00 p.m. to 8:00 p.m.
3. Secure the Night **shift** employee(s) to come in early 8:00 p.m. to 12:00 midnight.
4. **Utilize** available weekend worker as per Section 6:12 E.

Note: Not to be misconstrued with the Call-In Opportunity Procedure in 6:10.3.

5. **Utilize** the call-in list to replace the remaining absence.
- iii) Replace **Shift** Absenteeism on Night shift 12:00 midnight to 8:00 a.m., in the following sequence:
1. Ask Afternoon **shift** employee(s) to stay over to cover 12:00 midnight to 4:00 a.m.
 2. Secure the Day shift employee(s) to cover 4:00 a.m. to 8:00 a.m.
 3. Secure Core **shift** employee(s) to cover 4:00 a.m. to 8:00 a.m.
 4. **Utilize** available weekend worker(s) as per Section 6:12 E.

Note: It is understood all employees above must have signed and initialled the Daily Opportunity sign up list.

5. **Utilize** the call-in list to replace the remaining absence.
- iv) To replace Weekend Worker shift absenteeism.

The call-in list will be used for unscheduled Weekend Worker absenteeism and will fill the whole shift for twelve (12) hours.

- e) **employees** will be assigned to daily opportunity stay-over at the Company's discretion, on the basis of:
 - i) selection of volunteer(s) in rotation from the daily opportunity sign-up list.
 - ii) Selection of employees readily available and as time permits.

- f) Daily Opportunity to stay over will be posted 1½ hours prior to the end of the shift. It will be the responsibility of the employees who signed the Daily Opportunity list to confirm they have been granted an opportunity via the posting. If the posting is not up before the 1 ½ hour time limit, then employee(s) will be paid double time for all overtime hours worked.

In the case of late absenteeism, an employee may be asked to stay over **after** the posting.

- g) Employees will be asked to stay for up to a maximum of four (4) hours after their regular shift.

Should continued work be required beyond the twelve (12) hour point and there is insufficient shift and call-in coverage, employees will be given the opportunity to work beyond the twelve (12) hour point up to a maximum of sixteen (16) hours.

3. PROCEDURE FOR CALL-IN

- a) Additional employees will be called in on afternoon or night **shifts** if the Company decides that the breakdown and/or work assignment(s) requires additional manpower or expertise, and that the breakdown and/or work assignment(s) cannot wait until the following day shift.

- b) i) The Company will make an out-of-plant telephone call to the employee **from** the call-in list, in rotation for the

overtime assignment to a maximum of 16 hours in a 24 hour period.

- ii) When an employee is called in to provide shift relief because the scheduled employee for that shift is in on a call-in, the **shift** relief employee called in will provide shift coverage until the scheduled shift employee has finished the call-in and he/she will be offered the opportunity to return to his/her scheduled **shift** and the employee called in to replace him/her will comply with 3. g). **Note: This call will be made one (1) hour before the start of the shift.**
- c) Shift employees on call-in are not considered absent; if replacement shift employees are required they must be arranged through the call-in list and paid at double time.
- d) Selection of additional employees will be made **from** the call-in rotation list. The call-in list:
 - i) will include all employees, including Weekend Workers, with “**B**” trade status or higher (but exclude probationary employees and employees requesting “Do Not Call”)
 - ii) will be kept in strict alphabetical order
 - iii) will be revised each Friday
 - iv) is perpetual
- e) If all available employees are called on the call-in list, and all decline, “last employee” called will remain as if no calls were made.
- f) When a maintenance employee is called in out-of-line, a maintenance department steward will be advised of the reason as soon as possible; in the event the steward is unavailable, the employee(s) by-passed will be notified. If it is anticipated that an employee will be called in out-of-line, the steward will be

notified in advance of the call-in. Out of line calls will occur as a result of work required on installations where training has not been completed. An example being new pieces of equipment where training is in progress.

- g) Any employee who, after having completed his/her call-in assignment has less than eight hours before the start of his/her normal **shift**, may exercise the following options, subject to working not more than 16 hours in a 24 hour period:
 - i) complete an additional 8 hours, or any part of the 8 hours at straight time before going home;
 - ii) go home and report at his/her normal starting time; (as per 6:101) a) i);
 - iii) the employee may then work up to eight (8)hours from the time they return to his/her regular **shift** at straight time, as per section 6:101) a).
- h) Any employee(s) presently working a “call-in” may be asked to stay and complete an additional assignment. If the employee(s) decline, another employee will be selected through the call-in procedure.
- i) Call-ins (except to cover absenteeism) will be paid at double time (4 hours minimum pay) until completion of the job.
- j) Call-ins on Friday night shift, Saturday, Sunday or Holidays are recorded on the call-in list, but not charged on the appropriate extra **shift** list.

4. EXTRA SHIFTS

Definition - an “extra shift” is any shift or split shift scheduled for a department on a Friday night **shift**, Saturday, Sunday, or Holiday.

A “split shift” is normally for a minimum of four (4) hours at the start or prior to the end of the **shift** unless it is a start up shift, which is of a shorter period depending on the job and department.

A) **Book On**

- a) Employees are required to book on their assigned shifts only – “Shifts” and “Core”.
- b) Employees will be considered as volunteers for other shifts, or core assignments if they indicate their availability.
- c) Employees who wish to work an extra **shift** assignment must “book on” the extra shift availability list by 10:00 a.m. Wednesday of each week. If a holiday falls on Friday, the “book on” form must be completed by 10:00 a.m. Tuesday of that week

Extra **shift** schedules will be posted on the bulletin boards by 2:00 p.m. Thursday of each week for Friday night shift, Saturday, Sunday and Holidays, except for Good Friday at which time it will be posted Wednesday 2:00 p.m.

d) Maintenance Department Extra Shift Scheduling

Employees would be considered unavailable for extra shifts unless they explicitly **Book On** for extra **shifts**.

Employees must sign their names and initial appropriate spaces on the **Book On** lists.

Employees would be able to **Book On** for their normal bid shift, as well as specify any additional shifts they would be interested in working should they be excess to their normal bid shift in their department.

In order to book on for shifts other than your normal bid shift you must **Book On** for your normal bid shift first.

Out of department book ons will be **utilized** after all available openings have been filled by department employees who have booked on (Section 6:04).

B) Scheduling Process:

The scheduling of employees to meet production shift needs and core needs would be done in the following manner:

1. Weekend workers will fill their normal shift positions first.
2. Assign by senior employee lowest in hours, employees normally scheduled to the **Shift** or Core and Booked on by Wednesday 10:00 a.m.
3. Assign by Seniority rotation, Core and **Shift**, to employees excess to their normal shift and booked on.

Assignment would be based on their indicated shift on the Book On form and by seniority rotation to Days, Afternoons and Nights in that order.

The only exception would be where the extra shift would conflict with their normal weekday shift (e.g.: could not be scheduled onto days Saturday if they are scheduled Friday night shift or scheduled nights on extra **shifts** when the employee is scheduled to work days the following day).

4. To fill available openings in the schedule by **utilizing** a twelve (12) hour **shift**, assignment would be made by seniority rotation.

The twelve (12) hour volunteers would be shown as available for the twelve (12) hours, and would only be **utilized** after all eight (8) hour extra shift opportunities have been scheduled.

When a Book On for twelve (12) hour extra shift opportunity is used, it is understood that the twelve (12) hours will be continuous extra **shift** hours. Not broken into an eight (8) hour

opportunity, then return for a four (4) hour opportunity at a later time.

The four (4) hour attached opportunity must be part of an extra shift.

Extra shift hours are from Friday night shift 12:00 a.m. to Sunday 12:00 a.m. except when paid Holidays are in effect, then it will extend to accommodate the paid Holidays.

5. Available openings for non-skilled trade job functions not filled within department will be filled by **utilizing** out-of-department book **ons** if available (e.g.: Wall washing and Maintenance helper).

6. Openings on Schedule

After the schedule is posted and “**shift** openings” are shown, these openings are available to **shift** employees within their own classification only until **8:00** a.m. Friday. (Eight (8) or Four (4) Hour)

After the schedule is posted and “Core openings” are shown, these openings are available to Core Employees within their own classification only until **8:00** a.m. Friday. (Eight (8) or Four (4) Hour)

These openings are for an eight (8) hour opportunity; or a four (4) hour opportunity attached to a scheduled eight (8) hour shift (before or **after** the shift).

After the above time frames and openings still exist, any appropriate trade person(s) willing to come in and fill the open spot(s) will do so on a first come first serve basis.

Split shifts of a four (4) hour opportunity do not have to be at the start or prior to the end of a **shift**, but may be part of a Day, Afternoon, or Night shift, (e.g.: the front half of a shift, **8:00** a.m.

to 12:00 noon, 4:00 p.m. to 8:00 p.m., 12:00 midnight to 4:00 a.m., or the back half of a shift, 12:00 noon to 4:00 p.m., 8:00 p.m. to 12:00 midnight, 4:00 a.m. to 8:00 a.m.).

7. When no employees are available and openings still exist, these postings will be shown on the posted schedule, thus indicating that a Call-in may be used to fill the opening should production warrant it.

Openings would only be shown and scheduled to the maximum of a normal full shift complement of employees.

If a Call-in is **utilized** to fill the opening within one (1) hour of the beginning of the shift for shift support, the rate of pay would be the same as replacing for absenteeism.

Call-ins for **shift** support after the start of the shift will not be considered as absenteeism and will be paid at double the rate.

8. Employees will not be able to voluntarily trade extra shift assignments unless the trade is for a complete week (seven (7) days, Sunday through to Saturday afternoon shift, Saturday night shift to Friday night shift).
9. To accommodate the situations where Junior Non-Rotating employees are scheduled the next week on **shift** due to vacation, training or known illness, the following will apply:
 - a) A notice will be posted, each Monday, outlining known shift coverage needs for Junior Non-Rotating for the upcoming weekend. This will provide information showing how many employees will be off shift and allow time so that the Junior Non-Rotating employees can book on to the appropriate shifts.
 - b) Should any unforeseen issues arise prior to Friday 4:00 p.m. that may require additional Junior Non-Rotating employees to go to shift, those employees affected would be asked if they wish to be scheduled for the Saturday night extra

shift/Sunday extra shifts. If they agree, they would be scheduled in as if they had booked on by Wednesday.

Any changes that may be required **after** Friday 4:00 p.m. that require Junior Non-Rotating employees go to **shift**, would be filled without opportunity for them to become available, except if openings are shown and not yet filled by the first come first serve basis.

After Friday 4:00 p.m. Junior Non-Rotating employees will not be obligated to accept the afternoon or night shift if the employee is scheduled on core Sunday.

Note: This process will advance one day on a holiday Friday.

- c) Junior Non-Rotating employee(s) who are required to be on shift, will be considered as shift? personnel for Saturday night extra shifts/Sunday extra shifts. Once the employee is asked or notified, before the schedule is posted, that he/she is being placed on shift the next week, this becomes his normal shift. This means the employee will not be entitled to a core shift unless all the criteria to go off shift is met.

Note: Weekend workers who have booked on are scheduled first on paid Holidays before **utilizing** out-of-department employees.

C) Staffing of Extra Shifts

- a) ‘Shift’ and ‘Core’ – ‘Shift’ employees and ‘Core’ employees are considered as separate groups in administering extra shift overtime. The extra shift list will group employees assigned as ‘shift’ - by each shift and ‘core’.
 - i) ‘Shift’ employees have first opportunity for extra shifts for their given shifts of the week only. (Note: ‘Shift’

employees who do not work their shifts as scheduled - time of day - for at least three (3) weekdays are considered as “Core”).

- ii) “Shift” employees surplus from their given shifts are generally not eligible for extra **shifts** of other production support shifts, and are only considered for “Core” extra shifts **after** all “Core” employees have had an opportunity, and if they indicate their availability.
 - iii) Core employees scheduled for extra **shifts** “on core” have all rights and responsibilities to an extended or additional assignment that may develop.
 - iv) Shift employees scheduled for extra shifts “on shift”, have all rights and responsibilities to an extended or additional shift that may develop.
- b) i) Any employee who trades during the week, Monday through Friday, will maintain all rights and responsibilities for their normal extra **shifts** during that week.
- ii) Employees who have switched shifts for the week assume the rights, responsibilities, extra shift hours, location on lists’, and extra shift rights of the person they have switched with. They, in essence, own the shift they work for the week. As such, when they Book On for extra shifts, they **MUST** sign for those extra shifts that align with the weekday shifts they actually work during the week, as per section 4.B)9.
- d) In cases of temporary replacements for shift vacancies, the employee normally assigned retains the rights and responsibilities for extra **shifts**, if available, and if not absent for all **regular** shifts. Junior non-rotating temporary replacements will be considered as core employees, when relieved of temporary shift assignments.

- d) Employees scheduled for extra **shifts** may decline a portion of the shift, without charge, if they worked a “stay-over” or “call-in” during the six hours preceding the scheduled extra shift.

Employees declining a portion of an extra **shift** are required to leave notice of their intentions for Group Leaders, and must report to work not later than 8 hours out of the plant, provided this allows them to report not later than the mid-point of the extra **shift**. Hours worked of the extra shift will be hours charged.

- e) For any schedule change for extra **shifts**, identified forty (40) hours or more in advance of the start of the extra shift, the book on list would be used first in attempting to secure replacements.

For any schedule change for extra **shifts**, identified less than forty (40) hours in advance of the start of the extra **shift**, the call in list would be used first in attempting to secure replacements.

D) Extra Shift Daily Opportunity Stay-over

When employees are unable to complete their planned work assignment within the scheduled extra shifts, or should completion of additional unplanned work assignments be required and extended beyond the scheduled extra shifts employees selection will be by senior employee lowest in hours presently on the shift.

E) Charged Hours and Overtime Policy

- a) The extra **shift** list will be divided to indicate “shift” employees by **shift**, and “core” employees. Employees will be charged either as “**shift**” or “core” employees - not both - based on their assignments.

Surplus **shift** employees who volunteer to work core assignments will not be charged; and surplus core employees who volunteer to work shift assignments will not be charged.

Extra **shift** hours would not be charged for employees who were scheduled on a shift other than their normal bid shift.

As assignments change, employees' names will be moved on the list, and accumulated hours will be based on those of the next senior employee to him/her on that "shift" or in the "core".

When a junior non-rotating employee replaces a "shift" employee, they will assume the shift employee's hours. If an extra shift is worked, the "shift" employee being replaced will also be charged the extra shift hours worked.

A voluntary trade for an individual's personal reasons is not considered as a change in assignment; hence, names will not be moved on the list, and accumulated hours will not change. Individuals will be charged as if no trade had taken place. Hence, any employee receiving the opportunity will only be charged for any opportunity traded away, and not the opportunity received.

- b) Extra shifts on Saturday will be scheduled for a specific length of time.

The Company will guarantee hours of work at least as scheduled. Should an employee request to go home early **after** having completed his/her assignment(s), he/she will be charged based on scheduled hours. Charged hours will be 1 1/2 times hours scheduled, or 1 1/2 hours worked (to a maximum charge of 12 hours) if hours worked exceed hours scheduled.

Hours worked beyond the scheduled extra shift hours will be considered daily opportunity stay over and will be paid at double time.

- c) Extra **shifts** on Sundays and Holidays will be scheduled for length of time as required to, complete the assignment. Charged hours will be at double time based on hours worked to a maximum charge of 16 hours per day.
- d) Any employee absent for any reason from the first extra shift which results in his/her missing subsequent extra shifts **will** be charged for all extra shifts missed, as outlined in section 6:04 N.
- e) When the lowest employee(s) extra shift hours reach one thousand (1000), then one thousand (1000) hours will be deducted from everyone on the list.

5. POWERHOUSE

Scheduling of Shift: (Replacement Employees)

For unscheduled vacancies of one or two **shifts'** duration, extend preceding and following **shifts** to **12-hour** shifts.

For Vacancies: (If known in advance and in this order)

1. Assign day relief employee then,
2. assign employee(s) scheduled off who volunteer,
3. extend preceding and following shifts to **12-hour** shift,
4. secure replacement through the call-in list.

Daily Opportunity Stay-Over (Employees will be asked in this order)

1. DAY SHIFT:

- a) Day Maintenance
- b) Day Relief
- c) Day Operator
- d) Go to the Call-In List

2. AFTERNOON SHIFT AND NIGHT SHIFT:

Ask shift personnel if they would like to work.

Employee will be asked to stay for up to 4 hours maximum before or after their regular shift.

Daily Opportunity Call-ins:

Powerhouse employees will be called in strict alphabetical order. Last employee called will have an asterisk placed by his/her name.

Extra Shifts:

The person with the lowest hours will be scheduled to work, in rotation, e.g.: if one person needed, lowest employee in hours will come in; if 2 people are needed, then the next lowest employee in hours will be scheduled in, etc.

Charging of Hours:

Shift operators will not be charged for extra shifts if they are scheduled to work Saturday, Sunday or Holidays due to their yearly powerhouse schedule. Powerhouse personnel will follow the Maintenance Agreement as written unless there is a written agreement between the Union Executive and Company pertaining to a certain section.

The only hours to be charged will be for extra shifts.

6. TOOL BOX AGREEMENT

- a) Trainees and new employees will receive a credit equal to 50% of the cost of a Company approved tool-box when they start in the Maintenance or Packaging Department.
- b) Tool chests will be issued by the Stores Department and a record will be kept.

- c) Any tool boxes not purchased under the plan must:
1. Meet Kellogg sanitary conditions (e.g.: no wood).
 2. Will not be fabricated on Kellogg premises or use Kellogg materials.
 3. Replacement at a future date will be limited to a value of the approved tool box.

7. TOOL INSURANCE

The Company will insure (at replacement cost) the tools of any Industrial Mechanic/Maintenance Trades against theft, subject to a \$25.00 deductible, provided that the employee has prepared, and has had verified by a Company representative, a detailed inventory of the tools including both accurate description and manufacturer.

8. TRADE CLASSIFICATIONS AND RESPONSIBILITIES

IN ALL CASES, THE MAJOR QUALIFICATIONS OF THE TRADES LISTED BELOW ARE TO BE CONSIDERED AS THE MINIMUM REQUIREMENTS FOR SATISFACTORY PERFORMANCE AND SHALL NOT LIMIT THE SCOPE OF DUTIES THAT NORMALLY FALL WITHIN THE TRADE.

THE AREAS OF RESPONSIBILITIES ARE GUIDELINES AND ARE NOT TO BE INTERPRETED IN SUCH A WAY THAT WOULD RESTRICT REPAIRS AND/OR MODIFICATIONS NECESSARY TO MAINTAIN OPERATIONS WHERE REPAIRS CAN SAFELY AND QUICKLY BE MADE BY MAINTENANCE TRADES.

ELECTRICIANS

Electricians shall be responsible for installation, check-out, start-up, adjustment, trouble-shooting, and repair of power distribution/lighting

systems, electric drives, audio/video systems, equipment control systems, indication/alarm systems, and related hardware/components, wherever it is possible and practical.

Qualifications:

- Must hold a certificate of qualification as an Industrial Electrician, Trade #442A, or an equivalent certificate acceptable to the Company.
- Must have electronics experience, be competent in the use of electronics test equipment, and be able to interpret drawings and schematics.
- Must have PLC training, and be able to read and trouble-shoot PLC programs.
- Must be capable of preparing written reports on systems and equipment serviced.
- Must have experience in the installation, check out, start-up, adjustment, maintenance, trouble-shooting and repair of control loops and repair of electrical devices.

Responsibilities:

- Power distribution, including main station at 27600/13800V, substations at 13 800/600V, conduit/raceways/cable-trays, power feeders, power distribution panels, motor control centres, and power distribution to electrical devices.
- Electric drives - fixed speed AC, variable speed AC, variable speed DC including motor control, trouble-shooting, and connect/disconnect.
- Lighting systems, including lighting panels conduit/wiring and fixtures. (See reference on file November, 1987 Light Bulb Replacement)

- Audio/video systems - installation and repair of conduit and cables.
- Equipment control involving relay logic, programmable controllers from control centres to field devices, and from field devices back to control centres. (Engineering responsible for programming).
- Safe work practices, and housekeeping/sanitation for shop and field work areas.
- Indication/alarm systems including: equipment status/alarms; smoke/heat/fire indication/alarms device replacement and field wiring; exterior door monitoring.
- Adjustment of hydraulic proportional cards

INSTRUMENT TECHNICIANS

Instrument Technicians shall be responsible for installation, check-out, calibration, start-up, maintenance, trouble-shooting, and repair of process instrumentation/control systems, audio/video systems, and related hardware/components wherever it is possible and practical.

Qualifications:

- Must hold a certificate of qualification as an Instrument Technician, or equivalent certificate acceptable to the Company. (Completion of a formal approved program).
- Must have electronics experience, be competent in the use of electronic test equipment and be able to interpret drawings and schematics.
- Must have PLC training, and be able to read and trouble-shoot PLC programs.

- Must be capable of preparing written reports on systems and equipment serviced.
- Must have experience in the installation, check-out, calibration, start-up, maintenance, trouble-shooting and repair of control loops and electronic and pneumatic instrumentation devices.

Responsibilities:

- Process instrumentation and control - pneumatic and electronic - involving temperature, pressure, flow, speed, scaling/mass flow, level, density, metal detection, colour, PH, flame detection, etc.
- Installation/replacement of instruments including bracket fabrication, panel installation, modifications to local tubing, provision of tubing guides/hangers.
- Modifications to local tubing either flexible or hard tubing located within ten (10) feet of a field device.
- Service/repair of all components including sensors, actuators, transducers, transmitters, receivers, processors, controllers, positioners, etc. - electronic and pneumatic.

Connection and disconnection of:

- All low voltage signals up to 120v (ac/dc) used for process measurement and calibration of speed pressure level flow, temperature and position controls of the processing system.
- All tubing that has function of transmitting pneumatic or hydraulic signals, including compressed air supply tubing down stream of the pressure regulator connected to the plant compressed air system.
- Audio/video systems - installation/replacement/repair of intercoms, radios, pagers, cameras, monitors, etc.
- Process Control, relay logic, programmable controllers,

microprocessors - used for process monitoring and control, (Engineering responsible for programming).

- Main Valves: includes in place trouble-shooting/service of variable position actuators, repair of variable position valves, repair of variable position actuators, including motorised actuators.
- Control Valves: includes low voltage (48V) solenoid valve replacement in modules, and limit switch disconnect/reconnect, valve positioner repair/replacement, solenoid valve repair (except in wet system) hydraulic, adjustment of hydraulic proportional cards.
- Safe work practices, and housekeeping/sanitation for shop and field work areas.

PACKAGING MILLWRIGHTS

Packaging shall be responsible for the maintenance, modifications, and installation of packaging equipment, and auxiliary systems and equipment within the packaging area which directly affect the **performance** of packaging operations, wherever it is possible and practical.

Regular Packaging Equipment
Individuals Packaging Equipment
Assemblies Packaging Equipment
Warehouse Equipment **Unitizers & Wrappers**
Case Packing and Conveying Equipment
Hot Melt Systems
Cold Glue Central Supply Systems (repair only)
Cold Glue Application
Pneumatic Power **& Control** (repair only)
Mechanisms
Fabrications (structural and sheetmetal)
Welding
Carpentry

Rigging

Repair work on packaging equipment and auxiliary equipment and systems shall be carried out by these Millwrights whenever possible and practical and, providing such work conforms with safety, legal and other mandatory regulations. Major installations and modifications of equipment and systems shall be carried out by the appropriate trades involved.

Conveyers within the Packaging areas and those sections of the discharge conveyers originating in the packaging areas (including “policemen”) shall be repaired and maintained by these Millwrights.

Qualifications:

- Must hold a certificate of qualification as an “Industrial Mechanic/Millwright”, or an equivalent certificate acceptable to the company.
- Must have strong mechanical trouble-shooting/repair abilities. Equipment is high speed and component fits are close tolerance. Equipment service involves mechanical timing/tuning through cams, levers, shafts, gears, chains, belts, gearboxes, etc.
- Must be proficient in: trouble-shooting/repair of pneumatic power and control systems; structural and sheetmetal fabrication; structural and sheetmetal welding; rigging; and miscellaneous carpentry.
- Must be experienced in installation, overhaul, modification, check-out, start-up, adjustment, maintenance, trouble-shooting, and repair of packaging and related to Packaging equipment operations.

Responsibilities:

- The repair and maintenance of all Packaging lines and related Packaging equipment.

- Carton and Case Conveyers, case packers. Packaging millwrights are responsible for all conveyers within the packaging areas, and those sections of discharge conveyers originating in the packaging areas (including “policemen”). Packaging millwrights are also responsible for the Bushman case conveyor in the Warehouse.
- Trouble-shooting/repair of adhesive systems; cold glue central supply system (repair only) and cold glue applicators, etc.
- Trouble-shooting/repair and minor modifications to pneumatic power and control systems, including: **pipng/tubing** downstream of packaging equipment compressed air isolation valves; control valves replacement/repair.
- Carton and case cube size changeovers in a non-food condition.
- Service/repair of auxiliary systems which directly affect packaging line operation.
- Overhaul of in-line piston pumps used for adhesives and lubricants.
- Safe work practices, and housekeeping/sanitation for shop and field work areas.
- Warehouse **unitizers** and it’s conveyers.
- All Warehouse Wrappers

PROCESSING MILLWRIGHTS

Processing shall be responsible for the maintenance, modifications, and installation of processing equipment, building service equipment, and production services equipment wherever it is possible and practical.

Processing Equipment
Building Equipment

Corn Mill Equipment
Warehouse (Excluding **Unitizers & Wrappers**)
Pneumatic/Hydraulic Power (repair only)
Mechanisms
Fabrication (structural & sheetmetal)
Welding
Carpentry
Rigging
Pneumatic Conveying Systems
Air Handling Systems

Repair work on this equipment shall be carried out by these Millwrights whenever possible and practical and providing such work conforms with safety, legal and other mandatory regulations. Major installations and modifications shall be carried out by the appropriate trades involved.

Conveyers within the processing areas up to and including rotary hoppers shall be repaired and maintained by these Millwrights.

Qualifications:

- Must hold a certificate of qualifications as an “Industrial Mechanic/Millwright”, or an equivalent certificate acceptable to the Company.
- Must be proficient in: trouble-shooting/repair of pneumatic power and control systems; trouble-shooting/repair of hydraulic power and control systems; structural and sheetmetal fabrication; structural and sheetmetal welding, rigging; and miscellaneous carpentry.
- Must be experienced in installation, overhaul, modification, check-out, start-up, adjustment, maintenance, trouble-shooting and repair of production, materials handling, and building service equipment.

Responsibilities:

- Processing equipment, including Corn Mill.
- Materials Handling equipment.
- Building Service equipment including HVAC units, fans, compressors, repair as required by plant utilities Group Leaders.
- Vacuums cleaning systems, and production related air handling systems.
- Trouble-shooting/repair of hydraulic power and control, including: hydraulic hose fabrication, removal/replacement of all flanged in-line devices, excluding: rigid piping and in-line devices from the back of manifolds to equipment isolation valves; isolation valves; screwed, welded, or flared connections.
- Trouble-shooting/repair and minor modifications to pneumatic power and control systems including piping/tubing downstream of equipment compressed air isolation valves.
- Overhaul of rotary valves, blowers, rotary lobe pumps, rotary piston pumps, shaft/bearing assemblies for centrifugal pumps.
- Valves and actuators within the operating units dry systems.
- Safe work practices, and housekeeping/sanitation for shop and **field** work areas.

MACHINISTS

Machinists shall be responsible for fabrication/machining of parts, **manufacture/maintenance** of tooling, repair/modification of parts and tooling, and assistance in resolution of equipment and tooling problems.

Qualifications:

- Must hold a certificate of qualification as a “General Machinist”, or an equivalent certificate acceptable to the Company.
- Must have job shop experience involving application of hand and power tools, power saws, drill press, lathes, milling machines, grinders, etc.
- Must be able to work from drawings and produce quality work meeting **defined** tolerance and finish specifications.
- Must be a competent welder capable of producing sound and neat welds in all gauges of metal **14 ga.** or heavier.
- Must be experienced in manufacturing, measuring/documenting, inspecting, modifying, and repairing both new and existing machined and fabricated items.

Responsibilities:

- Manufacture of new machined or fabricated items for stores inventory or maintenance department use.
- Manufacture and maintenance of tooling such as rolls, knives, dies, etc.
- Repair/modifications to equipment components or tooling to support maintenance activities and production operations.
- Maintenance department assistance to investigate equipment and tooling problems, recommend solutions, and complete changes.
- Safe work practices, and housekeeping/sanitation for shop and field work areas.

STEAMFITTERS

Steamfitters shall be responsible for the maintenance, modifications, and installation of piping tubing consisting of stainless steel tubing, soft and hard copper tubing, PVC, CPVC, ABS, steel, galvanised, etc; systems throughout the plant, heating equipment (except powerhouse equipment) and pressure vessels wherever it is possible and practical, and providing the work is in conformance with safety, legal, and other mandatory regulations.

Process/Sanitary/Storm Sewers

Chilled/Cooling-Tower Water Systems

Steam and Condensate Piping

Natural Gas Piping

Compressed Air Piping

Sprinkler System

Fire Extinguishers

Halon Gas Systems

Hydraulic/Pneumatic Piping Systems (except repair work on the machine side of the isolating valve)

Liquid Sugar Systems

Vitamin Application Systems

Flavour Piping System

Cold Glue Central Supply Systems (installation only)

Alcohol Systems

Heating Equipment consisting of hot water heaters, steam coils, and gas burners.

Pressure Vessels (including Cookers, Vitamin Kettles)

Plumbing Fixtures

Valve overhaul may involve several trades; however, in general:

- instrument repair to inspect and diagnose fault if not apparent
- appropriate trade to correct fault
- instrument repair to reassemble and test

Qualifications:

- Must hold a certificate of qualification as a “Steamfitter”, or an equivalent certificate acceptable to the Company.
- Must hold a gas fitters license, preferable Gas Fitter II.
- Must have a working knowledge of plumbing techniques, and code requirements.
- Must be proficient in: trouble-shooting/repair of piping systems, pneumatic power and control systems, and combustion equipment; fabrication of piping and supports; pipe and structural welding (able to obtain speciality pipe welding certificate); rigging.
- Must be experienced in installation, check-out, start-up, maintenance, trouble-shooting and repair of utility and process piping systems, heating systems, fire protection systems, and all related equipment.

Responsibilities:

- Domestic water systems.
- Process/Sanitary/Storm drains and sewers; plumbing fixtures.
- Natural gas distribution systems.
- Steam and condensate systems.
- Compressed air systems - main and branch piping up to isolation valves at equipment.
- **Chilled/cooling** tower water systems.
- Fire protection systems - sprinklers, extinguishers, Halon gas systems.

- . Liquid ingredient systems - sugar, vitamins, flavour, etc.
- Clean-In-Place systems including blocking valve and catch pans.
- Alcohol Systems
- All pressure piping, and welded-in-line devices including hydraulic power piping.
- Generally, repairs to existing flexible or hard controls tubing that penetrates a floor, a wall, a ceiling, or through a level in the space frame that extends beyond ten (10) feet from a field device are the responsibility of the **steamfitters**.
- New controls tubing installations (except for terminations) including an increase or decrease in tube size, that penetrates a floor, a wall, ceiling or a level in the space frame are the responsibility of the steamfitters.
- Pressure vessels - cookers, vitamin kettles, etc.
- Heating equipment - hot water heaters, steam coils, gas burners and **Glycol** systems.
- Heat exchangers.
- **Pumps** including: in-place service on liquid end of pump, complete pump exchange (excluding alignment).
- Main valves on liquid/gas systems: on gas trains includes repair/replacement of all valves and actuators on wet systems.
- . Control valves: includes solenoid valve (main or pilot) replacement, except for hydraulic valves and low voltage valves in modules.
- Safe work practices, and housekeeping/sanitation for shop and field work areas.

PAINTERS

Qualifications:

- Must hold a certificate of qualification as an Industrial Painter, or an equivalent certificate acceptable to the Company.
- Must be competent in the application of Industrial coatings by brush, roller, conventional and airless spray.

Responsibilities:

- Installation/removal of temporary protection: tarpaulins, plastic sheeting, drop cloths, taping, wrapping, etc.
- Erection/removal of temporary access platforms: swingstage, scaffolding, portable walkways, etc.
- Surface preparation including hand and powered washing, dry cleaning, **degreasing**, miscellaneous patching, scraping, burning, blasting, etc.
- Mixing of multi-component coatings in accordance with manufacturers' specifications.
- Coating application to building surfaces, **mechanical/electrical** services, furniture, and equipment.
- Site clean up at completion of project.
- Caulking removal/repair/installation.
- Sign making/installation; label application to mechanical services.
- Safe work practices, and housekeeping/sanitation for shop and field work areas.

SECTION 6:11

HOLIDAY SCHEDULE

(a) All regular employees shall receive a day's pay at straight time in recognition of the following holidays:

2000

Friday, April 2 1	Good Friday
Monday, April 24	Easter Monday
Monday, May 22	Victoria Day
Friday, June 30	Canada Day
Monday, August 7	Civic Holiday
Monday, September 04	Labour Day
Monday, October 09	Thanksgiving
Friday, December 22	First Floater
Monday, December 25	Christmas Day
Tuesday, December 26	Boxing Day
Wednesday, December 27	Second Floater
Thursday, December 28	Third Floater
Friday, December 29	Fourth Floater

2001

Monday, January 0 1	New Year's Day
Friday, April 13	Good Friday
Monday, April 16	Easter Monday
Monday, May 2 1	Victoria Day
Monday, July 02	Canada Day
Monday, August 06	Civic Holiday
Monday, September 3	Labour Day
Monday, October 08	Thanksgiving
Monday, December 24	First Floater
Tuesday, December 25	Christmas Day
Wednesday, December 26	Boxing Day
Thursday, December 27	Second Floater
Friday, December 28	Third Floater
Monday, December 3 1	Fourth Floater

2002

Tuesday, January 01	New Year's Day
Friday, March 29	Good Friday
Monday, April 01	Easter Monday
Monday, May 20	Victoria Day
Monday, July 01	Canada Day
Monday, August 05	Civic Holiday
Monday, September 02	Labour Day
Monday, October 14	Thanksgiving
Tuesday, December 24	First Floater
Wednesday, December 25	Christmas Day
Thursday, December 26	Boxing Day
Friday, December 27	Second Floater
Monday, December 30	Third Floater
Tuesday, December 31	Fourth Floater

2003

Wednesday, January 01 New Year's Day

HOLIDAY ELIGIBILITY

- (b) 1. Regular employees shall be eligible to receive pay for a holiday listed in paragraph (a) provided:
- (I) They work one day or are on regular scheduled vacation in the calendar month in which the holiday is observed.
 - (II) They work the holiday, if scheduled.
2. Employees shall not receive holiday pay for any holiday which occurs during a strike, work stoppage or lockout, except this limitation shall not apply to employees who are on regular scheduled vacation during such a strike, work stoppage or lockout.
3. If a holiday is observed during an employee's vacation period, he/she shall receive holiday pay in addition to his/her vacation pay. An employee who terminates prior to a holiday would

not be eligible for holiday pay.

SECTION 6:12

WEEKEND WORKER

The following special provisions apply only to employees holding bid weekend worker positions *:

Processing: Groups I, II, III, IV, V

Packaging: Industrial Mechanics
Packing Resource

Maintenance: Instrument Repair
Electricians
Packing Millwrights
Steamfitters
Processing Millwrights
Stores

Warehouse: T.O.L.U.C. ***
Unitizer Operator

Receiving: Receiving All-round
Bulk Storage Utility
Transfer Room Operator

Plant Service: Plant Cleaner

* The Company retains the right under Section 4.01 to increase or decrease the work force.

The parties agree that any increase in weekend workers will not be cause for lay-off of regular weekly workers.

*** It is understood that employees in this group may be assigned wherever required within their areas and qualifications.

A) SHIFT ROTATION AND HOURS OF WORK

There will be 4, twelve-hour shifts beginning at 11:00 p.m. Friday:

11:00 p.m. Friday – 11:00 a.m. Saturday
11:00 a.m. Saturday – 11:00 p.m. Saturday
11:00 p.m. Saturday – 11:00 a.m. Sunday
11:00 a.m. Sunday – 11:00 p.m. Sunday

Plant Service: 7:00 a.m. – 7:00 p.m. Saturday
7:00 a.m. – 7:00 p.m. Sunday

The groups will alternate weekly.

Maintenance hours will be delayed by one (1) hour, to the above schedule.

B) WEEKEND WORKER SCHEDULE

Weekend Workers are responsible for the hours of work as outlined in A) above throughout the year, as well as these hours that occur during Holidays, e.g.: Paster, Christmas, within their department only, unless they have applied for and have been granted a Leave of Absence or Vacation.

Weekend Workers will be scheduled on their own bid job first, unless there are no other qualified employees available for other required openings.

C) PAY

Friday 11:00 p.m. – Saturday 11:00 a.m. at time and one-half
Saturday 11:00 a.m. – 11:00 p.m. at time and one-half.
Saturday 11:00 p.m. – Sunday 11:00 a.m. at double-time.
Sunday 11:00 a.m. – 11:00 p.m. at double-time.

Shift premium will be paid as per Section 8:06.

D) FILLING THE WEEKEND POSITIONS

Openings will be posted and awarded departmentally under Section 5.13.

An employee may bid out of the Weekend System to available jobs, however, the employee may be required to stay until an eligible replacement has been assigned.

E) OVERTIME

- i) Employees working the weekend system will be permitted to work a 4 hour daily opportunity after all other department shift/core employees have had the opportunity.

Employees may cover twelve (12) hours, (three (3), four (4) hour opportunities back to back) when there are no other employees available when **utilizing** the sign up list, after all other regular department **shift/core** and out of department employees scheduled in the department for the week have had the opportunity.

- ii) Employees may cover eight (8) hour vacancies for absenteeism or vacation, after all other department shift/core employees have had the opportunity.

Employees working the weekend system will be paid at 1 1/2 times his/her card rate for all additional hours worked that week, excluding statutory Holidays which, will be paid at double his/her card rate.

In the event the Weekend Worker is not scheduled for the hours of work outlined in A), he/she will be scheduled at straight time on Thursday and Friday or Monday, Tuesday, Wednesday respectively.

- iii) The total of (i) and (ii) above will not exceed twenty (20) working hours during the week.

Employees on this schedule cannot work if it would conflict with their weekend schedule (excluding Maintenance Weekend Workers). Maintenance Weekend Workers will fall under 6:10, call-in language of the collective agreement.

Weekend employees would sign in advance for i) and ii) indicating they are available for such overtime.

EXCEPTION FOR TRAINING WEEKEND WORKER

Weekend workers will be paid straight time when training requires scheduling the weekend worker back into the regular Monday through Friday crew for five (5) days.

When Weekend Workers are scheduled for Monday through Friday training, they will slot in according to their seniority on the shift they are training on for the purpose of scheduling overtime.

For scheduling training of three (3) days or less, the Weekend Worker will be paid at a rate of time and one-half, and will still be responsible for their Weekend shift.

The Company will notify the Weekend Worker of the duration and particulars of the training three (3) weeks in advance of the scheduled training.

Weekend Workers scheduled for training will not result in the displacement of a regular department Monday to Friday employee(s).

F) VACANCIES ON WEEKEND SYSTEM

Vacancies on weekend system due to vacation, illness, short-term (one weekend) will be filled according to Section 6:04.

Illness that may last for more than one month (4 weekends) (long term) will be posted for temporary replacement through the bidding procedure, departmentally.

G) VACATION

One weekend is comparable to a week's vacation.

Employee would start vacation as of their **first** shift in the weekend system and return the following weekend to their scheduled shift, i.e.: Employee schedules vacation for a week and the schedule was to start **11:00** p.m. Friday, employee would not report but take weekend off and return the following Saturday at **11:00** a.m.

Weekend workers vacation periods runs from the first day of their scheduled weekend shift until the following first day of their scheduled weekend **shift** inclusive.

Example:

Scheduled Friday - Saturday/Sunday - Available Mon. - Fri.

Vacation Friday - Saturday/Sunday - Not Available Mon.- Fri.

Scheduled Friday - Saturday/Sunday - Available Mon. - Fri.

Employees would start their vacation as of their first **shift** in the weekend system and return the following weekend to their scheduled **shift**.

H) HOLIDAYS

Employees will be paid for eligible holidays as listed in Section **6:11**.

I) PENSION CREDITED SERVICE

Hours calculated as hours paid.

J) JURY DUTY

Same as for weekday workers.

K) BEREAVEMENT PAY

Refer to Section **13:12**

L) REALIGNMENT

Weekend Worker employee(s) not scheduled on their regular shift due to the shift being cancelled, will be realigned and assigned the preferential shift, within their department and work according to their seniority and qualifications.

(Preferential shift i.e.: days if on 12:00 p.m. – 12:00 a.m. or 11:00 a.m. to 11:00 p.m. and afternoons if on 12:00 a.m. to 12:00 p.m. or 11:00 p.m. to 11:00 a.m.)

Weekend Worker(s) will be added to the extra shift and daily overtime list of his/her assigned shift in seniority order and be given the same charges as the next senior employee.

Weekend Worker(s) not scheduled for the hours of work outlined in Section 6:12(A), he/she will be scheduled at straight time on Thursday and Friday or Monday, Tuesday, Wednesday respectively. These days exclude negotiated holidays, as per Section 6:11.

It is understood that in the event of such a bump an employee could work consecutive weeks on the same rotation.

Extra shift opportunity for the negotiated holidays will be administered as per Section 6:04(C).

The Company will notify the Weekend worker of the duration and particulars of a realignment three (3) weeks in advance, whenever possible.

M) WEEKLY INDEMNITY

Employees will qualify after one day.

ARTICLE VII

SECTION 7:01

RATES OF PAY

- (a) It is agreed that the schedule of basic rates and classifications included as a part of this Agreement will continue in effect, without change, during the lifetime of this contract.

CHANGE IN JOB CONTENT

- (b) If the job content or working conditions of any job should be changed, during the term of this Agreement, such that either an increase or decrease in the job rate should be considered, it will be subject to negotiation. The rate that the Company established for any new job during the term of this Agreement will likewise be subject to negotiation.

In the event that a mutual agreement cannot be reached through negotiations, either party may process such disputes directly to step four (4) of the grievance procedure, for binding arbitration.

The arbitrator shall rule on the change(s) as it affects the fixing of wage rate(s) and job classification(s), to comparable established plant wages and job functions with respect to; training, experience, concentration, work load, responsibilities, physical effort, and skill required to perform the work.

- (c) Any wage increase agreed to in negotiations or awarded in arbitration shall be retroactive to the date the changes referred to were put into effect.

SECTION 7:02

TEMPORARY ASSIGNMENT

- (a) If an employee's regular job is not available and he/she is temporarily assigned to another department he/she will receive the rate of pay for the job to which he/she has been transferred.

If more **than** one move is involved, the senior employee will have the right to the highest rated job.

Employees assigned to a temporary job will retain their right to return to their former job when the temporary job is terminated.

Any temporary opportunity for advancement to a higher rated job will be offered to the senior qualified regular employee on that shift of the department.

- (b) In the event of a temporary interruption of any job within a department which would necessitate an employee being assigned to a lower paid job within the department, such an employee will maintain his/her rate of pay for the duration of the temporary interruption.
- (c) In the operation of the provisions specified in this subsection (b), the Company will assign people to jobs which will provide the most orderly operations and the least number of changes in crew assignments, without displacing employees established on regular assignments who have sufficient seniority to remain in their department, except when necessary to reassign due to physical limitations of the individuals involved.
- (d) If an employee is shifted to a higher rated job he/she shall receive the rate for the job and Rate Classification to which he/she is assigned.

SECTION 7:03

OVERTIME PREMIUM

- (a) Time and one-half the regular hourly rate will be paid for all hours worked over eight (8) hours in one day from Monday to Friday inclusive and for all hours worked outside the employee's regular assigned shift for that day, as provided in Section 6:02.

- (b) Except as provided in Section 6:05 of this Agreement, an employee will be paid time and one-half his/her regular rate for all hours worked from Friday night shift 11:00 p.m. to Saturday 11:00 p.m. and double his/her regular hourly rate for all hours worked from Saturday night shift 11:00 p.m. to Sunday 11:00 p.m.

HOLIDAY WORK RATE

- (c) An employee required to work on such a holiday will be paid at the rate of double time for his/her actual hours worked in addition to the holiday pay itself at straight time.
- (d) If an employee is required to work more than eight hours on a holiday, he/she will be paid triple time for the actual hours worked in excess of eight.

ARTICLE VIII

SECTION 8:01

CLASSIFICATION AND RATE SCHEDULE

Probationary employees will start at a rate as indicated in Section 8:07 for all straight time hours worked.

SECTION 8:02

JOB CLASSIFICATION

All jobs are classified into one of five (5) classifications, except as noted in Section 8:04, depending on the length of the training period.

- a) Classification No. 1

The regular Job Rate will be paid from time of commencement on the job except as provided in Section 8.01.

Classification No. 2

The regular Job Rate will be paid after completion of a ten (10) week learning period on the job except as provided in Section 8.01.

Classification No. 3

The regular Job Rate will be paid after completion of a twenty (20) week learning period on the job except as provided in Section 8.01.

Classification No. 4 and No. 5

The regular Job Rate will be paid as soon as contractual qualification requirements are met.

- b) When a new employee bids and qualifies on a job, he/she will receive the job rate.

SECTION 8:03

DISQUALIFICATIONS TRAINEES AND CLASSIFICATION

An employee who does not qualify for the regular rate of the job as outlined in Section 8.02, Classification 4 or a trainee beyond the first six-month review, will not be continued on the job. In that event, such an employee would be returned to his/her former department to a job which is available and for which he/she is qualified or in the same department to his/her former job.

The Company will decide as to whether an employee is qualified to advance to the regular job rate for the job, subject to right use of grievance procedure.

SECTION 8:04

TRAINING AND PROGRESSION

(a) Apprenticeship Program

The Company may provide apprenticeship programs in the following departments:

- . Maintenance
- . Packaging
- . Warehouse, motor vehicle

Determination of the number of apprentices in any of **the** programs is the exclusive right of the Company.

(b) Eligibility

In order to be eligible for consideration for an apprenticeship, an applicant must meet the requirements established by the Company for each specific trade.

(c) Qualification & Selection

Opportunities for an apprenticeship program will be posted plant wide. If the Company is unsuccessful in securing qualified applicants through this procedure, the Company may hire candidates externally. The requirements for entrance into a certified Trade apprenticeship are as follows:

1. Successful in attaining the established scores on the aptitude tests, as established by the Company.
2. Certified medically fit by the Plant Physician for the specific trade applied for.
3. Plant wide seniority will apply for those applicants who meet requirements in one (1) and two (2) above.

Apprentices **must be successful throughout the prescribed training** and schooling, or will be removed from the program.

If an employee in an apprenticeship position fails to qualify and is removed by the Company or the employee requests to be removed from the apprenticeship, he/she will not be allowed to bid another apprentice position for a period of nine (9) months.

(d) Apprenticeship Levels

The training program will be divided into the following advancement levels with appropriate rate increases, as established in Section 8:07.

Maintenance and Warehouse

Trade: Primary (Electrical II, Machinist, Millwright, Steamfitter, Instrumentation, Insulator, Cement Finisher, Electrical Cleaner, **1st** and **2nd** Class Engineer, Motor Vehicle and Lift Truck Mechanic).

Basic	0 - 6 months
Basic	6 - 12 months
Intermediate	12 - 18 months
Intermediate	18 - 24 months
Advanced C	24 - 36 months
Advanced B	36 - 48 months
Journeyman A, 2nd Class Eng.	
1st Class Eng.	

Trade: Secondary (Painters)

Basic	0 - 6 months
Intermediate	6 - 12 months
Trade C	12 - 24 months
Trade B	24 - 36 months
Painter A	

Packing

Industrial Mechanic

Basic	0 - 6 months
Basic	6 - 12 months
Intermediate	12 - 18 months
Intermediate	18 - 24 months
Advanced Industrial Mechanic C	24 - 36 months
Advanced Industrial Mechanic B	36 - 48 months
Industrial Mechanic A	

(e) Evaluation

All apprentices will receive interviews and written evaluations throughout their training program at each level identified in (d) above.

An apprentice will be removed **from** the program if progress does not meet the established standards at any level up to completion of the program. However, an apprentice who experiences difficulty at a particular level and has the ability to progress after additional training (in the opinion of the Company), may be allowed additional time. Also, advancement will be delayed if an apprentice is on layoff, illness or injury over one week.

It is understood that monthly reviews are used as a guideline and advancement to the next level is contingent upon hours' worked and successful completion of the prescribed training and/or schooling for each level.

(f) Classroom Training

When the Company schedules employees for classroom training it will be done on the appropriate day shift.

PROCESSING

Groups I, II, ID, IV,V

Five (5) Jobs In Each Group

Dual Line and 4th Floor Coater

Group I

Cooker
Mills/Ovens
Utility
Flavour
Control Room
Coater Operator

Building #26

Group II

Cooker
Utility
Rolls
Ovens
Special **K** Flour Dumper

Modules

Group III

Combination Module - Two jobs
DX Module - Two Jobs
Coating Module - One Job

Material Handling

Group IV

Material Observer Support - One Job
ICC Observer Support - One Job
Material Handling Systems - Three Jobs
Operator a, b, c.

Mini-Wheat Line and All Bran Line

Group v

Mini-Wheat Cooker	Bran Cooker
Shredders	Shredders
Coater	Utility

Quality Laboratory
Processing Laboratory

Vitamin Preparation

Resource	Feed
	T&Additive
	Fill Station Utility

Eligibility Requirements

No limit to the number of Process Operators on any shift,

Processing employees may qualify to a maximum of fifteen (15) operating jobs as outlined in Section 8:07. Employees will be required to operate and **refamiliarize** themselves on these operating jobs for an eight (8) hour shift at least two (2) times throughout the calendar year. In order to be scheduled for extra shift opportunity within each of these jobs, the above will also apply.

The Company will implement a tracking system to ensure that employees will receive **refamiliarization** to maintain their

qualifications. A copy of the report will be provided to the Union on a monthly basis.

A process operator bidding from a group into a resource position or another group will retain the rate.

If one of the Process Operator's qualifying jobs becomes redundant, the individual(s) affected must actively seek to meet the criteria of a process operator to maintain their rate.

Should the number of jobs in any group become redundant and it is not possible to obtain the required qualifications as set up above, the Processing Operator will retain their rate.

Employees in this classification will be assigned on any job within the department when necessary to accomplish most efficient operation, handle problems, or facilitate training or re-training of themselves or others.

To become a process Operator, you must have the ability to do five (5) of the designated jobs in one of the groups, as outlined in Section 8:07 and be competent on the related quality specifications of the area.

Not required to bid into the group.

Three (3) years seniority in the department.

Employees must be deemed qualified by the Group Leader on each of the designated jobs of their group, to be eligible.

If a "B" operator cannot progress to Process Operator because the number of jobs in a group, are not available, qualifications in another group would be accepted as valid qualifications for the rate.

Resource jobs and Vitamin Preparation, Quality Lab, Processing Lab jobs, do not qualify towards the Process Operator rate.

Progression:

Groups I, II, III, IV, V

"E" Operator has successfully completed the ten (10) week learning period on an operating job in any group (including related quality control functions) and up to six (6) months experience on the job. This "E" Operator category also includes Fill Station Utility and feed and tanks.

"D" Operator has successfully completed the ten (10) week learning period on two (2) operating jobs in any group (including related quality control functions) and up to six (6) months experience on each of the jobs. This "D" Operator category also includes Vitamin Preparation, Processing Lab, Quality Lab.

If the bid vitamin preparation, Quality Lab, Processing Lab employees choose to bid a group, they would retain the rate. If they bid into the Process Resource and have no other qualifications they lose the rate, as per Section 8:07.

"C" Operator has successfully completed the ten (10) week learning period on three (3) operating jobs in any group (including related quality control functions) and up to six (6) months experience on each of the jobs.

"B" Operator has successfully completed the ten (10) week learning period on four (4) operating jobs in any group (including related quality control functions) and up to six (6) months experience on each of the jobs.

Group IV

MI-IS Observer: Two (2) Jobs in this Group qualifies for the "D" rate.

i) Monorail observer support

ii) ICC observer support

Qualifying Period:

Five (5) weeks classroom and theory training

Up to five (5) weeks **OJT** above the schedule

Four (4) hours ICC instruction with trainer

Six (6) to Twelve (12) months on the job experience before terminal training

MHS Operator: Three (3) Jobs in this Croup qualifies for the process Operator Rate

- i) Execution of software interfaces to run MI-IS systems.
- ii) Execution of **IDT** trouble-shooting to support monorail hardware and software systems.
- iii) **Follow** through the **MHS** interfaces for start-ups/Shut-downs and **change-overs**

Qualifying Period:

Eight (8) Weeks **OJT** in Material Handling Control Room.

Up to eight (8) weeks of on the job experience. Employees must successfully complete the written test to qualify as an Operator.

Three (3) years within the Processing Department. If less than three (3) years in the processing Department the employee would be paid the "B" rate.

WAREHOUSE/RECEIVING DEPARTMENT 1

WAREHOUSE

T.O.L.U.C.

The entry level to the Warehouse is the Tractor Operator Loader Unloader Checker (T.O.L.U.C.) position. After successfully completing up to five (5) weeks of the Tractor Operator portion, the employee will then complete up to twelve (12) weeks of the Loader, Unloader, Checker portion for a total of up to seventeen (17) weeks. The employee would then be qualified as a T.O.L.U.C.

2. UNITIZER, SHUNT DRIVER

An employee who is T.O.L.U.C. qualified is eligible to become qualified as **Unitizer** Operator, Shunt Driver, and provide relief for these positions as outlined below.

a) **Unitizer Operator (U.O.)**

An employee who has bid a U.O. position must successfully complete a qualifying period of up to ten (10) weeks.

Employees holding U.O. positions will be scheduled on their position whenever it is operating. Should the position not be required, the employees may be scheduled elsewhere in the department, depending on their seniority and qualifications.

Employees will obtain **Unitizer** Operator relief training by signing a volunteer list. The senior volunteer from the shift with the vacancy will be selected.

Relief will be scheduled to cover weekly vacancies on a weekly rotating basis: Daily vacancies will be filled by the senior employee with relief qualifications on that shift.

b) Shunt Driver

An employee who has bid a Shunt Driver position must obtain a class "A" license.

Employees holding Shunt Driver positions will be scheduled on their position whenever it is operating. Should the position not be required, the employees may be scheduled elsewhere in the department, depending on their seniority and qualifications.

3. TRAINING

Employees who are unable to complete a qualifying period due to circumstances beyond their control will be paid the rate at the end of the qualifying times stated above.

4. PREFERRED SHIFTS

Employees are eligible for preferred shifts provided sufficient qualified back-up is available on their shift.

When an employee with **Unitizer** Operator relief qualifications is granted a preferred shift, they will be by-passed in the relief rotation.

5. UPGRADING PROCEDURE

The upgrading procedure applies to both weekly and weekend **shifts**. Upgrading will be done on a seniority basis with the senior qualified person being assigned to the highest pay rate job available. The procedure is as follows:

- a) **Unitizer** Operator/Relief
- b) i) Shunt Driver, T.O.L.U.C. Utility
- ii) Loading, Receiving, Bulk Totes

BASIC SKILLS TRAINING

The Company will provide basic skills training to employees in the operation of equipment such as transporters, power scrubber, sweeper, fork-lift, tanks, crown, clamp truck, and south processing familiarization, who may be laid off or miss overtime opportunities as a result of not being qualified in this skill.

Employees must register in Human Resources to indicate their interest in this training.

Prior to the training being scheduled, the Chief Steward and Human Resources will review the request.

SKILLS AND QUALIFICATIONS INVENTORY

The Company will maintain a **computerized** Skills and Qualifications Inventory System for all hourly employees.

SECTION 8:05

SKILLED TRADE RATE EXCEPTION

In the event that it becomes necessary to employ a new trade person when a qualified person is not available, comparable and recent experience in their trade will be considered in establishing their rate and grade regardless of the time requirements under Section 8.01 and 8.02.

SECTION 8:06

SHIFT PREMIUM

The Company agrees that all hourly paid employees covered by this Agreement will receive, in addition to the regular hourly rate, the following shift premium:

A premium of forty five (45) for hours worked on second shift and seventy five (75) cents for hours worked on third shifts until April 15, 2001, April 16, 2001 forward third shift will be eighty (80) cents.

The shift premium to be paid for all of the hours worked in a day, will be according to the premium for the shift in which the employee worked.

The shift premium will be included in the calculation of daily and extra shift bonus hours and Holiday pay. The calculation of the shift premium on Holiday pay will be based on the shift the employee has worked the greatest number of hours during the week in which the Holiday occurs.

During the Christmas week when there are four days scheduled as holidays, the shift premium will be paid on the previous week's shift

SECTION 8:07

JOB CLASSIFICATION/RATES

PROCESSING OPERATOR GROUPS

Dual/ 4th Floor Coater

Group I	Cooker Mills/Ovens Utility Flavour Control Room Coater Operator
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Bldg. 26

Group II	Cooker Utility Rolls Ovens Special K Flour Dumper
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Modules

Group III	Combination Module - Two jobs DX Module - Two jobs Coating Module - One job
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Material Handling

Group IV Material Observer Support - One Job
 ICC Observer Support - One Job
 Material Handling Systems/Three Jobs:
 Operator a, b, c.

Mini-Wheat Line and All Bran Line

Group V Mini-Wheat Cooker Bran Cooker
 Mills Mills
 Coater Utility

Quality Laboratory
 Processing Laboratory

Vitamin Preparation

Resource Feed
 Tank/Additive
 Fill Station Utility

PROCESSING	INS.	CLASS	Apr. 16	Apr. 15	Apr. 14
	CODE		2000	2001	2002
Tank/Additive	II	1	22.00	22.55	22.95
Resource	II	1	22.00	22.55	22.95
Feed	II	1	22.00	22.55	22.95
Fill Station	II	1	22.00	22.55	22.95
Utility					
Vitamin	III	2	23.00	23.58	23.99
Preparation					
Quality Lab	III	2	23.00	23.58	23.99
Processing Lab	III	2	23.00	23.58	23.99
Operator E	II		22.43	22.99	23.39

(0-6 months)

Operator D (6-12 months)	III		23.00	23.58	23.99
Operator C (12-18 months)	III		23.34	23.92	24.34
Operator B (18-24 months)	IV		23.81	24.40	24.83
Process Operator	V	5	24.72	25.34	25.79

MAINTENANCE

TRADE: Primary (Electrical II, Machinist, Millwright, Steamfitter, Instrumentation, Insulator, Cement Finisher, Electrical Cleaner, First & Second Class Eng.)

MAINTENANCE	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
Basic (0-6 months)	II		16.13	16.53	16.82
Basic (6-12 months)	II		17.47	17.91	18.22
Intermediate (12-18 months)	II		20.15	20.65	21.01
Intermediate (18-24 months)	III		21.48	22.02	22.40
Trade C (24-36 months)	III		22.84	23.41	23.82
Trade B (36-48 months)	IV		25.52	26.16	26.62
Trades A, 1 st Class Eng., 2 nd Class Eng., Cement Finisher	V	5	27.40	28.08	28.57

TRADES: Secondary (Painter)

PAINTER	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
Basic (0-6months)	II		15.23	15.61	15.88
Intermediate	II		16.51	16.93	17.22
Trade C (12-24 months)	III		20.35	20.86	21.22
Trade B (24-36 months)	III		22.88	23.45	23.86
Painter A	V	5	25.42	26.05	26.51

OTHER	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
Lubrication Mech. (0-6 months)	II		22.33	22.89	23.29
Lubrication Mech. (6- 12 months)	II		22.78	23.35	23.75
Lubrication Mech. (12-18months)	III		23.21	23.79	24.20
Lubrication Mech. (24 months)	IV	5	23.72	24.31	24.73
Helper	II	1	22.00	22.55	22.95
Stores Keeper	IV	2	23.67	24.27	24.69
Head Stores Keeper	IV	3	25.42	26.05	26.51

NOTE: Appropriate testing required for entry into this Maintenance department.

PACKING	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
Packing Operator	III	1	22.66	23.23	23.64
Packing Resource	III	2	23.36	23.94	24.36
Industrial Mechanic					
Basic 0-6 months	II		22.00	22.55	22.95
Basic 6-12 months	II		22.23	22.78	23.18
Intermediate	II		22.43	22.99	23.39
12-18 months					
Intermediate					
18-24	III		22.66	23.23	23.64
Industrial Mechanic "C"					
24-36 months	III		23.00	23.58	23.99
Industrial Mechanic "B"					
36-48 Months	III		23.36	23.94	24.36
Industrial Mechanic "A"	V		25.42	26.05	26.51

RECEIVING	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
Resource			22.00	22.55	22.95
Utility/Sweeper/Core	II		22.00	22.55	22.95
Truck/Rec/Unload/Checker	IV		24.03	24.63	25.06
Bulk Storage Utility	V		24.27	24.87	25.31
Transfer Room			24.72	25.34	25.79
Operator	IV				
Receiving All-round	V		25.61	26.25	26.71
Basic Level (0-10 weeks)	II		24.27	24.87	25.31
Transfer Room (10-16 weeks)	III		24.72	25.34	25.79
Receiving All-round	V		25.61	26.25	26.71

WAREHOUSE	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
T.O.L.U.C. Entry Level	II		22.33	22.89	23.29
T.O.L.U.C. Qualified	IV		24.03	24.63	25.06
Shunt Driver**	IV		24.03	24.63	25.06
T.O.L.U.C. Utility	Iv		24.03	24.63	25.06
Unitizer Operator	Iv		24.27	24.87	25.31
Motor Vehicle/Lift Truck					
Mechanic A	V		27.40	28.08	28.57

*PHYSICAL EXAMINATION REQUIRED

** REQUIRES CLASS "A" DRIVERS LICENCE.

PLANT SERVICE	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
Plant Cleaner			22.00	22.55	22.95

PROBATIONARY	INS. CODE	CLASS	Apr. 16 2000	Apr. 15 2001	Apr. 14 2002
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Excludes Trades &

Apprenticeships

Floaters	II		20.80	21.32	21.69
Entry Level (0-400hrs)	I		15.18	15.56	15.83
Other					
Students 1 st year			13.94	14.29	14.54
Students 2 nd year or more			15.79	16.18	16.47

ARTICLE IX

SECTION 9:01

VACATIONS VACATION ENTITLEMENT

The Company will grant annual vacations with pay on the following basis to those employees who qualify for same under all of the provisions of this article.

- (a) Two weeks vacation with pay after one year of continuous service.
- (b) Three weeks vacation with pay after five years of continuous service.
- (c) Four weeks vacation with pay after eleven years of continuous service.
- (d) Five weeks vacation with pay after nineteen years of continuous service.
- (e) Six weeks vacation with pay after twenty-five years of continuous service.

SECTION 9:02

VACATION SCHEDULING PROCEDURE

- (a) Vacations will be granted at such times through the calendar year as is found most suitable, considering both the wishes of the employees and the Company.

However, they will be scheduled in such a manner as to provide for even distribution of the number of people who are absent due to vacation. Vacation weeks will begin on Sunday, however, the Company may permit a change, if practical, for individual employees. Except as modified hereafter, senior employees on the shift will be given first preference for vacation dates within the

schedule, provided they have indicated their preference to their department scheduler.

Preference will be indicated in advance, in writing, and separated into **two** time frames of January 1st to the 2nd Sunday in June, and the **2nd** Sunday in June to December 3 1 st.

The following procedure will be **utilized**:

1. The minimum allotment allowed will be 15% for vacation, The allotment will be applied on a departmental basis so that the total number of employees absent from the department on vacation at any given time will equal the total allotment and will not be less than two (2) employees per week.
2. When the departmental allotment is allocated, it will be applied so that there are an equal number of employees who may be off on vacation on each shift, by seniority. The vacation openings that are left to be filled, will be filled by the senior employee(s) who has/have requested the opening from another shift in the department, except as outlined in (c) i) and ii) below.
3. In the event that the allotment per shift that results from this process is not filled by the employee(s) on **shift** it is understood that the vacation opening that then results will be offered to senior employee(s) on other **shifts** within the department who had already requested vacation for this time, subject to the Company reserving its rights to reassign qualified employees on the basis of seniority to balance the shift equally for its operational needs.

Employees moved off shift to fill such vacancies will not exceed the number of vacation openings granted.

4. It is understood that there will be no artificial creation of overtime due to the process of shift balancing under item 3 above.

5. In the event that there is a vacation opening that becomes available **after** the vacation scheduling process is complete because of the cancellation of scheduled vacation, the senior employee(s) on the **shift** involved who are on the vacation waiting list will be offered such openings first, then to the other employee(s) by seniority on the waiting list in the department.
6. As operational needs permit additional openings, the senior employee(s) on the waiting list will be offered such openings, within the department.
7. (a) Vacation scheduling for Weekend Workers will be as per Section 6:12.

(b) Vacation lists will be posted prior to October 1st for the first time frame, and prior to April 1st for the second time frame.

Protest of assignment of vacation dates must be made within two weeks following the posting of the lists. Otherwise, allotted dates will be assumed as correct.

(c) Guidelines for Scheduling

- i) Maintenance by seniority within each primary and secondary trade. Those trade employee(s) who did not get at least one week between July and August will be afforded one-week vacation on their day shift in July or August.
 - ii) Storeskeepers by seniority within their classification.
 - iii) Packing by seniority within their classifications and shifts.
 - iv) All other departments by seniority and shifts.
- (d) Employees who are not eligible for three or more weeks vacation will be given preference in selecting their

vacations as against the second portion of the vacation of those **entitled** to three weeks vacation who wish to split such vacation period.

Senior employees who split their vacation but take one portion outside the holiday season (2nd Sunday in June to the year end) will still have preference over junior employees in obtaining one vacation period between the above dates.

- (e) Vacation cancellation will only be accepted one week in advance of the posted schedule (Thursday). Unscheduled vacation requests will only be accepted one week in advance of the posted schedule (Thursday). In the event that additional people can be permitted on vacation at any period upon short notice, first consideration will be given to those who did not have sufficient seniority to get a scheduled vacation in either July or August.
- (f) Vacation will be completed each calendar year with the exception as outlined in 9:03.
- (g) Employees with more than three weeks vacation must take that excess vacation outside of the prime period (2nd Sunday in June to September 1st), unless there are additional openings after all other employees have scheduled their vacation.

SECTION 9:03

VACATION PAY IN LIEU OF TIME OFF

In the event an employee has been absent from work during the current calendar year for a full calendar week because of layoff, an excused absence, approved leave of absence or illness, but not because of a disciplinary suspension or dispute between the Company or Union, he/she may have the option of electing to receive vacation pay in lieu of being required to take vacation time off, to the extent such periods of absence are within the amount of vacation time off for which the employee is eligible.

Employees would not be allowed to work their vacation if regular employees are on layoff.

A minimum of two (2) weeks vacation will be completed each calendar year. Employees entitled to more than two weeks vacation may carry-over up to two (2) weeks vacation to be taken the following year.

Vacation carry over may be taken as long as it does not interfere with vacation scheduling procedures for the current scheduling period as outlined in 9:02.

SECTION 9:04

HOLIDAY WITHIN VACATION PERIOD

Sundays occurring during vacation period shall count as part of such vacations. If an employee is eligible for a holiday with pay which falls during a regular scheduled vacation week, the Company may grant that holiday off with pay on the last day preceding or the first day following the vacation, but if not convenient to operating schedules, he/she will receive a days pay in lieu of the day off.

SECTION 9:05

VACATION BENEFICIARY

If an employee should have earned a vacation in accordance with the terms of this article, and should die before taking his/her vacation, vacation pay will be paid to his/her estate.

SECTION 9:06

VACATION PAY ENTITLEMENT

(a) For each week of vacation entitlement as under Section 9:01, an employee shall receive as vacation pay an amount equivalent to 2% of total earnings paid to him/her by the Company during the preceding calendar year.

Vacation pay will be made by direct deposit as employees take their vacation week(s).

- (b) If an employee with five or more years of service works a minimum of twenty-six (26) weeks in a calendar year (one or more days of work to constitute a week) and is off at any point in time during the calendar year on Workers' Compensation, Weekly Indemnity, Laid Off, or on approved Leave of Absence his/her vacation pay for the following year would be based on forty (40) hours at his/her previous year end rate per week of entitlement, or 2% of his/her previous calendar year's earnings per week of entitlement, whichever is greater.

To qualify for this, an employee must be off a minimum of two (2) calendar weeks on Workers' Compensation, Weekly Indemnity, or layoff.

- (c) If an employee qualifies in (b) above and is off work on Workers' Compensation, those payments would be included in the 2% of previous calendar years earnings calculation.
- (d) If an employee does not work a minimum of twenty-six (26) weeks in a calendar year, or works twenty-six (26) weeks but has less than five (5) years service, his/her vacation pay for the following calendar year would be 2% per week of entitlement of his/her previous calendar years earnings.
- (e) Employees who are on maternity/parental leave will have this time factored into the calculations for vacation pay specified above.

SECTION 9:07

TERMINATION VACATION PAY

- (a) Employees who have ceased to be employed by the Company will receive a cash payment, in lieu of any vacation which they would otherwise have been entitled to take as time off, as at the date of termination, and which they had not already received during the calendar year in which termination occurs.

Settlement will be computed for each week not already received, on the basis provided under Section 9:06 above.

- (b) Employees will also receive, in respect to earnings, during the current year-to-date of termination, including any payment under (a), such as vacation pay as may be due them under the provisions of the Employment Standards Act of Ontario.
- (c) If termination is due to retirement at normal retirement **date**, or by reason of incapacity after twenty (20) years of service, or after attaining the age of sixty-two (62), they will also receive 2% of their wages for the current year for each week of vacation for which they are qualified by years of service instead of the amount provided under (b) of this section.

SECTION 9:08

AUTHORIZED LEAVE OF ABSENCE

For the period October through May, employees will be granted an authorized leave of absence within the 15% allotment as outlined in Section 9:02 on a first come first serve basis. Leave of absence requests will need to be made one week in advance of the posted schedule.

ARTICLE X

SECTION 10:01

GRIEVANCES

A grievance is defined as a dispute involving a question of the application or interpretation of the terms of this Agreement. Grievances will be filed and processed promptly, and in all instances will be handled according to the procedure outlined in this article.

POLICY GRIEVANCE

A Union or Company policy grievance, which is defined as an alleged violation of this Agreement concerning all or a substantial number of

the employees in the bargaining unit, may be lodged by the Company or by the local Union Executive at Step 3 of the grievance procedure at any time within five (5) full working days after the circumstances giving rise to such grievance occurred or originated. If it is not satisfactorily settled it may be processed by Step 4 and to arbitration in the same manner and to the same extent as the grievance of an employee.

SECTION 10:02

GRIEVANCE PROCEDURE

An employee believing he/she may have a grievance shall discuss it in the first instance with his/her Group Leader within three (3) work days of the event occurring, or of its becoming known to the employee.

He/she has the option of requesting that the departmental Union Steward accompany him/her. The Group Leader will give his/her answer within three (3) workdays. Following that reply, if an employee believes he/she may have a grievance as defined above, he/she may prepare it in writing, sign it, and present it to the Department Steward for further processing. When an employee's Steward is absent from work he/she may contact another Steward in the department on that shift or if unavailable, a member of the Union Negotiation Committee.

STEP 1: After the previous procedure has been completed and within five (5) work days of the time that the Group Leader gave his/her reply, the employee and the Union Steward may proceed by presenting a copy to the employee's Group Leader. The Group Leader will give his/her reply to the employee and the Department Steward within three (3) work days of the time he/she receives the written grievance, unless mutually agreed to extend that time. At completion of this step, the Group Leader and Steward will initial and date the grievance. If the matter has not been settled, the Union Steward within five (5) work days may take the grievance up at the next step.

STEP 2: The grievance will then be discussed by the Department Steward and Department Manager, the Department Manager will give his/her reply within three (3) work days from the time he/she received the written grievance unless it is mutually agreed to extend that time. The Steward and Department Manager will then initial and date the grievance. If the grievance has not been settled it may be taken up at the next step within five (5) work days.

STEP 3: If the Chief Steward feels that the grievance is justified, the Chief Steward may request that it be investigated by the Human Resources Department. A reply will be given within five (5) days unless it is mutually agreed to extend that time. They will initial and date the grievance and note their comments.

STEP 4: If the grievance has not been settled by Step 3, it may be submitted for the next joint meeting of the Union and Management Committee. If it is not settled there, the matter may then be submitted to the arbitration procedure within ten (10) work days of such a meeting upon request of either party and, if necessary, an additional twenty (20) days may be allowed by agreement of the parties.

SECTION 10:03

LABOUR RELATIONS MONTHLY MEETINGS

The Negotiation Committees will meet in the forenoon during the third week of each month for the purpose of considering grievances which have been processed in accordance with Article X, and discussion of other matters of mutual interest.

SECTION 10:04

SUSPENSION HEARING

- (a) A regular employee who is suspended for a full shift or more for cause will be entitled to have a hearing with Supervision and the

Human Resources Department, to be held, if possible, within 24 hours (**Saturdays, Sundays and Holidays excepted**), and will have the option of having the Department Steward and the Chief Steward present at the hearing. The hearing will provide an opportunity for all concerned to be fully informed, and for the Company to receive full information from the employee before making its decision as to the nature of the disciplinary action to be taken. **IF AN EMPLOYEE CHOOSES NOT TO HAVE THE UNION REPRESENTATIVE PRESENT, HE/SHE WILL SIGN A WAIVER FORM INDICATING HE/SHE WAIVED THIS OPTION.**

- (b) Any grievance claiming that the disciplinary action was unjustified must be filed within three (3) work days of the time that the action was taken, and will be considered promptly at Step 3 of the grievance procedure.

If illness or injury renders the aggrieved employee incapable of filing such a grievance within the prescribed time, then such a grievance may be filed on his/her behalf by any member of the Union Executive or by his/her Steward within seven work days **after** the employee in question was given notice of the disciplinary action to be taken.

SECTION 10:05

PURGING OF FILES

Non safety related **offenses** will be removed **from** an employee's file according to the following structure:

GROUP I OFFENSES: After five (5) years from the time of the incident.

GROUP II OFFENSES: **After** two (2) years from the time of the incident, provided that no further violations/offenses occurred within that 2 year period.

GROUP III OFFENSES: After two (2) years from the time of the incident, provided that no further violations/offences occurred within that 2 year period.

ARTICLE XI

SECTION 11:01

ARBITRATION

Any grievance involving interpretation or alleged violation of this Agreement which is unresolved after completion of the provisions of Article X and which is to be taken up in arbitration at the request of either party after the meeting at Step 4 of the grievance procedure will be handled in the following manner.

SECTION 11:02

The Board of Arbitration will be composed of one person appointed by the Company, one person appointed by the Union and a third person to act as chairperson chosen by the other two members of the Board.

SECTION 11:03

Within forty-eight (48) hours of the request by either party for a Board, each party shall notify the other of the name of its appointee.

SECTION 11:04

Should the person chosen by the Company to act on the Board and the person chosen by the Union fail to agree on a third person within seven (7) days of the notification mentioned in Section 11:03 above, the Ministry of Labour of the Province of Ontario will be asked to nominate a member of the judiciary of the Province of Ontario to act as chairperson.

SECTION 11:05

The decision of the Board of Arbitration constituted in the above manner shall be binding on both parties.

SECTION 11:06

- (a) The Board of Arbitration or Single Arbitrator shall not have any power to alter or change any of the provisions of this Agreement, nor to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement.
- (b) An Arbitration Board or Single Arbitrator considering a discharge grievance, is empowered to sustain the Company's action, or reinstate the employee either with compensation off-setting net loss, if temporarily employed elsewhere, or any other adjustment related to reinstatement which the Board (or Chairperson if there is no majority opinion) deems equitable based on facts, and consistent with provisions of this contract.

SECTION 11:07

Each of the parties of this agreement will share one half of the expenses of a single arbitrator selected, and will jointly share the expenses, if any, of the Chairperson.

Choice of arbitrators will be made alternatively by the parties based on the last case arbitrated. The Board of Arbitration may be waived in favour of a single arbitrator, selected from the following list:

Ms. A. Barrett	Mr. C. Foisy	Ms. P. Picher
Mr. P. G. Barton	Prof. I. Hunter	Mr. W. Rayner
Mr. D. Beatty	Prof. R. Jackson	Mr. R. Roberts
Mr. G. Brandt	Mr. R. L. Kennedy	Ms. M. Saltman
Ms. G. Brent	Mr. B. Keller	Mr. J. W. Samuels
Mr. J. P. Brunner	Ms. P. Knopf	Mr. O. Shime
Mr. K. Burkett	Mr. R. H. McLaren	Mr. K. P. Swan
Mr. D. Carter	Mr. M. McKecknie	Mr. M. Teplitzky
Ms. Louisa Davie	Mr. M. Mitchnick	
Ms. J. H. Devlin	Mr. E. E. Palmer	

Mr. Nimal
Dissanayake

Mr. M. G. Picher

The parties are restricted to selecting only arbitrators from the list shown above.

It is further agreed that neither party can select the same arbitrator consecutively.

In the event the parties are unable to obtain an arbitrator under the above process, they will mutually select an arbitrator or ask the Ministry of Labour to appoint one.

ARTICLE XII

SECTION 12:01

NO STRIKES - NO LOCKOUTS

In view of the orderly procedures established by this Agreement for the settling of disputes and handling of grievances, the Union agrees that during the life of this Agreement there will be no strike, and the Company agrees that there will be no lockout. It is understood that this Section will not prohibit either party from requesting the use of the conciliation services provided under the Ontario Labour Relations Act after the anniversary date of the contract, if negotiations for amendments have not been completed satisfactorily.

SECTION 12:02

The Union further agrees that, even where it could legally go on strike without violating the terms of this Agreement or of any portion of same, it will not call, or **authorize** a strike unless and until written **authorization** for such action from the President of the Bakery, Confectionery, Tobacco Workers & Grain Millers (A.F.L. - C.I.O., C.L.C.) has been furnished to the Company.

SECTION 12:03

- (a) It is further agreed that, should a strike take place at any time in the future, even though the remainder of this Agreement may

have expired, and even though the strike would not be in violation of this Agreement or any existing laws in force in the Province of Ontario, all of the employees who may be needed for adequate plant and property protection during such strike shall be permitted to perform such work faithfully without interference **from** the Union.

Hourly employees shall not be required to, or be penalized for refusing to, cross a picket line where a legal strike is in progress.

ARTICLE XIII

SECTION 13:01

UNION - MANAGEMENT CO-OPERATION

The Company and the Union agree to work together to improve the efficiency of all operations and on other initiatives that are of mutual benefit to both parties.

SECTION 13:02

ARTICLE HEADINGS

Article headings are supplied in this Agreement for convenience only and shall be given no legal effect.

SECTION 13:03

BULLETIN BOARDS

The Company agrees to permit the Union to place designated bulletin boards in the plant for the purpose of posting official Union notices. These boards shall not be used for posting propaganda material and no notice shall be placed upon such boards or any other place in the plant without first receiving **authorization from** the Company to such notice.

SECTION13:04

JURISDICTIONAL DISPUTE

The Bakery, Confectionery, Tobacco Workers & Grain Millers agrees that there shall be no jurisdictional dispute with employees of the Company who are members of the A.F.L. - C.I.O., C.L.C. or any affiliated union and that the Company will be required to deal only with Local 154-G of the Bakery, confectionery, Tobacco Workers & Grain Millers International Union as to all matters covered by this agreement.

SECTION13:05

UNION ACTIVITY

Union activity is not permitted on Company property, or time, except as may be agreed upon by Company and Union.

(a) Union Representation

The Company agrees that the Chief Steward will be privileged to visit any part of the plant in order to investigate a specific grievance which has not been settled within the department in accordance with the regular grievance procedure, and must attempt to contact the Group Leader of the department which he/she wishes to visit. Stewards or other Union Representatives and Officers shall avoid neglecting their regular jobs during work hours or interfering with the work of others. In the event that it is necessary to investigate a matter immediately, such a Representative shall be excused from his/her job for a short period by contacting his/her Group Leader and arrangements will be made to have his/her job taken care of. With respect to this latter point, it is understood that in many situations, a job can be taken care of by fellow crew members without the necessity for a specific replacement, where on other occasions, a specific replacement may be necessary. The Union pledges that their Representatives will not abuse the arrangement. This does not represent a new plan, but is purely an explanation of a past practice which is to be continued.

(b) Chief Steward, President, & Certified Union Safety Representative

The Company and the Union agree that the President and the Chief Steward and the Certified Union Safety Representative will work day **shift** during the incumbents' term of office.

It is agreed these positions are not an addition to the crew and may result in the displacement of a junior employee within the Certified Union Safety Representative's bid classification. This letter does not connote a change in the method of conducting Union business. Members of the Union **Committee** or Stewards shall not leave their workstations without **authorization** from their Group Leader. It is understood that either party may terminate the above portion (refers to (b) portion) should it become unsatisfactory.

Assignments of extra shifts to the Chief Steward, the President, and the Certified Union Safety Representative will be on day shift only, according to the following guidelines:

1. His/her hours will be recorded on one list for Saturdays and Sundays/Holidays and also according to the shift (A, B, or C) on which the assignment extra **shift** happens to fall.
2. For extra **shift** assignments (A, B, C or Core shifts) the Chief Steward, the President of the Union and Certified Union Safety Representative will be positioned on extra **shift** list for "A", "B" and "C" shift, as if they were a regular employee on that shift. They will be assigned hours by taking the next senior person's hours, once per shift. The Chief Steward, President of the Union and Certified Union Safety Representative will only use their overtime hours on whichever shift is on days, "A", "B", "C", or Core shift, he/she is scheduled for that week. They will be charged hours by the same rules as per 6:04 M. Charging of hours and/or 6:10 4 E a) Charged Hours and Overtime Policy. They will have no rights to the afternoon shift or night shift,

but will be charged hours on the afternoon or night shift by the same rules as per 6:04 M. Charging of hours, and/or 6:10 4 E a) Charged Hours and Overtime Policy.

- (c) In cases where the Human Resources Department requests the attendance of the Chief Steward and it is necessary to call this person into work, the Company will pay the hours involved. The decision of payment will be the exclusive right of the Company.
- (d) If an employee on weekend work accepts the President, Chief Steward, or the Certified Union Safety Representative position or an employee already holding the President, Chief Steward, or the Certified Union Safety Representative position successfully bids a weekend worker position his/her weekend worker job would be posted as a temporary bid and held until he/she no longer hold these positions.

Employees who accept executive board positions other than the' above, and either hold Weekend Worker positions or successfully bid a Weekend Worker position, may have their weekend positions posted as a temporary bid. The temporary bid person may be **utilized** when these executive officers are unavailable for their regular weekend shift.

ABSENCE FOR UNION BUSINESS

- (e) Elected Officers of the Union who may be called upon to transact business for the Union which requires their absence **from** duty with the Company shall, upon application and eight (8) hours notice to the proper representative of the Company, be allowed to absent themselves sufficient time to transact such business. The Company will likewise cooperate, if requested three (3) days in advance, by excusing up to (3) employees who may be selected by the Union, to serve as delegates at a conference or convention for the Union, providing satisfactory arrangements can be made for their replacement.

- (f) Any regular employee who may be elected to a political office or appointed to the Canadian Labour Congress and/or provincial body or an office in the International Union which will require the employee to be absent from work with the Company for an extended period of time shall be granted a leave of absence without pay to serve in such office. At the expiration of such term of office, employee shall be reinstated to former classification including all seniority rights. It is understood that in case of the return of such an employee, other employees will consent to such demotions as are necessary to make room for said employee.
- g) The Company will agree to **include** the Union Executives hours in the calculation of regular hours worked for the purpose of overtime limitations.

CERTIFIED UNION SAFETY REPRESENTATIVE

- h) We are obligated by law, and because of Kellogg's commitment, we are morally obligated to ensure that the Certified Union Safety Representative is permitted to perform **his/her** duties outlined in the Occupational Health and Safety Act.

The Certified Union Safety Representative as designated by the Union will be co-chair of the London Plant Joint Health and Safety Committee.

Attempts will be made to cause the least disruption to the Certified Union Representative's department or area. Communication **from** the Safety Department will outline the known schedule of meetings and audits. However, it is not always possible to know, or to give advanced notice, regarding Ministry of Labour audits, critical injuries, refusal to work, or miscellaneous functions requiring the Certified Union Representative. In such cases, the Company will make every effort to cooperate. If it is possible to give prior notice, it will be given. The Certified Union Representative will notify his/her Group Leader when **he/she** is leaving a job.

The following outlines the Certified Union Representative's responsibilities under the Act:

- Identify situations that may be a source of danger or hazard to workers.
- Make recommendations to the employer and the workers for the improvement of the health and safety of workers.
- Recommend to the employer and the workers the establishment, maintenance and monitoring of programs, measures and procedures respecting the health and safety of workers; and
- Obtain information from employer respecting,
 - (i) The identification of potential or existing hazards of materials, process or equipment and,
 - (ii) Health and safety experience and work practices and standards in similar or other industries of which the constructor or employer has knowledge.

The Certified Union Safety Representative shall:

- Inspect the physical condition of the work place not more often than once a month or at such intervals as a Director of the Ministry of Labour may direct, and it is the duty of the employer and the workers to afford that member such information and assistance as may be required for the purpose of carrying out the inspection.
- Investigate cases where a worker is killed or critically injured at a work place from any cause and one of those members may, subject to Section 5 1 of the Occupational Health and Safety Act, inspect the place where the accident occurred and any machine, device or **thing**, and shall report his/her findings to a Director of the Ministry of Labour and to the Joint Health & Safety Committee.
- . Be entitled to such time from his/her work as is necessary to attend meetings of the Joint Health & Safety Committee and to carry out

his/her duties under Sections 8, 9, 43, 45, 46, 47, 48, and 51 of the **Occupational Health and Safety Act and the time so spent shall be** deemed to be work time for which he/she shall be paid by his/her employer at his/her regular or premium rate as may be proper.

Section 8: to be present at the beginning of any work place testing.

Section 9: at least one member of the Joint Health & Safety Committee representing the employer and at least one member of the workers be certified. The worker member will have the distinction as Union Health and Safety Representative. The certified Union member, will be the Union Health & Safety Representative for investigations of critical injuries, any work refusals in the work place, and will also assume all other relevant duties and responsibilities that fall under Union Health and Safety Representative and certified member legislation.

Section 43: upon refusing to work or do particular work, the worker shall promptly report the circumstances of his/her refusal to his/her employer or Group Leader who shall forthwith investigate the report in the presence of the worker and, if there is such, in the presence of the certified Health and Safety Representative who shall be made available and who shall attend without delay.

Section 45: to initiate and assist in the investigation of a bilateral work stoppage.

Section 46: to make application for a unilateral work stoppage authority.

Section 47: to initiate a unilateral work stoppage.

Section 48: to investigate any complaint **from** anyone in the work place that a dangerous circumstance exists.

SECTION 13:06

VALIDITY

It is hereby agreed that none of the provisions included in this contract may be interpreted in any manner which would be in **conflict** with any Government **Statutes**. If any provision of this contract shall be held invalid, the remainder of this contract shall not be affected.

SECTION 13:07

SALARIED PERSONNEL PERFORMING HOURLY FUNCTIONS

- A) First Line Supervision, salaried personnel, and hourly employees who are temporarily replacing First Line Supervision will not be permitted or assigned to do work covered by the bargaining unit except as outlined below:
- (a) Instruct and/or train employees.
 - (b) Demonstrating the correct use of tools or equipment.
 - (c) Acting to prevent an accident or injury to an employee or to prevent product or equipment damage.
 - (d) Experimental or developmental assignments not for production and not replacing employees on bargaining unit work.
- B) Bargaining unit employees who are selected by the Company to fill the position of Temporary Relief Group Leader will only be used to cover Group Leaders that are on vacation or absent **from** the plant for a minimum of one week.

The Company will not schedule a senior hourly employee off shift to cover a shift assignment while a junior hourly employee is working as a relief Group Leader in the same department.

The exception would be if employees are involved in training.

If a Temporary Relief Group Leader is being used and an **employee, within the same classification**, requests a “book-off” or “preferred shift” it will be granted on a one for one **basis** or the Company will not use the Relief Group Leader.

C) Scheduling

Bargaining unit employees who are selected by the Company to be trained to **fill** the position of Temporary Relief Group Leader will be scheduled voluntarily, as required, in the following manner:

- a) when available, an individual with Temporary Relief Group Leader Qualifications on shift, will be moved into a vacant Group Leader position.

(as a result of this any overtime required to cover the position of the individual who has moved into a Temporary Relief Group Leader position, will be available to department weekday employees first)

- b) if an individual with Temporary Relief Group Leader qualifications is not available on shift, a supervisory vacancy will be filled by a qualified Temporary Relief Group Leader from other weekday shifts if available, **then** the weekend shift, if available.

(if an individual with Temporary Relief Group Leader qualifications **from** the weekend shift is **utilized** during the Monday to Friday period, Section 6:12 E will apply)

D) Charging of Hours

Qualified employees who fill a Temporary Relief Group Leader position on an extra **shift** will be charged in their classification for all hours worked, whether it is “on shift” or “off shift”.

- E) Temporary Relief Group Leaders will wear supervisory uniforms at all times while performing salary or non Bargaining Unit functions.

F) Responsibilities

Employees filling a Temporary Relief Group Leader Position are expected to act responsibly in this capacity. As such, they are obligated to report incidents on shift that relate to the safety of the operation.

Any incident that may lead to a disciplinary situation will be handled by a salaried Group Leader on shift not the Temporary Relief Group Leader.

SECTION 13:08

UNION ELECTIONS

In order to assist the Union in securing a fully representative vote for the election of officers of the Local Union, a system will be worked out under the direction of the Union Elections Committee, whereby such elections will be held on Company property without interference by the Company.

SECTION 13:09

UNION AND COMPANY DECISIONS

It is understood that the Union membership will in all instances support its officially **authorized** representatives in any decision or agreement which they might reach with the **officially authorized** representatives of the Company. The Company likewise guarantees that it will support any decisions or agreements its officially **authorized** representatives might make with the officially **authorized** representatives of the Union.

SECTION 13:10

UNION NEGOTIATIONS COMMITTEE

The Union agrees that there will be a single Committee known as the Union Negotiations Committee which shall include the functions of a Grievance Committee and of a Negotiating Committee and which Committee shall deal with the Company in all matters between them, The Committee will be composed of the President, Vice President and Chief Steward and two other members of the union as regular members, all of whom will be selected from regular employees of the Company. It is understood that an International Representative for this Union may also be a member of that Committee.

The Company agrees to allow the attendance of the Recording Secretary at Contract Negotiations and at all Union/Company meetings for the purpose of recording minutes. It is understood this position will not be considered as a member of the Negotiating Committee.

SECTION 13:11

JURY DUTY

If employee(s) are called to serve on coroner/jury duty or are subpoenaed as witness(es) except in their own defense during a period when they would otherwise have been working for the Company, they will be paid the difference between the amount which they receive for jury duty and the wage which they would have received while working for the Company, computed at their normal base rate, for regular hours of work missed up to forty (40) hours in a week. This is contingent upon their notifying their superior as soon as such jury notice is received, and furnishing of proof satisfactory to the Company as to the amount paid for jury duty.

SECTION 13:12

BEREAVEMENT PAY

An employee who loses time on a scheduled work day on account of death of his/her spouse or other members of his/her immediate family

will be paid, at normal daily straight time hours, for working time lost as a result of making arrangements or attendance at the funeral, in accordance with the following:

- (a) Up to five (5) days as a result of death of his/her spouse or children, mother, father. *
- (b) Up to three (3) days as a result of death of a member of his/her immediate family. This would include **his/her** brother or sister, stepmother, stepfather, stepbrother or half brother, stepsister or half sister. *
- (c) If an employee attended the funeral on a day **he/she** is scheduled to work, he/she would be allowed that day off with pay (at normal daily straight time hours) provided the funeral was that of his/her mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents, grandchild, son-in-law, or daughter-in-law. *

A brother-in-law or sister-in-law is defined as either an employee's brother's or sister's brother's or sister's spouse or an employee's spouse's sister or brother.

This provision does not apply in the case of the death of a step-brother-in-law or step-sister-in-law.

- (d) An employee who is acting as a pallbearer for a fellow employee will be allowed the day off with pay. *

To be eligible for bereavement pay, the employee must inform the Company through the Health Centre the name of the deceased and their relationship.

- * Weekend Workers will receive bereavement pay to a maximum of forty-two (42) hours pay for (a) above, twenty-four (24) hours pay for (b) above. For (c) and (d) either eighteen (18) hours or twenty-four (24) hours pay will apply provided it was a scheduled work day

SECTION 13:13

UNION COUNSELLING

The Company and the Union have a strong interest in encouraging early treatment and help to resolve employee problems related to substance abuse, emotional, medical, family or financial difficulties and will endeavour to assist in the promotion of a full and healthy lifestyle through employee assistance programs.

SECTION 13:14

UNION LOGO

The Company agrees to place the Union Logo on domestic cereal cartons, and on export cereal cartons upon the approval of the receiving country.

ARTICLE XIV

SECTION 14:01

DURATION OF AGREEMENT

This Agreement shall remain in force for a period of three (3) years from the 16th day of April, 2000 to the 13th day of April, 2003 and shall continue in force from year to year thereafter unless in any year not more than ninety (90) days and not less than thirty (30) days before the date of its termination either party shall furnish the other with notice of termination of or proposed revisions of this Agreement.

ARTICLE XV

SECTION 15:01

BENEFITS

OUTLINE OF BENEFIT PLANS

The Insurance Plans provide substantial protection for you and your dependents through contracts under-written by insurance companies. The description in this section is intended to give you a general

explanation of the insured benefits, but it should be understood that the master insurance contracts are the governing documents that are on file with the parties. Reasonable and customary guidelines will be applied to eligible expenses. (Letter on file between the parties)

It is understood between the parties that the benefit plans outlined in the Collective Agreement have been negotiated as a minimum standard and will not be changed in any way during the life of the agreement.

The Union will be supplied with the full copy text of all master insurance contract documents.

SECTION 15:02

HEALTH CARE PROGRAM

ONTARIO HEALTH & HOSPITAL INSURANCE

A wide scope of benefits for medical and hospital services are provided for you and your eligible dependents. Coverage is automatic in Ontario where Kellogg's funds your health insurance through payroll taxes.

All information outlined is subject to the current provisions of the Ontario Health Insurance Act and is subject to any changes in its provisions.

DOCTOR'S SERVICES

The plan provides coverage for the services of doctors in the home, the doctor's office or a hospital. Ontario has its own government health plan, which pays most basic medical, surgical and hospital expenses for you and your eligible dependents.

HOSPITAL SERVICES

The following services are usually provided in an approved public hospital:

- a) standard ward accommodation
- b) necessary nursing care
- c) Prescribed drugs and surgical supplies.

Your local Ontario health insurance office provides a booklet that describes the benefits more fully. It also lists eligible dependents and explains procedures for making claims. Check the blue pages of your telephone book for the closest office.

EMERGENCY OUT-OF-PROVINCE COVERAGE

OHIP provides coverage both outside Ontario and Canada. The Travel Plan pays most additional costs not covered by OHIP. You usually have to pay for the services first and then present a paid itemized bill to OHIP for reimbursement. Details of out-of-province coverage are also in the Ontario health insurance booklet.

SECTION 15:03

EXTENDED HEALTH CARE BENEFITS

A) GENERAL INFORMATION

- 1. If you or your dependents incur charges for any of the Covered Expenses specified, your EXTENDED HEALTH CARE benefits can provide financial assistance.
- 2. No medical examination is required
- 3. Benefits apply anywhere in the world. Reimbursement will be in Canadian funds up to the same amount you would have received if the service(s) had been provided in Canada, plus the rate of exchange, if any as determined from the date of the last service provided.
- 4. **Pre-existing** conditions are covered from the moment the Agreement takes effect, except for dental care as a result of an accident.

5. Expenses for some of the Professional Services may be payable in part by Provincial Health Care Plans. Coverage for the balance of such expenses prior to reaching the Provincial Health Care Plan maximum may be prohibited by provincial legislation. In those provinces, expenses under this Benefit Program are payable after the Provincial Health Care Plan's maximum for the benefit year has been paid.

6. DRUG CLAIMS

You will be provided a drug card. This will provide your pharmacist with immediate confirmation of covered drug expenses. **When** you present your drug card to your pharmacist at the time of purchase, you and your eligible dependents will not incur out-of-pocket expenses for the cost of the prescription.

7. TO FILL A PRESCRIPTION FOR COVERED DRUG EXPENSES:

- a) Present your Drug Card to the pharmacist at the time of purchase; and
- b) Pay \$2.00 for each prescription.

8. YOU WILL BE REQUIRED TO PAY THE FULL COST OF THE PRESCRIPTION AT TIME OF PURCHASE IF:

- a) You cannot locate a participating pharmacy
- b) You do not have your Drug Card with you at the time.
- c) For details on how to receive reimbursement after paying the full cost of the prescription, please **contact the People Services Center**.

9. HOW TO SUBMIT A CLAIM:

- a) All claim forms, available from **the People Services Center**, must be correctly completed, dated and signed. Remember;

always provide your Group Policy Number and your Certificate number (found on your Group Benefit Card) to avoid any unnecessary delays in the processing of your claim.

b) The **People Services Center** can assist you in properly completing the forms, and answer any questions you may have about the claims process and your Group Benefit Program. **If you require further assistance contact the Human Resources Department.**

c) After completing the appropriate form, you can mail your Extended Health Care and Dental claims directly to the carrier.

J. PAYMENT OF EXTENDED HEALTH CARE CLAIMS:

a) **Once** the claim has been processed, the carrier will send you a Claim Statement.

b) **The** top portion of this form outlines the claim or claims made, the amount subtracted to satisfy deductibles, and the benefit percentage used to determine the final payment to be made to you. If you have any questions on the amount, **contact the Insurance Carrier. If you require further assistance, contact the Human Resources Department.**

c) The bottom portion of this form is your claims payment, if applicable. Simply tear along the perforated line, endorse the back of the cheque and you can cash it at any chartered bank or trust company.

d) **You** should receive settlement of your claim within three weeks from the date of submission to the carrier. If you have not received payment, please contact **the Insurance Carrier.**

11. CO-ORDINATION OF EXTENDED HEALTH CARE BENEFITS:

If you or your eligible dependents are insured for similar benefit under another Plan (e.g. Group Life and Health Program, or other arrangements covering individuals in a group), the carrier will take this into account when determining the amount of expense payable under this program.

This process is known as Co-ordination of Benefits. It allows for reimbursement of insured medical and dental expenses from a Plans, up to a total of 100% of the actual expense incurred.

a) Order Of Benefit Payment:

A variety of circumstances will affect which Plan is considered as the “Primary Carrier” (i.e. Responsible for making the initial payment toward the eligible expense), and which Plan is considered as the “Secondary Carrier” (i.e. responsible for making the payment to cover the remaining eligible expense).

If the other Plan does not provide for Co-ordination of Benefit, it will be considered as the Primary Carrier, and will be responsible for making the initial payment toward the eligible expense.

If the other Plan does provide for Co-ordination of Benefits, the following rules are applied to determine which Plan is the Primary Carrier.

1. For Claims incurred by you or your Dependent Spouse:

- a) The plan insuring you or your Dependent Spouse as an employee/member pays benefits before the Plan insuring you or your Spouse as a dependent.

b) In situations where you or your Spouse have coverage as an employee/member under more than one Plan, the order of benefit payment will be determined as follows:

c) The Plan where the person is covered as an active full-time employee, then

d) The Plan where the person is covered as an active part-time employee, then

e) The Plan where the person is covered as a retiree.

2. For Claims incurred by your Dependent Child:

a) The Plan covering the parent whose birthday (month/day) is earlier in the calendar year pays benefits first. If both parents have the same birth date, the Plan covering the parent whose first name begins with the earlier letter in the alphabet pays first.

b) However, if you and your Spouse are separated or divorced, the following order applies:

i. The Plan of the parent with custody of the child, then

ii. The Plan of the spouse of the parent with custody of the child (i.e. if the parent with custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay benefits for the Dependent Child), then

iii. The Plan of the parent not having custody of the child, then

iv. The Plan of the spouse of the parent not having custody of the child (i.e. if the parent without custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay benefits for the Dependent Child).

3. A claim for accidental injury to natural teeth will be determined under Extended Health Care Plans with accidental dental coverage before it is considered under Dental Plans.

4. If the order of benefit payment cannot be determined from the above, the benefits payable under each Plan will be in proportion to the amount that would have been payable if Co-ordination of Benefits did not exist.

12. SUBMITTING A CLAIM FOR CO-ORDINATION OF BENEFITS:

- 1) To submit a claim when Co-ordination of Benefits applies, refer to the following guidelines:
 - i. As per the Order of Benefit Payments section, determine which Plan is the Primary Carrier and which is the Secondary Carrier.
 - ii. Submit all necessary claim forms and original receipts to the Primary Carrier.
 - iii. **Keep a photocopy of each receipt once your claim has been settled by the Primary Carrier.**
 - iv. Once your claim has been settled by the Primary Carrier, you will receive a statement outlining how your claim has been handled. Submit the statement along with all necessary claim forms to the Secondary Carrier for further consideration of payment, if applicable.

13. ELIGIBILITY AND ENROLMENT

Regular full-time employees are eligible for coverage on the first day of the month following successful completion of probation. The plan covers both you and your eligible dependents.

If you are initially insured for single coverage and later acquire a dependent, your dependent will be enrolled in the plan. You must advise **the People Services Center** as soon as possible of your change in eligible dependents. **If you require further assistance, contact the Human Resources Department.**

If one of your eligible dependents is hospitalized (other than newborn infant) on the date coverage would normally become effective, coverage will commence on the day following discharge from the hospital. Once you are insured for dependent coverage, additional dependents will be insured from the date eligible regardless of hospital confinement.

4) TERMINATION OF BENEFIT COVERAGE

Coverage for you and your eligible dependents will end when you leave the company. Any expenses incurred before that date will be covered in the normal way.

5) RETIREMENT/EARLY RETIREMENT

Retirement - benefits will continue for you and your eligible dependent(s) if you retire at age 65, provided you have 10 years' of service.

Early Retirement - if you retire before age 65 (**55 to 64**) benefits are continued at no extra Premium cost to you and your eligible dependent(s), provided you have at least 25 years service.

If you have 20 years service your Premium cost will be fully paid, with a cost shared 50/50 for your eligible dependent(s).

If you are 62, provided you have 10 years' of service your Premium cost will be fully paid, with a cost shared 50/50 for your eligible dependent(s).

6) UPON DEATH OF ACTIVE EMPLOYEE

Coverage for surviving eligible Dependent(s) upon death of an Active Regular Employee - Continued if employee is 55, or has 20 years service at time of death. Premium cost fully paid by Company.

17) UPON DEATH OF RETIREE

Coverage for Surviving eligible Dependent(s) upon death of **Retiree**
- Continued if employee retired early, same premium cost sharing arrangement as made upon **his/her** retirement, then fully paid by Company. Arrangements available,

- a) - If you have **25** years' service **fully** paid,
- b)- if you have **20** years' service cost shared **50/50**, until age **65**
- c) - If you are **62**, provided you have **10** years' of service you cost will be **fully** paid, with a cost shared **50/50** for your **eligible** dependent(s).

18) LEAVE OF ABSENCE

Coverage continued during period of approved leave but not **beyond** 12 months.

19) LAYOFF

Coverage continued up to 3 months following layoff.

20) DEPENDENT COVERAGE

The following defines "Dependent" for the purposes of **Extended** Health:

- a) **Your** legal spouse or a person living with you in a role like **that** of a marriage partner for a continuous period of at least **two** (2) years.
- b) **Your** unmarried natural or legally adopted children, c stepchildren, or legal guardianship, while such child **legally** resides with and is dependent upon you.

c) Children must meet requirements listed:

- Children not employed on a full-time basis
- Children not eligible for insurance as an employee under this or any other Group Benefit Program
- Children **unmarried**, unemployed to any age who are incapable of self-sustaining support or employment by reason of mental or physical disability

Extended health care benefits:

- Children under age 21, or under 24 if a full-time student

B) THE BENEFIT

Overall benefit Maximum - Unlimited

Deductible - Nil

Benefit Coverage Percentage:

- a) Drugs – 100% reimbursement of prescription amount, less deductible of \$2.00.
- b) Out of Province/Out of Canada Emergency Medical Treatment (Travel Plan) 100% reimbursement of amount.
- c) Medical Services and Supplies – 90% reimbursement of amount.
- d) Professional Services – 90% reimbursement of amount.
- e) Private Hospital Room – 90% reimbursement of amount.
- f) Semi-Private Hospital Room Coverage – 100% reimbursement of Amount.

1) DESCRIPTION OF BENEFITS

The benefits described are available to you through the Extended Health Care Benefits section as a result of sickness, accidental bodily injury.

Drugs:

- a) Any drug (**re:** prescription drugs with D.I.N. numbers) and/or medicines approved for legal sale to the **general** public in Canada, and prescribed by a physician or dentist. You will receive full reimbursement of a brand name drug only if your physician or dentist provides specific instructions prohibiting substitution.
- b) **Serums, injectables**, insulin, needles, syringes and **testape** for use by diabetics purchased on the prescription of a medical doctor.
- c) **Injectable** vitamins, or injectable vitamin preparations, and **hematinic** vitamins (vitamins to treat blood disorders).
- d) **Oral** contraceptives.
- e) **Preventive** vaccines.

2) PROFESSIONAL SERVICES

Coverage

- **90%** reimbursement of amount up to the specified maximum for the services provided by the following licensed practitioners.
- Recommendation by a physician is “not” required unless specified
 - a) Chiropractor - **\$300.00** per calendar year
 - b) Osteopath - **\$300.00** per calendar year
 - c) Podiatrist - **\$300.00** per calendar year

d) Masseur or Masseuse - \$300.00 per calendar year, recommendation by a physician “**is required**”

e) Speech Pathologist - \$300.00 per calendar year, recommendation by a physician “**is required**”

f) Psychologist - \$300.00 per calendar year

3) MEDICAL SERVICES

Semi-Private Hospital Room Accommodations – if you, or your dependent, are confined in a licensed private hospital, or public hospital within Canada, you will be eligible for accommodation up to the level of a semi-private room. (Plus the daily co-insurance charge if applicable)

Coverage – 100% reimbursement of amount

Pre-Determination of Benefits – the Insurance Carrier suggests that you submit a detailed treatment plan before the services begin. **You** will then be advised of any benefit that will be provided.

Private Room Accommodations – difference in cost between semi-private accommodations and private room in a public general hospital, but not a chronic care unit in the hospital.

Coverage - 90% reimbursement of amount.

Licensed Private Hospital Care -to a maximum of 120 days per person for confinement in a “licensed private hospital”.

Coverage - 90% reimbursement of amount.

Note:

Licensed private hospital is a legally licensed institution which is primarily operated as a place for the care and treatment of alcoholics, drug addictions, or the mentally ill as in-patients, and which is eligible to receive payments under a provincial hospital plan.

Private Duty Nursing - which is required when such services are provided in the home and which can only be provided by registered nurses who are not ordinarily a resident in your home and are **not** related to you or your dependents. Coverage - 90% reimbursement to a maximum of \$10,000.00 per employee and eligible dependent(s) per calendar year.

Recommendation by the attending physician is required for private duty nursing services.

Diagnostic Services – charges for microscopic and laboratory tests, and/or similar diagnostic services prescribed by a physician.
Coverage - 90% reimbursement of amount,

Physiotherapy – services of a licensed or registered physiotherapist, who does not have an agreement with OHIP for payment of his/her services. Reimbursement will be based on the **amount** that would have been allowed if he/she were registered with them.
Coverage - 90% reimbursement of amount.

Accidental Dental Treatment – Dental care necessitated by a direct accidental blow to the mouth and not by an object wittingly or unwillingly placed in the mouth. The accident and treatment must occur while coverage is in force. Treatment must begin within 90 days of the accident, and must be completed within one year. Insurance Carrier must be notified immediately. Payment will be made up to the fees set out in the Ontario Dental Association suggested Fee Guide for General Practitioners in effect on the date of treatment.
Coverage - 90% reimbursement of amount.

Ambulance Services – charges for licensed ambulance service, including air ambulance, to and from the nearest hospital where adequate treatment is available.
Coverage - 90% reimbursement of amount.

4) MEDICAL SUPPLIES

Coverage – 90% reimbursement of amount

When **authorized** in writing by the patient's attending physician: bandages, surgical dressings, blood transfusions, plasma, radium and radioactive isotope treatments, **ileostomy**, colostomy and incontinence supplies.

Medical Equipment – rental, or at the Carrier's option, purchase of the item - hospital bed, wheelchair, respiratory equipment, oxygen and diagnostic services, oxygen supplies, oxygen equipment, and other durable medical equipment usually found in hospitals.

5)NON DENTAL PROSTHESES AND SUPPORTS

Coverage – 90% reimbursement of amount

For the following:

- A. Artificial eyes, limbs and breast prostheses
- B. Surgical stockings, up to a maximum of four (4) pairs per calendar year.
- C. Surgical brassieres, up to a maximum of four (4) pairs per calendar year.
- D. Braces, "including foot braces", trusses, collars, casts, crutches, and quad canes.
- E. **Corrective** prosthetic lenses and frames (once only for persons who lack an organic lens or **after** cataract surgery)
- F. **Orthopaedic** custom made boots or shoes or adjustments to stock item footwear which are made or altered to fit the person's specific medical needs. Recommendation of a physician is required.

G. Adjustments to stock item footwear, which are made or altered to fit the person's specific medical needs. Recommendation of a physician is required.

H. Orthotic foot appliances which are made or altered to fit the person's specific medical needs, up to a maximum of \$225.00 per pair, to a maximum of two pairs per calendar year. Recommendation of a physician is required.

6) VISION CARE

Charges for the following vision care expenses when prescribed by an ophthalmologist, optometrist or oculist:

- reimbursement for eye examination, including refractions, once per calendar year. Coverage 90% of amount.
- reimbursement for purchase, repair, and fitting of prescriptive glasses, sunglasses or contact lenses, up to a maximum of \$200.00 each may be claimed over the term of the agreement. Coverage 100%

SECTION 15:04

TRAVEL PLAN

OUT-OF-PROVINCE/OUT-OF-CANADA

A. The following benefits provide "emergency" medical (for other than for Health reasons) protection when travelling or vacationing outside your Province of residence or Canada for up to 183 days.

NOTE:

Examples of "emergency" – a sudden, unexpected injury which occurs or an unforeseen illness which begins while an insured person is travelling outside his province or residence and requires immediate medical attention. Such emergency no longer exists when, in the opinion of the attending physician, the insured person is able to return to his province of residence.

3. ELIGIBILITY AND ENROLMENT

Regular full-time employees are eligible for coverage on the first day of the month following **successful** completion of probation. The plan covers both you and your eligible dependents.

- If you are initially insured for single coverage and later acquire a dependent, your dependent will be enrolled in the plan. You must advise **the People Services Center** of your change in eligible dependents.- **If you require further assistance, contact the Human Resources Department.**

4. DEPENDENT COVERAGE:

1. Your legal spouse or a person living with you in a role like that of a marriage partner for a continuous period of at least two (2) years.
2. **You're** unmarried natural or legally adopted children, or stepchildren, or legal guardianship, while such child legally resides with and is dependent upon you.

5. REIMBURSEMENT

No deductible, **100%** reimbursement of eligible charges.

NOTE - None of these benefits will be paid for any condition resulting **from** a mental disorder, or to patients in chronic care hospitals, chronic units of general hospitals, or nursing homes.

6. DESCRIPTION OF BENEFITS

- 1) Payment for the cost of hospital accommodation which is in excess of the amount paid by **OHIP** or any other Plan.
- 2) Payment for charges made by physicians when such charges are over and above the allowance made by **OHIP**.

- (c) When illness or injury is such that you must fly home and the physician or commercial airline stipulates in writing that you must be accompanied by a qualified medical attendant, the insurance carrier pays the costs incurred for one round trip economy fare for the medical attendant (not a relative), and extra costs for the number of economy seats required to return the covered person, by most direct route, to the air terminal nearest the departure point in Canada.
- (d) Subject to payment by OHIP charges made by chiropractors, chiropodists and podiatrists to a maximum of \$10.00 Canadian per treatment date.

MANUASSIST SERVICES

The following assistance services are provided for an insured person when required as a result of a Medical Emergency which occurs during the first 60 days per trip while travelling outside such person's province of residence:

Medical emergency assistance

- 24-hour access to services in most languages
- referral to local medical care
- monitoring of medical care
- payment of medical bills
- medical transportation
- return home of dependent children
- visit by family member
- return home due to family illness
- trip interruption/delay
- convalescence **after** hospital discharge
- identification of deceased
- return of deceased
- accommodation and meals
- vehicle return

Non-medical assistance

- pre-trip assistance
- replacing lost documents and tickets
- referral to legal assistance
- telephone interpretation service
- emergency message service

Call **ManuAssist** before you leave to make sure that assistance is available in the country you are visiting.

If a Medical Emergency Occurs:

1. Call the number listed on your **ManuAssist** card before or as soon as possible after receiving treatment or being admitted to hospital.
If you are unable to make the call yourself, a travelling companion, attending physician or hospital administrator may place the call for you.
2. A Medical Assistance **Co-ordinator** will answer, and ask how he or she can help. If you need service in a language other than English, just ask.
3. You'll then be asked to give the details of the emergency and the assistance you need.
4. The Medical Assistance **Co-ordinator** will also ask for:
 - Your Plan I.D. number
 - Your Group number
 - Your name, member name and Certificate number
 - Your provincial health insurance number
 - Your location (city, country, address, telephone number)

Claims Payment Service

If medical expenses are in excess of \$200:

ManuAssist arranges for the payment of medical expenses, provided **ManuAssist** is contacted before the expense is incurred.

You will be asked to sign an **authorization** form, allowing **ManuAssist** to co-ordinate payment of the claim on your behalf through your provincial government health insurance plan and **Manulife Financial Group Benefits**. So, you don't have to worry about payment for eligible emergency medical services in excess of **\$200**.

If required, **ManuAssist** will forward an advance deposit to the hospital before medical services as rendered. If payments made on your behalf are subsequently determined to be for ineligible services or amounts, **Manulife Financial Group Benefits** reserves the right to recover the overpayment from you.

If you did not contact **ManuAssist** first, you are responsible for paying the expense and submitting the claim for reimbursement to your provincial government health insurance plan and **Manulife Financial Group Benefits**.

If medical expenses are \$200 or less:

You are responsible for paying the expense and submitting the claim for reimbursement to your provincial government health insurance plan and **Manulife Financial Group Benefits**.

SECTION 15:05

DENTAL CARE

The Dental Plan is provided to encourage regular preventative care of routine dental treatment, major restorative and orthodontic services according to the negotiated Provincial Schedule of Fees (O.D.A.-Ontario Dental Association) between the parties.

If you or your dependents incur charges for any of the Covered Expenses specified, your **DENTAL CARE** benefits can provide financial assistance.

No medical examination is required.

A. ELIGIBILITY AND ENROLMENT

Regular MI-time employees are eligible for coverage on the first day of the month following successful completion of probation. The plan covers both you and your eligible dependents.

If you are initially insured for single coverage and later acquire a dependent, your dependent will be enrolled in the plan. You must advise **the People Services Center** of your change in eligible dependents, **If you require further assistance contact the Human Resources Department.**

If one of your eligible dependents is hospitalized (other than newborn infant) on the date coverage would normally become effective, coverage will commence on the day following discharge from the hospital. Once you are insured for dependent coverage, additional dependents will be insured from the date eligible regardless of hospital confinement.

B. DEPENDENT COVERAGE

The following defines “Dependent” for the purposes of Dental Benefits:

- i) Your legal spouse or a person living with you in a role like that of a marriage partner for a continuous period of at least two (2) years.
- ii) You’re unmarried natural or legally adopted children, or stepchildren, or legal guardianship, while such child legally resides with and is dependent upon you.

iii) Children must meet requirements listed:

- Children not employed on a full-time basis
- Children not eligible for insurance as an employee under this or any other Group Benefit Program
- Children unmarried, unemployed to any age who are incapable of self-sustaining support or employment by reason of mental or physical disability

Dental Care:

- Children under age 19, or under age 24 if a full-time student.

C. NORMAL RETIREMENT

Coverage discontinued at age 65.

D. EARLY RETIREMENT

Early Retirement - if you retire before age 65 (**55 to 64**) benefits are continued at no extra cost to you and your dependent(s), provided you have at least 25 years service.

E. UPON DEATH OF RETIREE

Continued only if retiree had minimum 25 years of service. Cancels automatically when employee would have reached age 65.

F. WEEKLY INDEMNITY (SHORT TERM DISABILITY)

Continued, maximum 26 weeks.

G. LONG TERM DISABILITY

Continued while on Long Term Disability.

H. LEAVE OF ABSENCE

Continued during period of approved leave but not beyond 12 months.

I. LAYOFF

Continued up to 3 months following layoff.

J. BENEFIT COVERAGE PERCENTAGE

- 1) **Routine** Dental Treatment --100% reimbursement of amount.
- 2) **Major Restorative Services** - 80% reimbursement of amount.
- 3) **Orthodontic Services** -50% reimbursement of amount.

K. MAXIMUM BENEFIT COVERAGE

The maximum amount per individual for:

- 1) **Routine** treatment and Major Restorative services combined is \$2,000.00 per calendar year, per person.
- 2) **Orthodontic Services** is \$2,500.00 per dependent child per lifetime.

The cost of orthodontic procedures for dependent children for one-half of the actual cost up to \$1,250.00 per dependent child per calendar year with a \$2,500.00 lifetime maximum.

L. ELIGIBLE EXPENSES

Eligible Expenses are those, which are recommended as necessary by a physician or dentist that, are not in excess of the fee specified in the applicable Dental Association Fee Schedule.

There are several dental procedures, which are covered by OHIP up to certain maximums. If the dentist or dental surgeon chooses to charge more than that payable by OHIP, legislation in Ontario does not permit the excess charges to be eligible under this plan.

Situations may arise where alternate methods of treatment may be available. It is solely for you and your dentist to decide which method will be employed. As the basis for determining its liability, the insurance carrier reserves the right to reimburse charges based on the least expensive method of treatment that would provide a professionally adequate result.

M. CO-ORDINATION OF BENEFITS

If you or your dependents are insured for similar benefits under another Plan (e.g. Group Life and Health Program, or other arrangements covering individuals in a group), the carrier will take this into account when determining the amount of expenses payable under this program.

This process is known as Co-ordination of Benefits. It allows for reimbursement of insured medical and dental expenses from all Plans, up to a total of 100% of the actual expense incurred.

1. Order Of Benefit Payment:

A variety of circumstances will affect which Plan is considered as the “Primary Carrier” (i.e. Responsible for making the initial payment toward the eligible expense), and which Plan is considered as the “Secondary Carrier” (i.e. responsible for making the payment to cover the remaining eligible expense).

If the other Plan does not provide for Co-ordination of Benefits, it will be considered as the Primary Carrier, and will be responsible for making the initial payment toward the eligible expense.

If the other Plan does provide for Co-ordination of Benefits, the following rules are applied to determine which Plan is the Primary Carrier.

a) For Claims incurred by you or your Dependent Spouse:

1. The plan insuring you or your Dependent Spouse as an employee/member pays benefits before the Plan insuring you or your Spouse as a dependent.
2. In situations where you or your Spouse have coverage as an employee/member under more than one Plan, the order of benefit payment will be determined as follows:
 - i. The Plan where the person is covered as an active full-time employee, then
 - ii. The Plan where the person is covered as an active part-time employee, then
 - iii. The Plan where the person is covered as a retiree.

b) For Claims incurred by your Dependent Child:

1. The Plan covering the parent whose birthday (month/day) is earlier in the calendar year pays benefits first. If both parents have the same birth date, the Plan covering the parent whose first name begins with the earlier letter in the alphabet pays first.
2. However, if you and your Spouse are separated or divorced, the following order applies:
 - a) The Plan of the parent with custody of the child, then
 - b) The Plan of the spouse of the parent with custody of the child (i.e. if the parent with custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay benefits for the Dependent Child), then
 - c) The Plan of the parent not having custody of the child, then,

- d) The Plan of the spouse of the parent not having custody of the child (i.e. if the parent without custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay benefits for the Dependent Child).
3. A claim for accidental injury to natural teeth will be determined under Extended Health Care Plans with accidental dental coverage before it is considered under Dental Plans.
 4. If the order of benefit payment cannot be determined from the above, the benefits payable under each Plan will be in proportion to the amount that would have been payable if Co-ordination of Benefits did not exist.

2) SUBMITTING A CLAIM FOR CO-ORDINATION OF BENEFITS:

- a) To submit a claim when Co-ordination of Benefits applies, refer to the following guidelines:
 1. As per the Order of Benefit Payments section, determine which Plan is the Primary Carrier and which is the Secondary Carrier.
 2. Submit all necessary claim forms and original receipts to the Primary Carrier.
 3. **Keep a photocopy of each receipt once your claim has been settled by the Primary Carrier.**
 4. Once your claim has been settled by the Primary Carrier, you will receive a statement outlining how your claim has been handled. Submit the statement along with all necessary claim forms to the Secondary Carrier for further consideration or payment, if applicable.

N. EXPENSES NOT COVERED

No payment will be made for:

- 1) **Self-inflicted** injuries or illness while sane or insane.
- 2) Any injury or illness for which the insured person is entitled to indemnity or compensation under any workers' compensation act.
- 3) **Charges** levied by a physician or dentist for time spent travelling broken appointments, transportation costs, room rental charges or for advice given by telephone or other means of telecommunication.
- 4) **Cosmetic** surgery or treatment unless such surgery or treatment is for accidental injuries and commenced within 90 days of an accident.
- 5) **Injury** resulting directly or indirectly from insurrection, war, service in the armed forces of any country or participation in a riot.
- 6) **Services**, treatments or supplies payable by, or insurable only by, a government plan.
- 7) **Examinations** required for the use of a third party.
- 8) **Dental** treatment received from a dental or medical department maintained by an employer, and association, or a labour union.
- 9) **The** replacement of an existing appliance, which has been lost, mislaid or stolen.
- 10) Services and supplies rendered for full mouth **re-construction**, for a vertical dimension correction, or for a correction of Temporal Mandibular Joint Dysfunction.

O. EXTENSION OF BENEFITS

In most cases, no Dental benefits are payable for expenses incurred after your insurance terminates, even if a Treatment Plan has been filed and benefits have been determined prior to the date your insurance terminates. However, benefits are payable under the following circumstances:

- 1) Where an impression for a denture (including crowns, inlays and onlays) was taken prior to the date your insurance terminates and the denture is installed after the insurance terminates: dental expenses in connection with this procedure and incurred within 30 days after the termination of insurance are eligible
- 2) If your insurance terminates due to your death, dental expenses incurred on behalf of your dependents will be eligible for payment provided:
 - a) The services are rendered within 90 days following your death, and
 - b) They are part of a series of planned dental services started prior to your death or rendered at definite dental appointments made prior to your death.

P. CLAIM PROCEDURES

- 1) If dental expenses are incurred, obtain a claim form, have your dentist complete the form, complete your portion of the form and return it to the Insurance Carrier. The dentist may also email the incurred expenses to the insurance carrier. Written proof of claim must be given within twelve (12) months from the date the expenses were incurred.
- 2) When your insurance terminates for any reason, written proof of claim must be given within 90 days of the date of termination of insurance.

Q. TREATMENT PLAN

- 1) In order for you and your dentist to learn in advance what cost sharing there may be, it is recommended that a Treatment Plan be filed whenever the total cost of the proposed dental work is expected to exceed **\$300.00**.
- 2) This treatment Plan identifies coverage and limitations for specific services and clarifies insurance percentage, specific limits and Dental Fee Guide allowance before dental treatment commences. The Treatment Plan is not intended to limit you in your choice of dentist, to tell you or your dentist what treatment should be performed, or to tell the dentist what fee to charge, nor to guarantee reimbursement after coverage ceases.
- 3) A Treatment Plan is a plan of dental treatment (including x-rays if required) showing the patient's dental needs, a written description of the proposed treatment necessary in the professional judgment of the dentist, and the cost of the proposed treatment. It should be forwarded to the Insurance Carrier for validation.

R. THE BENEFIT FEE GUIDE

Deductible - Nil

Dental Fee Guide:

1999 Ontario Dental Association Fee Schedule effective
April 24, 2000

2000 Ontario Dental Association Fee Schedule effective
January 1, 2001

2001 Ontario Dental Association Fee Schedule effective
January 1, 2002

S. DENTAL BENEFIT

The following is a list of expenses, which are eligible for payment under this plan.

1. DIAGNOSTIC

a) Examinations, complete oral once every 3 years, recall examinations once every 6 months, Periodontal (gums), Specific Emergency

b) Procedures codes 01100 series, 01200 series.

c) Dental x-rays, complete full mouth series (minimum 12 films on baby teeth) (minimum 16 films on adult teeth), Intra Oral Occiusal and panoramic once every 3 years, Intra Oral bitewing x-rays once every 6 months, Periapical, Extraoral Postero-anterior and Lateral Skull, Facial Bone, Sinus Examination, Sialography,

Radiopaque Dyes use of to Demonstrate Lesions, Temporomandibular, Cephalometric Tracing and Interpretation, Radiograph hand and wrist, Tomography and other dental x-rays as required in connection with the diagnosis of a specific condition requiring treatment. Procedure codes 02 100 Series, 02200 Series, 02300, Series, 02400 Series, 02500 Series, 02600 Series, 02700 Series, 02800 Series, 02900 Series.

d) Diagnosis - Bacteriologic Cultures, Tooth Decay Susceptibility - Procedure codes 04 100 Series, 04200 Series.

e) Histological and including biopsies, Soft/Hard Oral Tissue. 04300 Series.

f) Cytological Examination - Procedure codes 04400 Series.

g) Pulp Vitality Procedure codes 04500 Series.

- h) **Tests/Analysis**, Laboratory Examinations, Laboratory Reports.
Intraoperative Reports. 04600 Series.
- i) Test and Laboratory Examinations, Miscellaneous **04700 Series.**
- j) Diagnostic Photographs, Diagnostic Casts - Unmounted or Orthodontic Procedure codes **04800 Series**, and **04900 Series.**
- k) **Interpretations** of Models form another source. Procedure codes **04740 Series.**
- l) Treatment planning, Consultation with Patient. Procedure codes **05100 Series.**
- m) **Consultation** with patient Procedure codes **05200 Series.**

2. PREVENTIVE.

- a) **Polishing - every 6 months.** Cleaning of teeth - every 6 months.
Procedure codes **11100 Series.**
- b) **Preventive Recall Package I, II, III, IV.** Procedure codes **11200.**
- c) **Scaling - removal of hard and soft deposits on surface of tooth,**
every 6 months. Procedure codes **11110 Series.**
- d) **Fluoride** Treatments, topical fluoride application once every 6
months. Procedure codes **12100 Series.**
- e) **Proper** and effective home care oral hygiene instruction and/or re-
instruction (one instructor to one patient) care of the mouth, once
every 6 months. Procedure codes **13200 Series.**
- f) **Finishing – Polishing, refining, finishing of restorations.** Procedure
codes **13300 Series.**
- g) **Sealant, Pits and Fissure** (composite/acrylic protective covering of
pits of the molar-teeth) Procedure codes **13400 Series.**

- h) **Disking** of Teeth Interproximal – **Discing** of teeth interproximal (filling/smoothing in between teeth). Procedure codes **13700** Series.
- i) **Recontouring** of Teeth for Functional - Reshaping of Teeth for Functional reasons. Procedure codes **13900** Series.
- j) Appliances, Removable, Control of Oral Habits – Removable appliance for control of Oral Habits. Procedure codes **14100** Series.
- k) **Appliances**, fixed/Cemented, Control of Oral Habits – Fixed/cemented Appliance for control of Oral Habits. Procedure codes **14200** Series.
- l) Appliances, Control of Oral Habits Adjustments, Repairs Maintainer – Adjustments, Repairs Maintenance of appliances, Control of Oral Habits. Procedure codes **14400** Series
- m) Space Maintainer, Band Type, Fixed – Fixed/Cemented Space Maintainer, Unilateral with **Intra-alveolar**, Bilateral (soldered lingual arch) with teeth attached, bilateral tubes and locking wires. Procedure codes **15100** Series.
- n) **Space** Maintainer, Stainless Steel Crown Type Fixed, Fixed with **Intra** Alveolar Attachment – Fixed/Cemented Space Maintainer, Stainless Steel Crown Type. Procedure codes **15200** Series.
- o) **Space** Maintainer, Cast Type Fixed, Fixed with **Intra** Alveolar Attachment – Fixed/Cemented Space Maintainer. Procedure codes **15300** Series.
- p) Space Maintainer, Acrylic, Removable, Bilateral clasps, Retaining Wires, Retaining Wires with Teeth, Removable No Clasp – Removable Space Maintainer. Procedure codes **15400** Series.
- q) **Space** Maintainer, Acid Etched, **Pontic** Type – Space maintainer, Bonded, **Pontic** (false tooth) Type. Procedure codes **15500** Series.

- r) Space Maintainers Appliance, addition of clasps and/or activating wires, including recementation – Maintenance of Space Maintainer Appliances (includes recementation). Procedure codes 15600 Series.
- s) Removal of Fixed Space Maintainer appliances by Second Dentist. Procedure codes 15604 Series.
- t) Caries, Trauma and Pain Control, (use of band for Retention and support), Smoothing of Fractured Surfaces Per Tooth – Removal of decay, existing restorations and placement of sedative or protective dressing. Use of Band for Retention and support. Smoothing of Fractured/Broken surfaces per Tooth. Procedure codes 20100 Series.

3. RESTORATIONS

- i) **Amalgam** or white filling, for build up of tooth/teeth – Non Bonded, silver fillings on primary (baby) teeth, Silver fillings, Non Bonded Permanent Bicuspids and Anteriors, Non Bonded Permanent Molars. Procedure codes 21100, 21200 Series.
- j) **Amalgam** Core, in conjunction with crown. Procedure codes 21300 Series.
- k) **Pins** - retentive, restoration - to hold fillings together. Procedure codes 21400 Series.
- l) **Full coverage Restoration Prefabricated Metal**, 1) Primary teeth Anterior and/or Posterior, 2) Permanent teeth Anterior and/or Posterior. Procedure codes 22200, 22300 Series.
- m) **Full coverage Prefabricated Plastic** 1) Primary teeth, 2) Permanent teeth. Procedure codes 22400, 22500 Series.
- n) **For Tooth Coloured Non Etch Technique/Etch Technique** - Permanent Anterior. Procedure codes 23100, Series.

- g) **For Acrylic or Composite - Tooth coloured veneer (facing) application.** Procedure codes **2312 1 & 23122 Series.**
- h) **For Tooth Coloured/Plastic with Silver Fillings - 1) Permanent Bicuspid Non Etch technique, Etch/Bond technique 2) Permanent Molars Non Etch technique, Etch/Bond technique.** Procedure codes **23200,23300 Series**
- i) **Restorations, Tooth Coloured Primary, Anterior, Non Etch -** Procedure codes **23400 Series.**
- j) **Restorations, Tooth Coloured/Plastic with Silver Fillings, Primary, Posterior, Non Etch -** Procedure codes **23500 Series.**
- k) **Restoration, Tooth Coloured/Plastic with Silver Fillings, Cores.** Procedure codes **23600 Series.**
- l) **Restoration Inlays -** Procedure codes **25100 Series.** **Restoration Onlays -** Procedure codes **25500 Series.**
- m) **Pins, Retentive (for inlays onlays and Crowns Per tooth) -** Procedure codes **25600 Series.** **Posts, Prefabricated retentive -** Procedure codes **25700 Series.**
- n) **Crowns Porcelain/Ceramic, Crown Metal Cast -** Procedure codes **27200, 27300 Series.** **Crown made to an Existing Partial Denture Clasp -** Procedure codes **27400 Series.**
- o) **Copings Metal/Plastic Transfer (Thimble Type) -** Procedure codes **27500 Series.**
- p) **Repairs (single units only, does not include removal and recementation) -** Procedure codes **27700 Series.**
- q) **Restorative Procedures Overdentures, Indirect -** Procedure codes **28100 Series.** **Coping Crown, Metal, and Cast, to serve as a base for construction of crown.** Procedure codes **28211, 28212 Series.**

- r) **Recementation/Rebonding, inlays/onlays/crowns/ veneers/posts/ natural fragments (single units only) - Procedure codes 29100 Series.** Removal **Inlays/Onlays/Crowns/Veneers** (single unit only) and on natural teeth. Procedure codes 29300 Series.
- s) **Extractions -** including simple and complicated removal of a tooth partially or completely bone impacted teeth, extra teeth, teeth in an unusual position, or residual roots.

4. ENDODONTIC TREATMENT

- a) **Pulpotomy** (removal of the pulp from the crown and root portion of the tooth). Procedure codes 32200 Series.
- b) **Pulpectomy** (removal of the pulp from the crown and root portion of the tooth). Procedure codes 32300 Series.
- c) **Root canal therapy,** Procedure codes 33100 Series, 33400 Series.
- d) **Apexification.** Repair of (perforated) punctured root tip by placing tilling material in end of root (apex) Procedures code 33600 Series.
- e) **Apicoectomy/Apical Curettage (Periapical Services),** root resections and retrograde fillings (cleaning and removing diseased tissue of the root tip) - Procedure codes 34100 Series, 34200 Series.
- f) **Surgical Services Miscellaneous - Root Amputation and Hemisection Exploratory.** Procedure codes 34400 Series.
- g) **Perforations/Resorptive Defect(s) pulp Chamber or Root Repair, Non Surgical -** Repair of root tip puncture/perforation. Procedure codes 34511 Series.
- h) **Perforations /Resorptive Defects, Pulp Camber Repair or root Repair, Surgical-** surgical repair of pulp chamber or roots. Procedure codes 34521-34523 Series.

- i) Enlargement, Canal and/or Pulp Chamber in calcified canals. Procedure codes **34602**.
- j) Isolation of Endodontic tooth/teeth for asepsis: banding and/or coronal buildup of tooth/teeth and/or Contouring of tissue surrounding Tooth/teeth to Maintain Aseptic operating field. Procedure codes **39101**
- k) Emergency procedures including opening or draining of the gum/tooth. Procedure codes **39201,39202**.
- l) Opening Through Artificial Crown. Procedure codes **39211,39212**.
- m) Chemical Bleaching. Procedure codes **39311,13, &19**.
- n) Displacement Dressings, Oral Mucosal, Nervous and muscular disorders, Oral manifestation of systemic disease, desensitization. Procedure codes **41101** through to **41309**.

5. PERIODONTAL SURGERY

- a) Gingival Periodontal Surgery - Gingival Curettage, Gingivoplasty, Gingivectomy, Fiber incision (supra crestal fibrotomy) Procedure codes **42111** through to **42339**.
- b) Periodontal Surgery Flap Approach with Osteoplasty/Ostectomy, lap Approach with curettage of Osseous defect, Flap approach with curettage of osseous defect and Osteoplasty. Procedure codes **42341** through to **42441**.
- c) Periodontal Surgery- Grafts soft tissue, Grafts soft tissue Pedicle (coronally positioned), Grafts soft tissue Pedicle, Grafts free soft tissue, Grafts free connective tissue, Grafts osseous autograft (including flap entry, closure and donor site) Grafts Osseous Allograft. Procedure codes **42511** through to **42621**.

- d) **Periodontal Surgery**, guided tissue regeneration, distal wedge procedure, post surgical treatment per dressing change, Abscess or **Pericoronitis**. Procedure codes 42711 through to 42835.
- e) Scaling, root planing, provisional **orthodontal** splinting, splints and certain periodontal appliances, adjustment/repair/reline to appliances, cast/soldered splint acid Etch/resin bonded, **occlusal** adjustment/equilibration. Periodontal **re-evaluation**, wire ligation, acrylic covered wire ligation. Procedure codes 428 11 - 49 109
- f) The fees for periodontal treatment are based on units of time (15 minutes per unit) and /or number of teeth in a surgical site in accordance with the General Practitioners Fee Guide.

6. DENTURES - PROSTHODONTICS - REMOVABLE

- a) Denture adjustments, Partial, complete, minor Remount, **occlusal equilibration**, cast metal **occlusal** surfaces. Procedure codes 54200,54300,54400,54500.
- b) Denture repair, complete no impression/impression required, additions partial no impression/impression required. Procedure codes 55100, 55200, 55300, 55400,55500 Series.
- c) Denture Reline, direct complete, direct partial, processed complete denture; processed partial processed functional impression requiring 3 appointments complete and/or partial. Procedure codes 56200 Series.
- d) Denture **Rebase**, complete/or partial denture, processed function impression requiring 3 appointments. Procedure codes 56300 Series.
- e) Denture Remake using existing framework, partial denture. Procedure codes 56400 Series.
- f) Denture tissue conditioning per Appointment, complete/or partial denture. Procedure codes 56500 Series.

- g) Dentures Miscellaneous, resetting of teeth. Procedure codes 56600 Series.

7. ORAL AND MAXILLOFACIAL SURGERY (EXTRACTIONS)

- a) Removals erupted teeth Uncomplicated/complicated. Procedure codes 71000 Series.
- b) Removals Impaction, requiring incision of overlying soft tissue, requiring incision of overlying soft tissue elevation of a flap. Removal of bone and/or sectioning of tooth for removal and/or presents unusual difficulties and circumstances. Procedure codes 72000 through to 72239 Series.
- c) **Removals** Residual Roots, erupted, soft tissue coverage, bone tissue coverage. Procedure codes 72311 through to 72519 Series.
- d) Surgical Exposure **unerupted/uncomplicated**, soft tissue coverage (includes **operculectomy**), complex hard tissue coverage, **unerupted** tooth with Orthodontic Attachment. Procedure codes 72511 through to 72539 Series.
- e) Transplantation of Erupted Tooth. Repositioning surgical. **Enucleation** surgical **unerupted** tooth and follicle. Procedure codes 72611 through to 72719 Series.
- f) **Alveoloplasty** in conjunction/not in conjunction with Extractions. Excision of bone (**Osteoplasty**). Removal of bone **Exostosis** multiple. Reduction of bone **Tuberosity**. **Gingivoplasty** and/or **Stomatoplasty** oral surgery. **Gingivoplasty** in conjunction with tooth removal. **Excision** of **vestibular hyperplasia**. Surgical shaving of papillary **hyperplasia** of the palate. **Vestibuloplasty** (oral surgery). Procedure codes 72300 Series.
- g) **Tumor** Benign, Scar tissue inflammatory or congenital lesions of soft tissue of the Oral Cavity. Excision of Cyst. Procedure codes 74000 through to 74638 Series.

h) Surgical incision and drainage and/or exploration introral soft tissue. **Surgical incision and drainage and/or exploration** introral hard tissue. Surgical excision for removal of foreign bodies. Procedure codes 75121 through to 75302 Series.

i) Oral Surgery, (Fractures), reductions alveolar. **Replantation** avulsed tooth/teeth. Repair of Lacerations. Repositioning of traumatically displace teeth emergency procedures. **Frenectomy/Frenoplasty**. **Frenectomy** (TMJ Dislocation). Salivary duct- **sialotithotomy**. Antral surgery recovery foreign bodies. **Antral** surgery. Miscellaneous surgical services. Control of **hemorrhage**. Post surgical care. Procedure codes 76202 through to 79604 Series.

8. ORTHODONTICS

a) **Adjustments/observations** for orthodontic treatment. Repairs to removable or **fixed** (cemented) appliances. Alterations to removable or fixed appliances. **Recementation** of appliances. Separation or forcing of teeth apart. Removal of appliance by other than treating practice or practitioner. Procedure codes 80601 through to 80679 Series.

b) **Appliances**; orthodontic appliance designed to gain or create lost space. Malocclusion correction appliance, cross bite correction. Orthodontic appliance dental arch expansion. Orthodontic appliances removable closure of **diastemas** to close spaces between teeth. Appliance maxillary rapid expansion. Orthodontic appliance alignment of Anterior Teeth, to straighten front teeth. Procedure codes 81111 through to 81152 Series.

c) **Appliance** fixed space regaining, non-removable to gain lost space. Unilateral orthodontic appliance non-removable to gain lost space, one side only. Appliance fixed cross bite correction Anterior/posterior. Appliance dental arch expansion, fixed closure of **diastemas**, cemented to close spaces between teeth. Appliance fixed alignment of incisor teeth, align front teeth. Appliances fixed mechanical eruption of tooth/teeth, to force erupt through gums.

Appliances removable retention. Appliance fixed/cemented retention, for cemented (fixed) orthodontic appliance. Procedure codes 81153 through to 83202 Series.

9. COMPREHENSIVE ORTHODONTIC TREATMENT

a) Permanent **dentition**, Class I, II, III, Malocclusion. Procedure codes 84000 & 87000 Series.

b) **Mixed dentition**, Class I, II, III, Malocclusion. Procedure codes 85000 & 88000 Series.

c) **Primary dentition**, Class I, II, III, Malocclusion. Procedure codes 86000 & 88000 Series.

d) **Neonatal Dento-Facial Orthopedics:**

1. Expansion appliance for infants with **cleft** palate.
2. Extraoral retraction appliance for infants **with** cleft palate.
3. Stage 1, initial expansion.
4. Stage 2, anterior alignment.
5. Stage 3, **final** alignment (complete banding).
6. Stage 3, where Stage 1 and 2 were not provided for.

10. ADJUNCTIVE GENERAL SERVICES

a) Anaesthesia, general, deep sedation. Conscious sedation inhalation technique. Intravenous sedation. Intramuscular injections of sedative drugs. Consultation **with** member of the profession. Provision of dental and **anesthetic** facilities, equipment and supplies by a separate **anesthetist**. House calls. Office or institutional visit unscheduled/scheduled after regular office hours (in addition to services performed). Prescriptions, therapeutic injections. Procedure codes 91111 through to 96202 Series.

b) **Chemical Bleaching** of Vital or Live teeth (not **endodontically** treated). Procedure codes 97111 through to 97119 Series.

SECTION 15:06

INCOME PROTECTION PROGRAM

A. **W.I.** = WEEKLY INCOME (SHORT TERM DISABILITY)

1. Weekly **Indemnity** benefits provide a portion of your salary during the first **26** weeks of **recognized** absence from work. If you are still totally disabled after **26** weeks, you may apply for Long Term Disability Benefits. Under certain circumstances, you may be eligible to receive disability income payments from the Canada/Quebec Pension Plan, Workers' Compensation or Unemployment Insurance Commission.
2. The Company pays the full cost of the Weekly Indemnity.
3. The Company's Short Term Disability Program (Weekly Indemnity) is registered with the Unemployment Insurance Commission. Consequently, the Company receives a preferential rate when computing its unemployment insurance liability. **The** resultant saving to the Company has been used to upgrade your benefits plans.
4. **This** plan provides a portion of your income when **non-occupational** illness or injury prevents you from working.
5. Extended Health Care and Dental Care Benefits will continue while the employee is receiving Short Term Disability.

B. ELIGIBILITY

Regular full-time employees are eligible for coverage on the first day of the month following successful completion of probation.

C. UPON DEATH OF AN ACTIVE EMPLOYEE

W. I. coverage is discontinued

D. NORMAL RETIREMENT

W.I. coverage discontinued when you reach age 65.

E. EARLY RETIREMENT (55 TO 64)

W.I. coverage discontinued when early retirement commences.

F. UPON DEATH OF RETIREE

Weekly indemnity not applicable.

G. LONG TERM DISABILITY

W.I. - not applicable while on weekly indemnity.

H. LEAVE OF ABSENCE

W.I. - not applicable while on leave of absence.

I. LAY OFF

W.I. - not applicable unless claim was established prior to date of layoff.

J. THE BENEFIT

Your Weekly Income Benefit Amount is determined as follows:

- your pay Rate times forty (40), times Sixty-six (66) percent.

K. QUALIFYING PERIOD

Benefits are paid from the 1st scheduled working day of disability due to accidental bodily injury, provided you have had qualified medical attention or from the 3rd scheduled working day of disability due to sickness.

Payment of benefit's is conditional upon your being under the care of a **qualified physician**. **If you have not consulted a qualified physician** by the day you would ordinarily receive benefits due to sickness or accident, benefits will not begin until the first day of medical attention.

Payment will be made at the end of each week for which satisfactory proof of disability has been received, for a period not exceeding **26** weeks for any one period of disability.

If you are confined to hospital prior to the date benefits would normally commence, benefits will be paid **from** the first day of **hospitalization** provided you are a registered bed patient who has been formally admitted and assigned to a bed in a hospital **on a** physician's order.

However, if an employee is not confined to a hospital, but had surgery or invasive medical procedure on an out- patient basis, in any medical facility, benefits will be paid from the first day.

L. THE WEEKLY INDEMNITY BENEFITS WILL BE REDUCED BY THE FOLLOWING INCOME:

1)**Disability** benefits payable under the Canada/Quebec Pension Plan after twenty-six (**26**) weeks (including benefits for dependent(s) but excluding benefits payable directly to dependent(s).

2)**Earnings** or payments **from** any employer.

The benefit shall not be reduced by subsequent cost of living increases in income **from** any other source.

M. RECURRENT DISABILITY

If you are totally disabled on the date the insurance terminates, you will be eligible to receive benefits, provided the disability continued **uninterrupted**, but not beyond the earliest of:

1) **The** date total disability ceases

2) **After 26** weeks have elapsed

N. EXCEPTIONS AND LIMITATIONS

No payment will be made for claims resulting from:

1) **A** disability due to any cause at any time when you are on pregnancy leave of absence in accordance with the pregnancy leave provisions of the Employment Insurance Act.

2) **If** you become disabled prior to such leave of absence, you are eligible for benefits, however, once such disability extends into the leave of absence, benefits are suspended for the duration of the pregnancy leave.

3) **If** you are unable, because of disability, to return to work as scheduled after a pregnancy leave of absence, you are eligible for commencement or continuation of benefit payments on your intended date of return. This is regardless of whether disability arose prior to or during the leave of absence.

4) **A** disability for which you are not under the continuing care of a qualified physician.

5) **Intentional** self-inflicted injuries or illness while sane or insane.

6) **Any** disability for which you are entitled to indemnity or compensation under any Workers' Compensation Act.

7) **Bodily** injury resulting directly or indirectly from insurrection, war, or participation in a riot.

8) **Cosmetic** surgery or treatment, unless such is for accidental injury and commenced within **90** days of an accident.

O. END OF COVERAGE

Short-term disability benefits cease upon termination of employment.

P. HOW TO MAKE CLAIMS

- 1) All claim forms, for weekly indemnity that are available from the People Services Center or Health Centre, must be correctly completed, dated and signed. Remember; always provide your Group Policy Number and your Certificate number (found on your Group Benefit Card) to avoid any unnecessary delays in the processing of your claim.
- 2) The Insurance Carrier can assist you in properly completing the forms, and answer any questions you may have about the claims process and your Group Benefit Program. If you require further assistance, contact the Human Resources Department.
- 3) After completing the appropriate form, you can mail your Weekly Indemnity claims directly to the carrier providing the “Employer’s Statement” has been completed.

SECTION 15:07

INCOME PROTECTION PROGRAM

LONG TERM DISABILITY (LTD)

The Company pays the full cost of the Long Term Disability Benefits.

A. ELIGIBILITY

Long term disability benefits become payable only after you have received weekly indemnity benefits for the maximum period of twenty-six (26) weeks.

In order to qualify for LTD benefits you must be under the continuing care of a licensed physician and “you are unable to perform all duties

of your regular occupation on a full time basis” with the Kellogg Company.

The Modified Work Program Section 5:21 will also be administered whenever possible to ensure the employee has had an opportunity to remain on full employment with the Kellogg Company.

B. THE BENEFIT

Your total monthly benefit will be \$2,000.00 per month. Benefits will be paid monthly, and are a taxable income. You will be able to collect this benefit until you reach sixty -five (65) years of age, or if you should elect to retire early, LTD will cease as of your date of early retirement. (Refer to Letter of Understanding)

Extended Health Care and Dental Care Benefits will continue while the employee is receiving Long Term Disability.

C. YOUR LTD BENEFIT PAYMENTS WILL BE REDUCED BY:

- 1) Any disability payment the employee is eligible to receive from, Canada Pension Plan, or other government plans.
- 2) The amount of any disability income benefits, which the covered person receives under a Provincial Government, mandated motor vehicle insurance plan.

Exception: employee’s privately owned insurance plan.

D. PREEXISTING 6/12

For new employees:

- 1) A disability which begins during the first twelve (12) months of coverage caused or contributed to by a **pre-existing** condition will not be covered.

2) A "pre-existing condition" is a sickness or injury for which the covered person received medical treatment, consultation, care or services including diagnosis, or had drugs or medicines prescribed, or had taken prescribed drugs or medicines during the six (6) months prior to his or her becoming covered under the plan.

E. PROCEDURE

Beginning week twelve (12) of Weekly Indemnity for seamless integration:

- 1) If current disability has an indefinite return date or an anticipated return date of more than twenty-six (26) weeks, the Health Centre will contact LTD carrier.
- 2) The LTD carrier will forward forms, as follows:
 - a) Physician's statement - To employee
 - b) Claimant's statement - To employee
 - c) Employer's statement - To employee
- 3) The LTD carrier will request that all forms be returned within twenty-one (21) days for assessment.
- 4) After forms are received, LTD carrier will contact the Plan Administrator Human Resource if there are questions or further information is required.
- 5) If further information is required, the Plan Administrator Human Resources will work with employee (and Union liaison with employee's approval) to ensure all information is complete and there is no interruption of payments between Weekly Indemnity and LTD.

F. UPON DEATH OF ACTIVE EMPLOYEE

Long term disability is discontinued.

G. EARLY RETIREMENT

Not applicable.

H. NORMAL RETIREMENT

Coverage is discontinued.

I. UPON DEATH OF RETIREE

Not applicable.

J. WEEKLY INDEMNITY

You do not qualify for LTD until after 26 weeks of Weekly Indemnity.

K. LEAVE OF ABSENCE

You do not qualify for Long Term Disability.

L. LAYOFF

Not applicable, benefits may be payable if Weekly Indemnity claim established prior to date of layoff.

SECTION 15:08

OTHER BENEFITS WHILE DISABLED

CONTINUATION OF COMPANY BENEFITS

All of your basic and total disability benefits coverage remains in force while you are receiving Short Term and Long Term Disability payments. The Company pays the full costs of the basic benefits while you are disabled.

KELLOGG'S RETIREMENT INCOME PLAN

You will continue to accrue pension credits while disabled after an absence of thirty (30) consecutive days up to a maximum of eight (8) hours per working day of absence and up to one thousand-five hundred (1,500) hours over the period encompassing the current year, and two (2) previous years.

SECTION 15:09

LIFE INSURANCE PROGRAM

The Life Insurance Program is comprised of life and accident insurance plans that help provide financial protection for you and your family in case of death or accidental injury. Benefits may be payable from the following plans:

- A. Basic Life Insurance
- B. Accidental Death and Dismemberment Insurance
- C. Optional Life Insurance

ELIGIBILITY

Regular full-time employees are eligible for coverage on the first day of the month following successful completion of probation.

BENEFICIARY

- 1) You may name any person(s) you wish as beneficiary under these life insurance plans and you may change your beneficiary at any time. If you wish to designate a minor as your beneficiary, you should also appoint a trustee. For newly hired employees, the Insurance Carrier will supply Accidental Death and Dismemberment cards.
- 2) In the event of your death, your survivors may also receive benefits from the Company Retirement Income Plan, the Group Retirement Savings and Investment Plan, the Canada/Quebec Pension Plan,

and, under certain circumstances, **from Workers' Compensation.**

A. Basic Life Insurance

Benefit Amount - Your Benefit Amount is determined according to your length of service for the first 3 full calendar years as follows:

1. From your date of hire until the last day of that calendar year
- **\$10,000**
2. For the second full calendar year following your date of hire -
\$11,000
3. For the third full calendar year following your **date** of hire -
\$12,000

Thereafter, your Benefit Amount will be determined as follows:

1. Insurance Group I (Insurance Codes I, II, III, IV)
- Benefit Amount of **\$36,000** April 16th 2000
2. Insurance Group II (**Insurance** Code V)
- Benefit Amount of **\$38,000** April 16th 2000

1. AT RETIREMENT

When you retire, you are covered for **\$3,000.00** of life insurance. You may contact the People Services Centre for more information on benefit extension upon your retirement.

2. UPON DEATH OF ACTIVE EMPLOYEE

The Life insurance is payable according to your insurance group.

3. WEEKLY INDEMNITY

Life insurance coverage continues to a maximum of **26** weeks.

4.LONG TERM DISABLITY

Life insurance coverage continues up to age 65.

5.LEAVE OF ABSENCE

For maternity **and/or** parental leave, coverage continued during leave. For personal, coverage continued during period of approved leave but not beyond 12 months.

6. LAYOFF

Life insurance continued for up to 3 months following layoff.

7.WAIVER OF PREMIUMS BENEFIT

If you become totally disabled while insured and prior to age 65 and remain so for the qualifying period of 12 months, your Life Insurance will continue.

The premium for your Life Insurance will continue to be waived until your 65th birthday, provided you remain totally disabled and under the regular care of a physician.

&CONVERSION PRIVILEGE (END OF COVERAGE)

If your Group Benefits terminate, you may be eligible to convert your Employee Life Insurance to an individual policy, without medical evidence. You must apply for the individual policy, and pay the first monthly premium within 31 days of the termination of your Employee Life Insurance. For information on the conversion privilege, please see your Plan Administrator.

B. ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE (A.D. & D.)

Accidental Death and Dismemberment Insurance (A.D.& D.) covers you 24 hours a day for accidents on or off the job, anywhere in the

world. You are automatically eligible for **A.D. & D.** insurance when you become eligible for basic life insurance coverage.

Your coverage is equal to **50%** of the amount of your basic life insurance coverage.

1. UPON DEATH OF ACTIVE EMPLOYEE

AD&D equal to an additional **50%** of Basic Life insurance amount if death accidental.

2. EARLY RETIREMENT - NORMAL RETIREMENT - UPON DEATH OF RETIREE

AD&D is not applicable.

3. WEEKLY INDEMNITY

AD&D coverage continued up to **26** weeks.

4. LONG TERM DISABILITY

AD&D coverage continues while on LTD.

5. LEAVE OF ABSENCE

For maternity and/or parental leave, AD&D coverage continued during leave. For personal leave, AD&D coverage continued during approved leave, but not beyond **12** months.

6. LAYOFF

AD&D coverage continued for up to **180** days following layoff.

7. SCHEDULE OF BENEFITS

When accidental injury results in any of the following losses within 365 days **after** the date of the accident, the following schedule of benefits applies:

Loss of Life	Principal Sum
Loss of Both Hands, Both Feet or Both Eyes	Principal Sum
Loss of One Hand and One Foot	Principal Sum
Loss of One Hand and One Eye or one Foot and One Eye	Principal Sum
Loss of Speech and Hearing in Both Ears	Principal Sum
Loss of One Arm or One Leg	Principal Sum
Loss of One Hand, One Foot or One Eye	Two-Thirds of Principal Sum
Loss of Speech or Hearing in Both Ears	Two-Third of Principal Sum
Loss of Thumb and Index Finger of One Hand	One-Third of Principal Sum
Loss of Hearing in One Ear	One-Quarter of Principal Sum
Loss of Use of Both Arms or Both Hands	Principal Sum
Loss of Use of Both Legs or Both Feet	Principal Sum
Loss of Use of One Arm or One Leg	Three-Quarters of Principal Sum

Loss of Use of One Hand or One Foot Two-Thirds of Principal Sum

Quadriplegia (total paralysis of both upper and lower limbs) Two-Times Principal Sum

Paraplegia (total paralysis of both lower limbs) Two-Times Principal Sum

Hemiplegia (total paralysis of upper and lower limbs of one side of the body) Two-Times Principal Sum

Only one benefit, the largest to which you are entitled, is payable for all losses resulting **from** any one accident.

A protected person is covered twenty-four hours a day for losses resulting from injuries, which are received anywhere in the world.

Exceptions are:

1. suicide, or attempted suicide, sane or insane
2. injuries caused by act of declared or undeclared war

The People Services Centre will provide any necessary assistance in making claims. **If you require further assistance, contact the Human Resources Department.**

C. OPTIONAL LIFE INSURANCE

1. OPTIONS

Optional employee-paid coverage for the employee is available at the following levels: \$50,000; \$100,000; \$150,000; \$200,000 and \$250,000.

The rates are based on age (premiums plus provincial tax).

All amounts may be available with short-form medical underwriting (health questions) for employees actively at work.

2. WAIVER OF PREMIUM

If you become totally disabled while insured and prior to age 65 and remain so for the qualifying period of 6 months, your Optional Life Insurance will continue without payment of premium.

The premium for your Optional Life Insurance will continue to be waived until your 65th birthday, provided you remain totally disabled and under the regular care of a physician.

3. RECURRENT DISABILITY

If you again become totally disabled **from** the same or related causes within 6 months of returning to work, you will be eligible for the waiver of premium benefit immediately. You will not be required to complete **the** qualifying period.

D. DEFINITION OF TOTAL DISABILITY

Due to sickness or injury, you are unable to perform the regular duties of your own occupation, during the Qualifying Period and the next 2 years, After this period, total disability means you are unable to work at any occupation for which you are or may become qualified by training, education or experience.

E. EXCLUSIONS

If death results **from** suicide any amount of Optional Life Insurance that has been in effect for less than one year will not be payable.

SECTION 15:10

RETIREMENT INCOME PLAN (*PENSION*)

A. RETIREMENT INCOME PLANS

The Company retirement plan is based on your service after January 1, 1980. You will also receive any pension benefits you may have earned under the former pension plans such as the Profit Sharing. The Company pays the full cost of the Kellogg Retirement Income Plan.

B. ELIGIBILITY FOR MEMBERSHIP

Regular full-time employees are automatically included in the retirement plan **after** completing one year of continuous service.

C. NORMAL RETIREMENT PENSION

Normal retirement is on the last **day** of the month immediately following your **65th** birthday.

This plan provides a pension income at age **65**, based on your credited or length of service in any year as follows:

HOURS WORKED	CREDITED SERVICE
0 - 349	0 year
350 - 749	1/4 year
750 - 1,124	1/2 year
1,125 - 1,499	3/4 year
1,500 or more	1 year

For employees suffering from long term illness (over **30** days), up to **1500** banked hours may be withdrawn over a three year period, in order to supplement credited service for pension purposes.

At age 65, your monthly retirement income benefit will be equal to the **monthly pension amount in effect for your Pension Group multiplied** by your years of credited service since January 1st, 1980.

Pension Group	April 16, 2000	April 15, 2001	April 14, 2002
Group 1			
Ins. Codes I, II, III	\$48.00	\$50.00	\$52.00
Group 2			
Ins. Codes IV, V	\$50.00	\$52.00	\$54.00

This plan covers only your service with the Company from January 1st, 1980. Your pension is calculated by multiplying your years of service by the appropriate amount shown in the table above, which will equal your monthly amount. Any pension benefits you may have earned from former plans are in addition to the pension from this Retirement Income Plan.

D. ANNUAL BENEFITS STATEMENT

Your annual benefits statement shows your pension earned to date and estimates your pension for future service based on your current earnings. These levels may change each year and your estimated total pension will change accordingly. The nearer you get to age 65, the more accurate the total estimated pension on your benefits statement will be.

E. EARLY RETIREMENT

You may retire and receive a pension any time after reaching age 55. Certain subsidies may apply according to your years of service and your age:

1. If age **55** or over and age plus years of service total **85** or more: your pension is calculated in the same way as a normal **retirement** pension with no reduction.
2. Furthermore you receive a Bridge Benefit of **\$12.00** a month for each year of service to a maximum of **\$360.00** a month. This Bridge Benefit is paid until age **65** at which time the government pensions begin.
3. With **20** years of service, but age plus years of service are less than **85**, your pension is calculated in the same way as a normal retirement pension, but is then reduced. The reduction is **2%** for each year that your early retirement date precedes age **62**, down to age **60** and **then 4%** for each year that your early retirement date precedes age **60**.
4. If you do not qualify for any of the subsidies, your pension is calculated in the same way as a normal retirement pension, but is then reduced by **6%** for each year by which your early retirement date precedes age **62**. There are no adjustments to the calculation after age **62**.

F. PENSION PAYMENT OPTIONS

1.SPOUSAL

If you have a spouse when you retire, the Pension Benefits Act states that your pension must be paid on a joint and survivor basis with at least **60%** of the pension payable to you continuing to your spouse after your death, should your spouse survive you.

The normal pension fund distribution if you take the **spousal** option is **90/60%**. The retiree will collect **90%** of his/her pension until death and then their spouse will collect **60%** of the pension until death.

If you have a spouse but wish to select a form other than the **Joint and 60% Survivor form** then you and your spouse must sign a **Spousal Waiver** form.

2. LIFE ONLY

If you do not have a spouse when you retire, the normal form of pension is “Life Only” which means that payments stop when you die.

3. GUARANTEED 5, 10 OR 15 YEARS

Under each of these options, the pension is payable for as long as you live. If you should die before the guaranteed period ends, pension payments are continued to your beneficiary for the balance of the guaranteed period.

G. TERMINATION BENEFITS

If you leave the Company after completing 3 or more years of service you will be entitled to a deferred pension payable at age 65.

You may elect to transfer **the** commuted present value of the earned pension to a “locked-in” vehicle. Locked-in pension amounts must be used to purchase a life annuity at retirement unless paid as a death benefit prior to retirement.

You will be **100%** vested for all earned benefits in this Plan as well as any benefits you may have earned from former plans, after 3 years of service for full-time employees.

You earn one year of service for each year you have worked **1500** hours in a calendar year.

I. IF YOU DIE BEFORE RETIREMENT

- 1) If you have less than 2 years of participation in the plan, there is no death benefit. If you should die after completing 2 or

more years of participation in the Plan, your beneficiary or estate will receive the value of your pension accrued at date of death.

- 2) In addition, any death benefits from previous plans would be payable.

I. SPECIAL DISABILITY PROVISION

If you become disabled, you may be entitled to receive a disability retirement benefit provided you have at least 10 years of continuous service. This will be based on your accrued pension at the time you become disabled. The Plan will pay a monthly pension as though you had retired at the time you become disabled.

J. IF YOU DIE DURING RETIREMENT

If you elected at the time of retirement to provide a continuing payment to your spouse or beneficiary in the event of your death and the conditions of that payment are still applicable, payment will be made to them as you directed. If you retired prior to age 65 and were receiving a bridge benefit at the time of your death this payment would not continue to your spouse or beneficiary.

K. WEEKLY INDEMNITY

Suspension of pension credit accrual except for absences in excess of 30 consecutive days - may draw "banked" hours to a maximum of 1500 hours every three years.

L. LONG TERM DISABILITY

Suspension of pension credit accrual except for absences in excess of 30 consecutive days may draw "banked hours" to a maximum of 1500 hours every three years.

M. LEAVE OF ABSENCE

For personal, there is a suspension of pension credit accrual.

N. LAYOFF

There is a suspension of pension credit accrual.

O. PENSION

The Company will agree to negotiate with the Union any options that are available due to necessary modifications required to the plan, as the result of Federal or Provincial changes to the various Acts covering the above mentioned plan.

It is further understood **that** the Company will maintain the present economic contribution within the Federal or Provincial guidelines in an appropriate manner.

SECTION 15:11

RETIREMENT SAVINGS & INVESTMENT PLAN

SAVING AND INVESTMENT PLAN

This is a voluntary plan designed to help you save money for retirement. If you choose to contribute, the Company will also make a contribution on your behalf.

You choose the type of **fund** or funds in which your contributions are to be invested. Contributions and the investment earnings on contributions are credited to an account in your name.

You may make withdrawals from the employee contribution plan **from** time to time, but we encourage you to leave **the** money in the plan to supplement your retirement income.

A. ELIGIBILITY AND ENROLMENT

You are eligible to participate in the plan after completing your probationary period with the Company. Company portion

(Deferred Profit Sharing Plan - DPSP) will begin **after** one (1) year of continuous service.

To participate, you must complete an enrolment form **authorizing** the Company to make regular deductions **from** your pay. Enrolment forms are available from the People Services **Center**. If you require further assistance, contact the Human Resources Department.

B. YOUR CONTRIBUTIONS

You may contribute any amount **from 1% to 9%** of your pay and may change the rate of your contributions every 6 months.

You may elect to apply your regular (1% to 9%) contributions to your own or your **spousal RRSP** (in the Retirement Savings & Investment Plan).

You may contribute a lump sum payment based on your statement of **RRSP** room (see "Tax Sheltered Limits", for explanation) and/or transfer amounts from other tax sheltered vehicles such as a **non-locked-in** personal **RRSP** into your account.

Please note it is your responsibility to ensure that your contributions remain within the tax sheltered limits.

You may discontinue your contributions at any time but, in such a case, will be unable to resume contributions to the plan for at least six months.

C. MAXIMUM EMPLOYEE CONTRIBUTIONS

If, due to the company Retirement Income Plan and company contributions to the Retirement Savings & Investment Plan, you do

not have **sufficient RRSP** room to continue making your employee contribution, your contributions through payroll will be automatically **deferred to a non registered component of the retirement saving and investment plan**, with continuing Company contribution.

The Company contributions will continue as if you were making the same contribution as you were immediately before you reached the maximum.

D. COMPANY CONTRIBUTIONS

For each **\$1.00** you contribute the Company contributes **80** cents to a maximum Company contribution of **4%** of your pay. Company contributions on your behalf are not taxable to you until withdrawn **from** the plan.

E. INVESTMENT CONTRIBUTIONS

You choose the way in which you want your own and the Company's contributions to be invested **within these funds**.

FUNDS:

- 1)**Equity** Fund (mainly Canadian Common Stocks),
- 2)**Mortgage** Fund (mainly Industrial or Commercial Mortgages),
- 3)**Money** Market Fund (mainly Treasury Bills & Commercial Papers
- provides daily interest),
- 4)**Balanced** Fund (mainly Equities, Bonds)
- 5)**G.I.C.** Fund, (Guaranteed Investment Certificates) 1, 3, 5 years.
- 6)**Kellogg** Stock Fund. (Kellogg Common Stocks).
- 7)**Standard & Poor** (S&P 500) Index Fund.

8) **Trimark** Global Fund. (International)

9) **Buteaul** Goodman Small Cap Fund.

10) **Fixed** Income Fund. (Government and Corporate Bonds)

F. GUIDELINES OF PLAN

- 1) Contributions and investment earnings and losses are credited to individual employee accounts daily.
- 2) The funds are evaluated daily.
- 3) Unlimited inter-fund transfers with no fee.
- 4) Unlimited cash withdrawals of employee money. (with payment of Tax)
- 5) One transfer will be allowed per year of employee money. (to another **R.R.S.P.** plan)

G. DEFERRED PROFIT SHARING PLAN

You are not allowed to withdraw or transfer outside established plan, any of the Company contributions (Deferred Profit Sharing Plan - **DPSP**) or earnings until retirement or termination.

H. RETIREMENT

If you retire on or **after** age **55** on Company pension, you have the following options:

1. Withdraw all the funds to your credit in the plan in a cash lump sum. If you choose this option you will pay tax on the taxable portion of the withdrawal.

2. Withdraw all your non-taxable contributions in cash and transfer all the taxable contributions to a personal Registered Retirement Savings Plan, if applicable.
3. Participate in the plan until your 69th birthday (or applicable age set by legislation).
4. Retirees can make one transfer out of the plan a year.
5. **Retirees** will be allowed four (4) cash withdrawals per year. (Company or employee monies).
6. Retirees can make unlimited inter-fund transfer at no cost.
7. Prior to your 69th birthday (or applicable age set by legislation) the money must be taken in cash or transferred to an annuity, **RRIF** or an existing personal **RRSP**.

I. BENEFITS AT DEATH

If you should die, the **full** value of your account (less applicable taxes), including Company contributions, is payable to your beneficiary, or transferred to a tax-sheltered vehicle.

J. UPON DEATH OF RETIREE

May be a benefit depending on settlements of account.

K. BENEFITS AT TERMINATION

If you leave the Company, your own contributions with investments earnings **plus** Company contributions with investment earnings are payable **in** a cash lump sum within **90** days of termination. If you wish, most or all of your account may be transferred to your personal **RRSP**.

L. LEAVE OF ABSENCE

Employee and Company contributions cease however, account balance remains in plan and continues to accrue investment earnings.

M. LAYOFF

Employee & Company contributions cease, however, account balance remains in plan and continues to accrue investment earnings.

N. LONG TERM DISABILITY

Employee & Company contributions cease, however, account balance remains in plan and continues to accrue investment earnings.

O. WEEKLY INDEMNITY

Employee & Company contributions cease, however, account balance remains in plan and continues to accrue investment earnings.

P. TAX INFORMATION

1. Employee contributions are tax-deductible as they are deposited into a Group **RRSP**. Your taxable income will be adjusted based on your contributions. Receipts for tax purposes will be issued each January and March for contributions made in the previous March 1 to December 31 and January 1 to February **28/29** periods respectively.
2. Because your contributions to this plan are deductible for income tax purposes, they reduce your contributions to personal **R.R.S.P.'s**.
3. No income tax is **payable** by you on your savings, interest income, dividends on shares, capital gains, and Company contributions while the money is in the plan.

4. Withdrawals of employee contributions, and earnings are taxed in the year in which the withdrawal is processed.
5. Tax Sheltered Limited

After filing your income tax return each year, Revenue Canada will advise you of your **RRSP** contribution room for the coming year.

By deducting your actual or estimated full calendar year employee contributions (ear-to-date contributions are shown on your pay stub) to this plan **from** your statement of **RRSP** contribution room, you will determine whether you are able to make additional tax sheltered contributions. These additional contributions may be deposited into this plan once each year, as mentioned previously or another tax sheltered vehicle such as a personal **RRSP**.

Please note it is your responsibility to ensure that your contributions remain within the tax sheltered limits.

All tax information is subject to current Revenue Canada Taxation Rules.

Q. STATEMENT OF ACCOUNT

You will receive quarterly statements showing your position in the plan.

R. DESIGNATION OF BENEFICIARY

You may name any one you wish as beneficiary to receive benefits in the event of your death and, within the limits of the law, may change your beneficiary at any time. **To do so, contact the Insurance Carrier.**

S. ADMINISTRATION EXPENSES

1. The Company pays the administration expenses of the plan.
2. The Company will maintain a kiosk containing a computer and phone so employee(s) can access their S & I account.
3. The Company will pay all the costs associated with the administration of the plan including the costs of maintaining the S & I committee.
4. The Company will maintain a level of Funding to maintain the S & I plan, with the above changes that will keep a cap of 25 basis points (1/4 of 1%) on the employee paid management fees.
5. The Company will pay the added administration costs of implementing and maintaining a Kellogg Stock Fund in the S & I plan.
6. The Company will maintain a non-registered component in the S & I plan.

T. SAVINGS & INVESTMENT PLANS

The Company will agree to negotiate with the Union any options that are available due to necessary modifications required to the plan, as the result of Federal or Provincial changes to the various Acts covering the above mentioned plan.

It is **further** understood that the Company will maintain the present economic contribution within the Federal or Provincial guidelines in an appropriate manner.

NOTE:

This is a description of only the main features of the Retirement Savings & Investment Plan. It should be understood that all

rights and interpretations will be governed by Official Plan Texts and Government legislation or regulations.

SECTION 15:12

**RETIREMENT INCOME PLAN
(Prior to 1980)**

If you belonged to the previous profit sharing plan (pre January 1, 1980) or made additional voluntary contributions to the pension plan, the accrued value of your profit sharing plan and/or A.V.C. account is payable to your beneficiary. If your beneficiary is your spouse, the amount may be received as a lump sum, as an annuity, or may be transferred tax-sheltered, into a Registered Retirement Savings Plan. Funds received in a lump sum are taxable in the hands of your beneficiary.

SECTION 15:13

UNION PENSION COMMITTEE

Representatives from both parties agree to meet annually to review and evaluate the funding and performance of both the Savings and Investment plan and the Pension Plans.

SECTION 15:14

STOCK PURCHASE PLAN

1. FEATURES OF THE PLAN

Kellogg Company is the parent Company and sole shareholder of Kellogg Canada Inc. Its shares are listed on and traded through the New York Stock Exchange. They are bought and sold only in U.S. dollars. The amount of your purchase can range from a minimum of \$25 US. per month to a maximum of \$25,000 U.S. during any calendar year. For ease of administration when you use the payroll deduction method of payment, deductions are made in Canadian dollars, which will be sufficient, at current and anticipated interest rates, to qualify under the U.S. plan. Shares will be purchased by Harris Bank for employees on the open market. Dividends are

reinvested automatically for you in additional whole and **fractional** shares of Kellogg Company stock.

2) **Participation** is free. Kellogg Canada Inc. pays all service charges and brokerage commissions for:

a) Purchase of shares through payroll deduction, cash purchase of shares, and reinvestment of dividends. (Payment for these fees on your behalf must be reported for income tax purposes.)

b) **However**, any interest earned on employee funds for the short period of time between payroll or employee contribution and payment to the Harris Bank will be used to contribute to the payments of these expenses. At the end of each calendar quarter, you will receive from Harris Bank a statement of your account showing the details of the transactions.

c) Harris Bank will hold for your convenience all shares purchased under the plan and any other Kellogg Company stock you wish to surrender for safekeeping. Custody of those shares by Harris Bank protects them **from** loss, theft, or inadvertent destruction.

B. HOW THE PLAN WORKS

1) You may sign up to participate in the Employee Stock Purchase and Dividend Reinvestment Plan by completing the payroll deduction form (see your Human Resources office). The following guidelines apply:

a) **Minimum** payroll deduction is **\$9.00** (Canadian) per pay period for hourly employees. This amount has been established to equate to the minimum required **\$25 U.S.** under the dividend reinvestment plan to which this stock purchase plan is attached.

To allow for fluctuation in exchange rates and the possibility that the U.S. dollar could appreciate against the Canadian dollar, a margin has been provided which should mean that the minimum payroll deduction will not have to be changed. In the unlikely event that the U.S. dollar changes significantly in

foreign exchange markets against the Canadian dollar this minimum amount may have to be changed.

b)Maximum contributions are **\$25,000** U.S. (in total) per year.

c)A new or changed deduction is effective the **first** pay period of the following month.

d)The amount of your payroll deduction can be changed only once every six **(6)** months.

e)Payroll deductions for purchase of Kellogg Company stock will not be withheld **from** vacation or sick pay.

f) You may cancel your payroll deduction at any time. Any amount that has not been forwarded to Harris Bank will be refunded to you.

2)Your dividends are conveniently reinvested in additional Kellogg Company stock at the time of each dividend payment. Since dividends are seldom in an amount that will purchase an exact number of full shares, you will be credited with fractional shares computed to three decimal places.

3)Quarterly statements issued will provide you with the necessary investment and tax information including the amount of dividends reinvested, the number and price per share of shares purchased by investment of dividends and cash, and the total number of **full** and fractional Kellogg Company stock in your account as of the statement date.

4)At year-end, Harris Bank will provide you with information on the payment of brokerage charges and bank service charges. Payment of these charges on your behalf must be reported as income for tax purposes.

C. PURCHASE OF SHARES THROUGH' CASI PAYMENT

- 1) Cash payments of **\$25** U.S. (minimum) to **\$25,000** U.S. (in tota during any calendar year for purchase of shares can be made b sending cheques directly to Harris Bank at any time. **Kellogg** Company or Kellogg Canada Inc. will not handle voluntary cas purchases.
- 2) Harris Bank will purchase shares on or about the **15th** of eac month. Cheques received on or after the purchase date will b held until the next month.
- 3) If shares are not purchased by the **15th** of the month **precedin** a dividend payment, no dividend will be paid on the **newl** purchased shares until the next quarter.

D. SAFEKEEPING OF SHARES

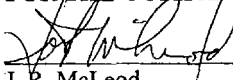
- 1) **For** your convenience, Harris Bank will hold the shares it **ha** purchased for you. Whole and **fractional** shares will be held in dividend reinvestment account. You may also deliver **ft** safekeeping any Kellogg Company stock you already hold. **Upo** written request, Harris Bank will issue you certificates for any c all of the **full** shares credited to your account, and you ma continue to reinvest dividends on those shares.
- 2) **Any** employee who withdraws his or her shares from the **custod** of Harris Bank may subsequently sell these shares only **throug** a broker registered under the securities act of the province i which he or she resides. The employee is responsible for **th** brokerage fees.

E. COMMUNICATIONS

Contact you Human Resources office if you have questions **regardin** your payroll deduction or general operation of the program. If **yo** have specific questions regarding your account, contact Harris Bank

'Harris Trust and Savings Bank
Dividend Reinvestment Service
P.O. Box A3309
Chicago, IL 60690
Telephone; (312)461-2549

FOR THE COMPANY:



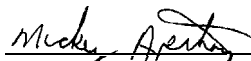
J. R. McLeod
Vice President Labor Relations




P. A. Chang
Plant Manager



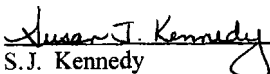
M. W. Ward
Human Resources Manager



D. M. Apthorp
Assemble Business Unit
Manager



C. A. Wood
Human Resources Business
Partner

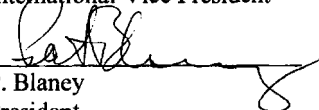


S.J. Kennedy
Human Resources Generalist

FOR THE UNION:



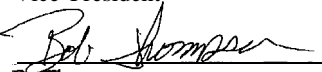
M. Konesko
International Vice President




P. Blaney
President



S. Petric
Vice President



B. Thompson
Chief Steward



L. Firmani
Bargaining Committee

MEMORANDUM OF AGREEMENTS' ,

MEMORANDUM OF AGREEMENT

Memorandum of Agreement between the Bakery, Confectionery, Tobacco Workers & Grain Millers Local Union No. 154-G and Kellogg Canada Inc., London Plant reached this 15th Day of April, 2000.

1. The parties herein agreed to the terms of this memorandum as constituting full settlement of all matters in dispute.
2. The undersigned representatives of the parties do hereby agree to recommend complete acceptance of all terms of this memorandum to their respective principals.
3. The parties herein agree that the said Collective Agreement shall include the terms of the previous agreement which expired on April 16, 2000, provided however, that the following amendments are incorporated:

(a) All language changes as agreed in the Highlight Document of 2000.

(b) Drug Plan

\$2.00 deductible per prescription effective May 8, 2000.
100% Reimbursement of eligible amounts over the deductible, where prescribed, **re:** prescription drugs with D.I.N. number as of the ratification date, plus any additions will remain in effect for the life of the agreement.

(c) Dental Plan

- i) Adjust the current ODA fee schedule, as follows: .

First Year 1999 ODA fee schedule

Second Year 2000 ODA fee schedule

Third Year 2001 ODA fee schedule

Effective dates 1999 - effective date of ratification
2000 - January 1, 2001
2001 - January 1, 2002

- ii) Orthodontics increased from \$2,000 to \$2,500 effective May 2000.

(d) Pension

1st Year	2nd Year	3rd Year
\$1.00	\$2.00	\$2.00

Increase current levels for Group 1 and Group 2, as follows:

	1st Year	2nd Year	3rd Year
Group 1 (1, 2, 3,)	\$48.00	\$50.00	\$52.00
Group 2 (4, 5)	\$50.00	\$52.00	\$54.00

- (i) Wages Retroactive to April 16, 2000.

1st Year	2nd Year	3rd Year *
2.0%	2.5%	1.75%

* If the consumer price index as published in the Canada Labour Views for year ending December 2001 exceeds the negotiated increase for the third year negotiated rate it will be increased by 1% over the 2001 index.

- ii) **Shift** premium increase five cents for night shift in the second year of the contract.

**MEMORANDUM OF AGREEMENT
ENTRY LEVEL EMPLOYEES**

1. The Company may hire up to 10% of the bargaining unit employees into the Entry Level position, excluding those in the Entry Level employee classification.
2. The probationary period for Entry Level employees (Section 5:05) will be to a maximum of 400 hours worked. The Chief Steward will be provided a current list once per month including all hours worked in the Entry Level classification.
3. During the probationary period Entry Level employees will not be eligible for any benefits as outlined in Article XV.
4. The rate of pay for Entry Level employees will be \$15.18.
5. Entry Level employees will be scheduled to meet the business needs **and/or** qualified on up to two (2) operational jobs as outlined in Section 8:07.
6. Entry Level employees will be paid overtime in accordance to the provisions of this Collective Agreement.
7. After completion of the probationary period Entry Level employees will be entitled to **O.H.I.P.** (Sec. 15:01) and the Employment Standards Act provisions for vacation and holiday pay with the addition of the Extended Health Care benefit (Section 15:03).
8. Entry Level employees will become members of the bargaining unit after successful completion of #2 above and will be entitled to all provisions of the Collective Agreement excluding those exceptions that are explicitly cited in this document.
9. Entry Level employees who have completed the probationary period will be scheduled or recalled as per the Collective Agreement.

0. Job discontinuance's as outlined in Section 2:04 will not be back filled by using the **Entry Level employee classification**. It is the understanding of the parties that work that is discontinued will be work that is no longer performed.
1. Entry Level employees that have completed their probationary period may bid jobs as per the Collective Agreement.

The Entry Level employees would be eligible to bid apprenticeship positions. The trainee position would be awarded to the Entry Level employee who successfully completes the probationary period and aptitude testing.
2. The Entry Level employees who have successfully bid a job would be eligible for benefits as outlined in Article XV including benefits, pension and Savings and Investment participation.
3. It is understood that there will be twelve (12) Floater positions, If the Floater complement falls below twelve (12), it is understood that those positions will be filled on a one-for-one basis by the most senior Entry Level employee. It is understood that this would be the same as if those employee(s) had bid a job as per #12 above.

Agreed Negotiations: April 15, 2000

MEMORANDUM OF AGREEMENT TRAINING

the joint training group will work together to:

- maximize** cost effective training procedures.
- ensure training is done by seniority, whenever possible.
- achieve growth in employee expectations, attitudes, values, experience, task understanding.
- secure the most appropriate training methods.

Agreed Negotiations: April 15, 2000

MEMORANDUM OF AGREEMENT

The Company and the Union agree to study alternative shift rotations during this contract that would be beneficial to both parties.

Agreed Negotiations: April 15, 2000

MEMORANDUM OF AGREEMENT SAFETY SHOE AND SAFETY EYEWEAR POLICY

The **Company** will maintain the negotiated provisions for safety shoes and safety eyewear in the same manner as other **GMP** requirements as per the 9/17/96 safety policy.

Agreed Negotiations: April 15, 2000

MEMORANDUM OF AGREEMENT HEALTH BENEFITS

The Company and a Union representative, in conjunction with the insurance carrier, will work together to review and resolve issues related to Extended Health Care, Dental or Weekly Indemnity.

Agreed Negotiations: April 15, 2000.

MEMORANDUM OF AGREEMENT WASTE REDUCTION PERFORMANCE BONUS PLAN

The Company and Union will continue to work jointly to reduce waste on packaging and raw materials and at the same time maintain or enhance product quality.

The joint Steering Committee will oversee the execution of the plan.

It is understood that either party has the right to withdraw participation with sixty (60) days advance notice.

Agreed Negotiations: April 15, 2000

LETTER OF UNDERSTANDING OUTSIDE CONTRACTORS

The Company **recognizes** its regular employees as the primary resource for work that is covered under the contract. The decision to contract work out would be based on the following factors: production capacity, capital investment, timeliness, cost effectiveness and reliable availability of the required labour.

No regular employee would be laid off as a result of the contract(s) being “let” for work they are qualified or capable to perform.

The Company will meet on a monthly basis with the Union Negotiating Committee to review outside contract experience and future plans. The purpose of this meeting will be to explore ways to perform this work rather than contracting it out.

As further indications of our intention to **utilize** our human and capital assets to the fullest, the Vice President of cereal manufacturing and the International Vice President of the Bakery, Confectionery, Tobacco Workers and Grain Millers will meet when requested with the appropriate local plant and Union officials to address and resolve obstacles to the use of Bargaining Unit Employees in performing this work.

Agreed Negotiations: April 15, 2000

LETTER OF UNDERSTANDING TOOL BOX SEARCH

The Company will administer tool-box searches as outlined in grievance settlement #7298 dated January 19, 2000. This procedure will be posted as part of the notice to employees regarding tool-box searches.

Agreed Negotiations: April 15, 2000

**LETTER OF UNDERSTANDING
HOURS OF WORK**

It is agreed that the new negotiated hours of work regarding the start of the work week as per Section 6:02 will be implemented on June 4, 2000.

Agreed Negotiations: April 15, 2000

**LETTER OF UNDERSTANDING
WEEKEND WORKER**

It is agreed that the new negotiated hours of work for Weekend Workers will be implemented effective June 9, 2000.

Agreed Negotiations: April 15, 2000

**LETTER OF UNDERSTANDING
BANKED OVERTIME**

It is agreed that all employee banked overtime records will be deleted effective Wednesday, May 17, 2000.

Agreed Negotiations: April 15, 2000

**LETTER OF UNDERSTANDING
GROUP V BIDDING PROCEDURE**

1. Paper bid within current Group I and II
2. Assign junior operators from Group I and II
3. Current bid Weekend Workers in Group II will remain in Group II.

Agreed Negotiations: April 15, 2000

LETTER OF UNDERSTANDING
LONG TERM DISABILITY

The parties agree to find mutual solutions to the Long Term Disability issues. We will work together to get employees back to productive, meaningful work in the Kellogg London Plant.

The parties agree that employees who are on Long Term Disability longer than the (24) twenty-four month period will be subject to the following conditions:

After an employee's disability benefits have been paid for (24) twenty-four months the individual may be re-evaluated to determine if they are able to perform all of the material duties of any gainful occupation for which he/she is reasonably fitted by training education or experience to perform work, within the Kellogg (London) organization.

If said employee is unable to maintain regular employment within the Kellogg Company he/she will be considered for totally disabled under the application of the plan and will be immediately reinstated at the prescribed benefit level.

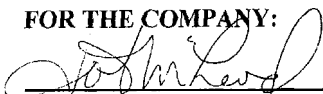
Employees that are eligible for full retirement (age plus years of service) will be counselled as to the various retirement options available to them versus continuing on the Long Term Disability.

If any such employee is transferred into a non-bargaining unit, Kellogg position due to the application of this agreement, they will be returned to the bargaining unit if they are no longer found to be totally disabled.

Agreed Negotiations: April 15, 2000

MEMORANDUM OF AGREEMENT

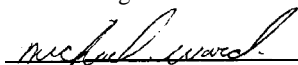
FOR THE COMPANY:



J. R. McLeod
Vice President Labor Relations



P. A. Chang
Plant Manager



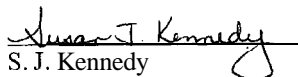
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Manager

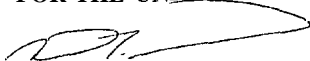


C. A. Wood
Human Resources Business
Partner

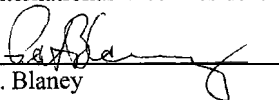


S. J. Kennedy
Human Resources Generalist

FOR THE UNION:



M. Konesko
International Vice President



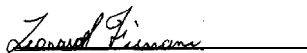
P. Blaney
President



S. Petrie
Vice President



R. Thompson
Chief Steward



L. Firmani
Bargaining Committee



Manulife

Financial

Group Benefits ♦ 101-630 Riverbend Drive, Kitchener, Ontario N2K 3S3 ♦ Phone (519) 571-1001 Ext. 230, Fax (519) 571-8338

MEMO

To: Dolores Bryant, Kellogg Canada Inc.

From: Barry Stephens

Subject: Group Contract 91693 B

Date: March 28, 2001

Dolores: Please find enclosed an up to date copy of contract 91693B, plus copy of all amendments 1999, 2000. This document was requested in conversation with your company lawyer, currently in arbitration meeting with the union (sorry, I do not have his name). I trust you will be able to get it in the proper hands.

The original request was for copy of older versions of 91693 B ---- I am still hoping to be able to provide copy of the 1995 and 1997 version of this document. Please call if you have questions. barry

Amendment

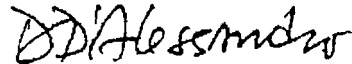
Kellogg Canada Inc.

G0091693B

January 01, 1999

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on February 11, 1999



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Under the Dental Care Benefit, the Dental Fee Guide is changed to the 1998 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides, for Classification Code BB.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, **unless** Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number AI 7

Group Policyholder

*Group Policy
Number*

*Amendment
Effective Date*

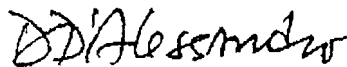
Kellogg Canada Inc.

G0091693B

May 01, 1999

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on April 26, 1999



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- The description for Classification Code BB has been revised to "Active London Hourly Employees covered under Insurance Group I"
- Under Employee Life Insurance, the Benefit Amount and the Non-Evidence Limit has been revised to \$34,000 for Classification Code BB.
- Classification Code BA has been added and is defined as "Active London Hourly Employees covered under Insurance Group II". Classification Code BA is insured for Employee Life Insurance, Optional Life Insurance, Extended Health Care, Dental Care and Weekly Income on the same basis as Classification Code BB except the Benefit Amount and the Non-Evidence Limit is \$36,000.
- Classification Code BC has been added and is defined as "Active London Hourly Employees with date of hire until the last day of that calendar year". Classification Code BC is insured for Employee Life Insurance, Optional Life Insurance, Extended Health Care, Dental Care and Weekly Income on the same basis as Classification Code BB except the Benefit Amount and the Non-Evidence Limit is \$10,000.
- Classification Code BD has been added and is defined as "Active London Hourly Employees for second full calendar year following the Employee's date of hire", Classification Code BD is insured for Employee Life Insurance, Optional Life Insurance, Extended Health Care, Dental Care and Weekly Income on the same basis as Classification Code BB except the Benefit Amount and the Non-Evidence Limit is \$11,000.

Amendment

Kellogg Canada Inc.

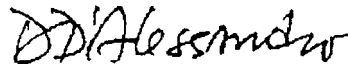
Group Policyholder

G0091693B

*Group Policy
Number*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on June 10, 1999



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

March 09, 1999

*Amendment
Effective Date*

- The Drug Plan under the Extended Health Care Benefit has been changed to include "Sexual Dysfunctional Drugs" for Employees in Classification Code BB.

May 01, 1999

*Amendment
Effective Date*

- The Drug Plan under the Extended Health Care Benefit has been changed to include "Sexual Dysfunctional Drugs" for Employees in Classification Code BA, BC, BD and BE.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A19

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

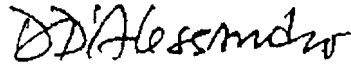
*Group Policy
Number*

May 01, 1999

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on October 26, 1999



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Under the Group Benefits Schedule for Employee Life Insurance, the Benefit Amount and the Non-Evidence Limit is changed to "\$38,000" for Employees in Classification Code BA.
- Under the Group Benefits Schedule for Employee Life Insurance, the Benefit Amount and the Non-Evidence Limit is changed to "\$36,000" for Employees in Classification Code BB.

Payment towards the first premium due **after** the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A20

Amendment

Kellogg Canada Inc.

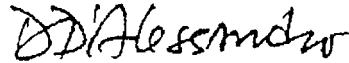
Group Policyholder

G0091693B

Group Policy
Number

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on September 13, 2000



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

April 17, 2000

Amendment
Effective Date

- Classification Code BF has been added and is defined as "London Hourly Employees who retired prior to April 17, 1994". Classification Code BF is insured for Extended Health Care and Dental Care. Please see attached policy for benefit details.
- Classification Code BG has been added and is defined as "London Hourly Employees who retired between April 17, 1994 and April 16, 1997". Classification Code BG is insured for Extended Health Care and Dental Care. Please see attached policy for benefit details.
- Classification Code BH has been added and is defined as "London Hourly Employees who retired between April 17, 1997 and April 16, 2000". Classification Code BH is insured for Extended Health Care and Dental Care. Please see attached policy for benefit details.
- Classification Code BI has been added and is defined as "London Hourly Employees who retire between April 17, 2000 and April 16, 2003". Classification Code BI is insured for Extended Health Care and Dental Care. Please see attached policy for benefit details.
- Under Employee Life Insurance, the Life Insurance Disability Benefit, has been removed for Classification Codes BA, BB, BC, BD and BE.
- Under the Group Benefit Schedule for Extended Health Care, the Licensed Private Hospital Benefit has been revised to remove the per day dollar limit for Classification Codes BA, BB, BC, BD and BE.
- Under the Group Benefit Schedule for Extended Health Care, Medical Services and Supplies has been revised to add a Maximum of \$10,000 per Calendar Year for Private Duty Nursing, for Classification Codes BA, BB, BC, BD and BE.

Group Benefits Policy

Kellogg Canada inc.

G0091693B

January 01, 1994

January 1st

January 1st

Policyholder

Policy Number

Policy Effective Date

Policy Anniversary

Renewal Date

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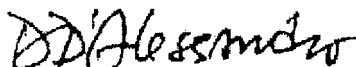
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THE MANUFACTURERS LIFE INSURANCE COMPANY
(hereafter called Manulife Financial) Waterloo, Ontario, Canada N2J 4C6

Manulife Financial agrees to pay benefits subject to the policy's provisions which are set forth on the following pages.

Those provisions are a part of this policy as fully as if stated over the signature below.

Signed at Waterloo, Ontario, Canada on March 23, 2001.



President & Chief Executive Officer

Kellogg Canada Inc.

2 Group Benefits Schedule

<i>Policyholder</i>	Kellogg Canada Inc.
<i>Policy Number</i>	G0091693B
<i>Policy Effective Date</i>	January 01, 1994
<i>Policy Anniversary</i>	January 1st
<i>Renewal Date</i>	January 1st
<i>Classification Code(s)</i>	Classification Code(s)
	BA Active London Hourly Employees covered under Insurance Group II
	BB Active London Hourly Employees covered under Insurance Group I
	BC Active London Hourly Employees with date of hire until the last day of that calendar year
	BD Active London Hourly Employees for second full calendar year following the Employee's date of hire
	BE Active London Hourly Employees for the third full calendar year following the Employee's date of hire
	BF London Hourly Employees who retired prior to April 17, 1994
	BG London Hourly Employees who retired between April 17, 1994 and April 16, 1997
	BH London Hourly Employees who retired between April 17, 1997 and April 16, 2000
	BI London Hourly Employees who retire between April 17, 2000 and April 16, 2003
	BJ Casual Hourly Employees

Employee Life Insurance

Employee Life Insurance

Benefit Amount

Benefit Amount

Employees in Classification Code BA

Grow Benefits Schedule 3

\$38,000

Employees in Classification Code BB

\$36,000

Employees in Classification Code BC

\$10,000

Employees in Classification Code BD

\$11,000

Employees in Classification Code BE

\$12,000

Non-Evidence Limit

-Non-Evidence Limit

Employees in Classification Code BA

\$38,000

Employees in Classification Code BB

\$36,000

Employees in Classification Code BC

\$10,000

Employees in Classification Code BD

\$11,000

Employees in Classification Code BE

\$12,000

Termination Age

- Termination Age

age 65 or retirement, whichever is earlier

Participation Basis

- Participation Basis

mandatory

Waiting Period

- Waiting Period

first of the month following the probationary period of a minimum of 3 days worked per week for 10 consecutive weeks of full-time employment

4 Group Benefits Schedule

Employee Optional Life Insurance

Employee Optional Life Insurance

Benefit Amount

Benefit Amount

Employees in Classification Code BA, BB, BC, BD, BE

\$50,000 or an increment thereof to a maximum of \$250,000

- Non-Evidence Limit

Non-Evidence Limit

Evidence of Insurability is required for all amounts of Optional Life Insurance

- Waiver of Premiums

Waiver of Premiums

To age 65

**- Qualifying Period for
Waiver of Premiums**

Qualifying Period for Waiver of Premiums

6 months

- Termination Age

Termination Age

age 65 or retirement, whichever is earlier

Participation Basis

Participation Basis

non-mandatory

- Waiting Period

Waiting Period

first of the month following the probationary period of a minimum of 3 days worked per week for 10 consecutive weeks of full-time employment

- Exclusions

Exclusions

If death occurs as a result of suicide, while sane or insane, the amount of Employee Optional Life Insurance payable will be limited to the amount of Employee Optional Life Insurance which has been in effect for one or more years.

Extended Health Care

Extended Health Care

*Drug Benefit for
Insured Persons
who Reside in
Quebec*

Drug Benefit for insured Persons who Reside in Quebec

In accordance with the requirements of the prescription drug insurance legislation in Quebec (An Act Respecting Prescription Drug Insurance And Amending Various Legislative Provisions), the drug benefit provided under this Policy to covered persons who reside in Quebec will be administered as outlined in the Policy Addendum - Drug Benefit For Insured Persons Who Reside In Quebec.

Group Benefits Schedule 5

<i>Classifications Eligible for Insurance</i>	<i>Classifications Eligible for Insurance</i>
<i>Classifications Eligible for Insurance</i> Employees in Classification Code BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ Dependents of Employees in Classification Code BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ are also covered for this Benefit.	
<i>Overall Plan Maximum</i> Unlimited	<i>Overall Plan Maximum</i>
<i>Deductible</i> Employees in Classification Code BA, BB, BC, BD, BE, BG, BH, BI, BJ Nil Employees in Classification Code BF Individual - \$50 per calendar year(s) Family - \$100 per calendar year(s) Not applicable to: Drugs Hospital Care Out-of-Canada Emergency Medical Treatment	<i>Deductible</i>
Note: The deductible is not applicable to ManuAssist.	
<i>Drug Deductible</i> Employees in Classification Code BA, BB, BC, BD, BE, BI, BJ \$2.00 per prescription Employees in Classification Code BF, BG \$.35 per prescription Employees in Classification Code BH \$1.00 per prescription	<i>Drug Deductible</i>
<i>Benefit Percentage (Co-insurance)</i> Employees in Classification Code BA, BB, BC, BD, BE, BI, BJ	<i>Benefit Percentage (Co-insurance)</i>

6 Group Benefits Schedule

100% for Drugs
Hospital Care - Semi-Private Accommodation
Vision

90% for Medical Services & Supplies
Hospital Care - Private Accommodation
Hospital Care - Licensed Private Hospital
Professional Services

Employees in Classification Code BF

100% for Drugs
Hospital Care - Semi-Private Accommodation
Hospital Care - Licensed Private Hospital

80% for Medical Services & Supplies
Hospital Care - Private Accommodation
Professional Services

Employees in Classification Code BG

100% for Drugs
Hospital Care - Semi-Private Accommodation
Hospital Care - Licensed Private Hospital

90% for Professional Services
Medical Services & Supplies
Hospital Care - Private Accommodation

Employees in Classification Code BH

100% for Drugs
Hospital Care - Semi-Private Accommodation
Hospital Care - Licensed Private Hospital
Vision

90% for Professional Services
for Medical Services & Supplies
Hospital Care - Private Accommodation

Note: The Benefit Percentage for Out-of-Canada Emergency Medical Treatment is 100%.

The Benefit Percentage for ManuAssist is 100%.

Group Benefits Schedule 7

Termination Age

- Termination Age

Employees in Classification Code BA, BB, BC, BD, BE, BJ

Employee's age 65 or retirement, whichever is earlier

Employees in Classification Code BF, BG, BH, BI

none

Survivor Extended Insurance Benefit

- Survivor Extended Insurance Benefit

Only Employees who:

- a) have attained age 55; or
- b) have a minimum of 20 years of service with the Policyholder; and
- c) have not attained the Extended Health Care Termination Age,

are eligible for the Extended Health Care Survivor Extended Benefit

Participation Basis

- Participation Basis

mandatory

Waiting Period

- Waiting Period

For Employees hired on or prior to the Policy Effective Date

Employees in Classification Code BA, BB, BC, BD, BE

10 weeks

Employees in Classification Code BF, BG, BH, BI

none

Employees in Classification Code BJ

400 hours worked

For Employees hired after the Policy Effective Date

Employees in Classification Code BA, BB, BC, BD, BE

first of the month following the probationary period of a minimum of 3 days worked per week for 10 consecutive weeks of full-time employment

Employees in Classification Code BF, BG, BH, BI

none

Employees in Classification Code BJ

8 Group Benefits Schedule

400 hours worked

*Covered Expenses
and Maximums (per
insured person)*

- *Hospital*

Covered Expenses and Maximums (per insured person)

Hospital

Private: Unlimited

- **Licensed Private
Hospital**

licensed Private Hospital

Employees in Classification Code BA, BB, BC, BD, BE, BI, BJ

120 days per Disability

Employees in Classification Code BF, BG, BH

\$10 per day for up to 120 days per Disability

- **Direct Drugs - Plan
5**

Direct Drugs - Plan 5

Employees in Classification Code BF, BG, BH

Prescribed Drugs: Unlimited

**ManuScript
Generic Drug Plan 2**

ManuScript *Generic Drug Plan 2*

Employees in Classification Code BA, BB, BC, BD, BE, BI, BJ

Prescribed Drugs: Unlimited

Drug Payment Type: Direct Claims Payment

- **Professional
Services**

Professional Services

Chiropractor:

Employees in Classification Code BA, BB, BC, BD, BE, BG, BH, BI, BJ

\$300 per calendar year(s)

Osteopath:

Employees in Classification Code BA, BB, BC, BD, BE, BG, BH, BI, BJ

\$300 per calendar year(s)

Podiatrist:

Employees in Classification Code BA, BB, BC, BD, BE, BG, BH, BI, BJ

Group Benefits Schedule 9

\$300 per calendar year(s)

Massage Therapist:

Employees in Classification Code BA, BB, BC, BD, BE, BG, BH, BI, BJ

\$300 per calendar year(s)

Employees in Classification Code BF

\$7 per visit to a maximum of 12 visit(s) per calendar year(s)

Speech Therapist:

Employees in Classification Code BA, BB, BC, BD, BE, BG, BH, BI, BJ

\$300 per calendar year(s)

Employees in Classification Code BF

\$200 per calendar year(s)

Physiotherapist:

BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ

Unlimited

Psychologist:

Employees in Classification Code BA, BB, BC, BD, BE, BG, BH, BI, BJ

\$300 per calendar year(s)

Employees in Classification Code BF

\$35 initial visit, \$20 subsequent visits, to a maximum of \$200 per calendar year(s)

Vision Care

- Vision Care

Employees in Classification Code

BA, BB, BC, BD, BE, BH, BI, BJ

Prescription Glasses: \$200 per 3 plan year(s)

NOTE: The Plan Year is April 17, 2000 to April 16, 2003.

Medical Services and Supplies

- Medical Services
and Supplies

Private Duty Nursing:

Employees in Classification Code BA, BB, BC, BD, BE, BI, BJ

\$10,000 per calendar year(s)

Kellogg Canada Inc

10 Group Benefits Schedule

Employees in Classification Code BF,BG,BH

Unlimited

Stock Item Orthopaedic Shoes:

Unlimited

Custom-Made Orthotics:

\$225 per pair, to a maximum of 2 pairs per calendar year

Out-of-Canada Maximum: Unlimited Unlimited

Surgical Stockings: 4 pairs per calendar year

Surgical Brassieres: 4 per calendar year

All other Medical Services and Supplies: Unlimited

- *ManuAssist*

ManuAssist

Employees in Classification Code BA,BB,BC,BD,BE,BI,BJ

ManuAssist, a Travel Assist Benefit, is provided up to the maximum shown in the description of this Covered Expense under the Extended Health Care Benefit.

Dental Care

Dental Care

*Classifications
Eligible for
Insurance*

Classifications Eligible for Insurance

Employees in Classification Code BA,BB,BC,BD,BE,BF,BG,BH,BI

Dependents of Employees in Classification Code BA,BB,BC,BD,BE,BF,BG,BH,BI are also covered for this Benefit.

Deductible

Deductible

Nil

*Benefit Percentage
(Co-insurance)*

Benefit Percentage (Co-insurance)

Employees in Classification Code BA,BB,BC,BD,BE,BI

100% for Level I - Basic Services

100% for Level II - Supplementary Basic Services

80% for Level IV - Major Restorative Services

50% for Level V - Orthodontics

Group Benefits Schedule 11

Employees in Classification Code BF,BG,BH

100% for Level I - Basic Services

100% for Level II - Supplementary Basic Services

100% for Level IV - Major Restorative Services

100% for Level V - Orthodontics

Maximums

Maximums

Employees in Classification Code BA,BB,BC,BD,BE,BI

\$2,000 per calendar year combined for Level I and Level II and Level IV

\$2,500 per lifetime for Level V

Employees in Classification Code BF,BG,BH

\$2,000 per calendar year combined for Level I and Level II and Level IV and Level V

Dental Fee Guide

- Dental Fee Guide

Employees in Classification Code BA,BB,BC,BD,BE,BI

1999 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides

If the Employee resides in Alberta, the 1999 Alberta Fee Guide for General Practitioners is considered to be the 1997 Alberta Dental Association Fee Guide for General Practitioners plus inflationary adjustment for 1999 as determined by Manulife Financial

Employees in Classification Code BF

1994 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides

Employees in Classification Code BG

1995 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides

Employees in Classification Code BH

1998 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides

If the Employee resides in Alberta, the 1998 Alberta Fee Guide for General Practitioners is considered to be the 1997 Alberta Dental Association Fee Guide for General Practitioners plus inflationary adjustment for 1998 as determined by Manulife Financial

12 Group Benefits Schedule

- Termination Age

Termination Age

Employees in Classification Code BA, BB, BC, BD, BE, BI

Employee's age 65 or retirement, whichever is earlier

Employees in Classification Code BF, BG, BH

Employee's age 65

- Survivor Extended Insurance Benefit

Survivor Extended Insurance Benefit

Only Employees who:

- a) have attained age 55; or
- b) have a minimum of 20 years of service with the Policyholder; and
- c) have not attained the Dental Care Termination Age,

are eligible for the Dental Care Survivor Extended Benefit.

- Participation Basis

Participation Basis

mandatory

- Waiting Period

Waiting Period

For Employees hired on or prior to the Policy Effective Date

Employees in Classification Code BA, BB, BC, BD, BE

10 weeks

Employees in Classification Code BF, BG, BH, BI

none

For Employees hired after the Policy Effective Date

Employees in Classification Code BA, BB, BC, BD, BE

first of the month following the probationary period of a minimum of 3 days worked per week for 10 consecutive weeks of full-time employment

Employees in Classification Code BF, BG, BH, BI

none

Group Benefits Schedule 13

Weekly Income/Short Term Disability

Weekly Income/Short Term Disability

Benefit Amount

Benefit Amount

Employees in Classification Code BA, BB, BC, BD, BE

66% of weekly Earnings rounded to the next higher \$1, if not already a multiple thereof

Qualifying Period

- *Qualifying Period*

Accident - 0 days

Sickness - 2 calendar days

If Hospitalization occurs prior to the end of the Qualifying Period, benefits are payable as of that date.

- *Maximum Benefit Period*

Maximum Benefit Period

26 weeks

Termination Age

- *Termination Age*

age 65, or retirement, whichever is earlier

Earnings

- *Earnings*

The Employee's regular rate of pay, excluding regular bonuses, regular overtime pay and regular commissions

- *Participation Basis*

Participation Basis

mandatory

Waiting Period

- *Waiting Period*

first of the month following the probationary period of a minimum of 3 days worked per week for 10 consecutive weeks of full-time employment

Effective Date for Increases in insurance

Effective Date for Increases in Insurance

when first eligible for the increase

Associated Companies

Associated Companies

None

14 Definitions

Accident

Accident

an unexpected or unforeseen happening or event involving an external force, causing loss or injury, independently of all other causes.

Actively at Work

Actively at Work

at work for the Policyholder or any Associated Company shown in the Benefit Schedule on a Full-time basis at the Employee's usual place of work.

On weekends or holidays, or when on vacation, an Employee is deemed to be Actively at Work if he was Actively at Work on his last normal working day or on his last scheduled shift.

*Benefit Percentage
(Co-insurance)*

Benefit Percentage (Co-insurance)

the percentage of Covered Expenses which is payable by Manulife Financial.

Dentist

Dentist

a doctor of dentistry, licensed to practice dentistry in the place where the services are provided.

Dependent

Dependent

an Employee's Spouse or Child who is insured under the Provincial Plan

Spouse

- *Spouse*

the Employee's legal Spouse, or the person who has, for at least 2 years, been continuously living with the Employee in a role like that of a marriage partner.

Only one Spouse will be eligible for insurance under this Policy, and will be as indicated by the Employee on his application for insurance under this Policy. Where this information is not contained on the Employee's application, the person who qualifies last under this Policy's definition of Spouse will be the eligible Spouse.

Child

- *Child*

an Employee's natural or adopted child, or stepchild, who

- a) is unmarried;
- b) is not employed on a full-time basis;
- c) is not eligible for insurance as an employee under this or any other group policy; and

for Extended Health Care,

- a) is either under 21 years of age, or, if a full-time student at an accredited school, college or university, under 24 years of age.

for Dental Care.

- a) is either under 19 years of age, or, if a full-time student at an accredited school, college or university, under 24 years of age.

A child insured under this Policy, who is incapacitated due to a mental or physical disability on the date he reaches the age when he would otherwise cease to be an eligible Dependent, will continue to be an eligible Dependent under this Policy.

A child is considered incapacitated if he is incapable of engaging in any substantially gainful activity and is dependent on the Employee for support, maintenance and care, due to a mental or physical disability.

Manulife Financial may require written proof of the Dependent's condition as often as may reasonably be necessary.

A stepchild must be living with the Employee or under the legal guardianship of the Employee to be an eligible Dependent.

Disability or Disabled

Disability or Disabled

the state of being Totally Disabled.

Drug

Drug

medications that have been approved for use by the Federal Government of Canada and have a Drug Identification Number

Earnings

Earnings

for a benefit which is earnings-related, the definition of earnings is shown in the Benefit Schedule. An Employee's earnings may also include other income as agreed to in writing by the Policyholder and Manulife Financial, and which is reported periodically by the Policyholder to Manulife Financial.

For the purposes of determining the amount of an Employee's benefit at the time of claim, an Employee's Earnings will be the lesser of:

- a) the amount reported on the benefit claim form, or
b) the amount reported by the Policyholder to Manulife Financial and for which premiums have been paid.

Employee

Employee

a person who:

- a) is directly employed by the Employer on a permanent and Full-time basis;
b) is compensated for services by the Employer; and
c) is residing in Canada.

For the purposes of this Group Policy, the term Employee shall also mean casual Employees.

16 Definitions

For the purposes of those Benefits which continue beyond retirement, the term Employee also means Retiree.

Retiree

- Retiree

a person who

- a) was an Employee immediately prior to his or her retirement; and
- b) had at least 20 years of service upon attainment of age 55 for continuation of EHC coverage; or
- c) had at least 10 years of service upon attainment of age 62 for continuation of EHC coverage; and
- d) had at least 25 years of service upon attainment of age 55 for continuation of Dental coverage.

Employer

Employer

the Policyholder or any Associated Company shown in the Benefit Schedule.

Experimental or Investigational

Experimental or Investigational

not approved or broadly accepted and recognized by the Canadian medical profession, as an effective, appropriate and essential treatment of a sickness or injury, in accordance with Canadian medical standards.

Full-time basis

Full-time basis

For Full-time Employees of Classification Code BA, BB, BC, BD, BE, BJ :

normal work schedule of at least 24 hour(s) per week.

For Part-time Employees of Classification Code BA, BB, BC, BD, BE, BJ :

normal work schedule of at least 22 hour(s) per week.

Full-time as used in this policy can also mean and include Employees working on a Part-time basis, whenever the context requires it.

Hospital

Hospital

a legally licensed institution which is operated for the care and treatment of sick and injured persons as in-patients, and which:

- a) is eligible to receive payments under a provincial hospital plan;
- b) provides organized facilities for diagnosis, major surgery, or rehabilitation;
- c) provides 24-hour nursing service by registered nurses, and has a Physician in regular attendance;
- d) is not primarily operated as a nursing home or a place for rest, or for the care and treatment of the aged, the blind or deaf; and

- e) is not primarily operated as a place for the care and treatment of alcoholics, drug addicts, or the mentally ill.

For the purpose of this Policy:

- a) the chronic beds of a Hospital are not considered to be part of that Hospital; and
b) the Definition of Hospital excludes Licensed Private Hospital,

Hospitalization

Hospitalization

admittance to a Hospital as an in-patient.

With respect to the Weekly Income Benefit under this Policy, Hospitalization also includes being admitted to a Hospital as an out-patient for Medically Necessary surgical procedures, chemotherapy, or laser treatment.

Immediate Family Member

Immediate Family Member

a person who is:

- a) the Employee;
b) the Employee's Spouse or Child;
c) the Employee's or Spouse's parent; or
d) the Employee's or Spouse's brother or sister,

Indefinite Lay-Off

Indefinite Lay-Off

a period during which the Employee is laid off work and for which there is no fixed recall date.

Insurance Group

Insurance Group

The Insurance Group is determined by the Employee's job rate level as specified in the Collective Bargaining Agreement. On the first Monday following January 1st of each year, the Insurance Group is determined by the Employee's job rate level as of the first Monday following December 1st of the preceding calendar year.

Leave of Absence

Leave of Absence

a period of absence from work for which the dates are fixed by legislation or by mutual agreement between the Employer and the Employee. Leave of absence includes Maternity and Parental Leave of Absence.

Licensed, Certified, Registered

Licensed, Certified, Registered

the status of a person who legally engages in practice by virtue of a license or certificate issued by the appropriate authority, in the place where the service is provided.

18 Definitions

*Life-Sustaining
Drugs*

Life-Sustaining Drugs

Drugs which are necessary for the survival of the patient.

*Licensed Private
Hospital*

Licensed Private Hospital

a legally licensed institution which is primarily operated as a place for the care and treatment of alcoholics, drug addicts, or the mentally ill as in-patients, and which:

- a) is eligible to receive payments under a provincial hospital plan;
- b) provides 24-hour nursing service by registered nurses, and has a Physician in regular attendance; and
- c) is not primarily operated as a nursing home or a place for rest, or for the care and treatment of the aged, the blind or deaf.

*Maternity Leave of
Absence*

Maternity Leave of Absence

the period of formal maternity leave to which an Employee is entitled by legislation governing the Employer, or a longer period, if the Employer's normal practice permits.

For the purposes of this Policy, Maternity Leave of Absence will be deemed to commence on the earlier of:

- a) the date fixed by mutual agreement between the Employee and the Employer; and
- b) the date the child is born.

Medically Necessary

Medically Necessary

broadly accepted and recognized by the Canadian medical profession as effective, appropriate and essential in the treatment of a sickness or injury, in accordance with Canadian medical standards.

Non-Evidence Limit

Non- Evidence Limit

satisfactory medical evidence must be submitted to Manulife Financial for Benefit Amounts greater than this amount.

*Parental Leave of
Absence*

Parental Leave of Absence

the period of formal child care leave to which an Employee is entitled by legislation governing the Employer, or a longer period, if the Employer's normal practice permits.

Physician

Physician

a doctor of medicine, licensed to practice medicine in the place where the services are provided.

Definitions 19

Prior Plan

a previous Group Policy which insured all or some of the persons insured under this Policy, and which terminated within 31 days prior to the Effective Date of this Policy.

Prior Plan

Provincial Plan

any plan which provides hospital, medical, or dental benefits established by the government in the province where the insured person lives.

Provincial Plan

Qualifying Period

a period of continuous Total Disability, starting with the first day of Total Disability, which must be completed by the Employee in order to qualify for benefits. The Qualifying Period is shown in the Benefit Schedule.

Qualifying Period

Reasonable and Customary

within the usual range of charges being made by others of similar standing in the area in which the charge is incurred when providing the same or comparable services or supplies.

Reasonable and Customary

Temporary Lay-Off

a period during which the Employee is laid off work and for which there is a fixed recall date.

Temporary Lay-Off

Waiting Period

a period of continuous active employment with the Employer, as shown in the Benefit Schedule, following which the Employee becomes eligible for insurance.

Waiting Period

Ward

a hospital room with 3 or more beds which provides standard accommodation for patients.

Ward

20 Eligibility for Insurance

Eligibility for Insurance

- Employee

Eligibility for insurance

Employee

An Employee is eligible for insurance under this Policy if he:

- a) is a member of a Classification which is eligible for insurance, as set out in the Benefit Schedule;
- b) is younger than the Termination Age shown in the Benefit Schedule; and
- c) has continuously been an Employee, as defined, for a period as long as the Waiting Period shown in the Benefit Schedule.

- Re-hired Employees

Re-hired Employees

If an Employee is re-hired within 6 months of termination of insurance under this Policy due to termination of employment, he must re-apply for insurance under this Policy, but will not be required to satisfy another Waiting Period.

- Dependent

Dependent

An Employee's Dependent becomes eligible for insurance at the same time that the Employee does. However, the Employee must apply for the Employee coverage in order for the Dependent to be eligible. A person who becomes a Dependent after the Employee becomes insured is eligible on the date that person becomes a Dependent.

Amount of Insurance

Amount of Insurance

The amount of insurance for which a person is eligible under any Benefit will be determined in accordance with the Benefit Schedule.

How to Become Insured

How to Become Insured

To become insured under this Policy, an eligible Employee must apply in writing on forms approved by Manulife Financial. Coverage for Dependents must also be applied for on approved forms.

Evidence of Insurability

When Evidence of Insurability is Required

Evidence of insurability is required for all amounts of insurance in excess of any Non-Evidence Limit shown in the Benefit Schedule. Manulife Financial will bear the cost of supplying this evidence.

- Additional Evidence Requirements

Additional Evidence Requirements

For all benefits, except Dental insurance, evidence of insurability is also required whenever an Employee makes a Late Application for insurance on any person.

In this case, the Employee will bear the cost of supplying evidence which conforms to Manulife Financial's rules

Late Application

Late Application

Eligibility for Insurance 21

For non-mandatory benefits, an application is considered late when an Employee:

- a) applies for insurance on any person after having been eligible for more than 31 days; or
- b) re-applies for insurance on any person whose insurance had earlier been cancelled.

For mandatory and non-mandatory benefits, an application is considered late when, after having previously waived benefits under this Policy because he was covered for similar benefits under his Spouse's plan, an Employee:

- a) applies for insurance more than 31 days after his benefits terminated under the Spouse's plan; or
- b) applies for insurance, and benefits under his Spouse's plan have not terminated.

22 Effective Date of Insurance

Effective Date of Insurance

Effective Date of insurance

Once an application for Employee or Dependent insurance has been completed, this insurance becomes effective as follows, if the Employee is then Actively at Work:

- a) for all insurance which does not require evidence of insurability, on the date the Employee or Dependent becomes eligible for this insurance; and
- b) for all insurance which does require evidence of insurability, on the date this evidence is approved by Manulife Financial.

If the Employee is not Actively at Work when insurance would otherwise take effect, this insurance will take effect on the next day on which he is again Actively at Work.

An Employee who is not Actively at Work on the Effective Date may still be eligible for insurance under this Policy through a Transfer of Benefits from the Prior Plan.

Dependent Insurance will not take effect prior to the Effective Date of the Employee's insurance.

Increases in Insurance

Increases in Insurance

An increase in insurance on an Employee or Dependent will take effect as follows, if the Employee is then Actively at Work:

- a) if evidence of insurability is not required, on the Effective Date for Increases in Insurance shown in the Benefit Schedule; and
- b) if evidence of insurability is required, on the date this evidence is approved by Manulife Financial.

If the Employee is not Actively at Work when an increase in insurance would otherwise take effect, this increase in insurance will take effect on the next day on which he is again Actively at Work.

Decreases in insurance

Decreases in insurance

A decrease in the amount for which any person is insured takes effect when the person is first eligible for the decreased amount,

Transfer of Benefits from the Prior Plan 23

This Section applies only if this Policy replaces a Prior Plan.

Concessions Granted

*Concessions
Granted*

Manulife Financial grants the following concessions to persons who were insured under the Prior Plan when it terminated:

- a) a Transfer of Coverage for Employees not Actively at Work ; and
- b) the Carry-Forward of any Deductible

These concessions are as described below

Transfer of Coverage

*Transfer of
Coverage*

An Employee who is not Actively at Work on the Effective Date is still eligible under this Policy if he:

- a) was insured under the Prior Plan when that Plan terminated; and
- b) would be eligible for insurance under this Policy if Actively at Work on its Effective Date.

- Eligibility

An Employee eligible to transfer benefits will be eligible under this Policy for the lesser of:

- Amount Transferred

- a) the amount for which he was insured under the Prior Plan when it terminated; and
- b) the amount of insurance for which he would be eligible under the Policy if Actively at Work on its Effective Date.

Insurance under a transferred benefit will become effective on the later of:

*- Effective Date of
Transfer*

- a) the date insurance provided under the Prior Plan would terminate in the absence of this provision; and
- b) the Effective Date of this Policy.

Deductible Carry-Forward

*Deductible
Carry-Forward*

For persons covered under this provision, expenses incurred during the current calendar year while insured under the Prior Plan will be counted in satisfying the Deductible as if they were incurred while insured under this Policy.

24 Termination of Insurance

Termination of Employee Insurance

Termination of Employee Insurance

An Employee's insurance terminates on the earliest of:

- a) the date the Employee ceases to be Actively at Work, unless he ceases to be Actively at Work due to retirement;
- b) the date the Employer terminates the Employee's coverage;
- c) the date the Employee enters the armed forces of any country on a full-time basis;
- d) the date this Policy terminates or insurance on the classification to which the Employee belongs terminates;
- e) the date the Employee reaches the Termination Age, as shown under each Benefit in the Benefit Schedule; or
- f) the date the Employee dies.

When Employment Terminates Due to Retirement

When Employment Terminates Due to Retirement

This Policy provides coverage for some benefits for Retirees. Retiree coverage is as indicated in the Schedule pages. Insurance for those benefits which are not indicated in the Schedule pages terminates when the Employee retires.

Exceptions to Termination of Employment not due to Retirement

Exceptions to Termination of Employment not due to Retirement

If an Employee ceases to be Actively at Work, his insurance will normally terminate as specified under the Termination of Employee Insurance provision. However, Manulife Financial will waive this rule and continue insurance under the conditions set out below. An Employee's insurance can only be continued on a basis that does not discriminate against another Employee.

- Due to Illness or Injury

Due to Illness or Injury

If an Employee ceases to be Actively at Work due to illness or injury, all insurance coverage will continue until the Policyholder terminates the coverage.

- Due to Maternity or Parental Leave of Absence

Due to Maternity or Parental Leave of Absence

If an Employee ceases to be Actively at Work due to Maternity or Parental leave of absence, all insurance coverage may continue for the period of leave to which the Employee is entitled by legislation governing the Employer.

In jurisdictions where the continuation of insurance is mandated by legislation, a copy of the Employee's written and signed notice to discontinue any required premium contribution must also accompany the request for termination.

Termination of Insurance 25

Due to Other Leave of Absence or Temporary Lay-Off

If an Employee ceases to be Actively at Work due to a leave of absence other than Maternity or Parental leave, or due to Temporary Lay-off, all insurance coverage may continue until the Policyholder terminates it, but in no event for more than 120 days after the Employee was last Actively at Work.

- Due to Other Leave of Absence or Temporary Lay-Off

Due to Strike or Indefinite Lay-Off

If an Employee ceases to be Actively at Work due to a strike or Indefinite Lay-off, insurance coverage will continue only if the Policyholder informs Manulife Financial that this is the case, but in no event for more than 120 days after the Employee was last Actively at Work. Even if insurance is to continue, any disability insurance provided under this Policy terminates when the Employee ceases to be Actively at Work.

- Due to Strike or Indefinite Lay-Off

Disability Insurance During Leave of Absence and Temporary Lay-Off

If while insured for disability benefits under this Policy, an Employee becomes disabled on or after the date Leave of Absence or Temporary Lay-Off commences, the Qualifying Period for disability benefits will start as of the date of disability. Benefits will become payable on the later of:

- Disability Insurance During Leave of Absence and Temporary Lay-Off

- a) the date the Qualifying Period is satisfied; or
- b) the date the Employee is scheduled to return to work.

Legislated Benefit Extensions

If legislation mandates that employee benefits continue for a limited period after an Employee's employment terminates, Manulife Financial will extend each insurance benefit for the minimum period required by law, provided that:

Legislated Benefit Extensions

- a) the Policyholder continues to pay premiums for Employee and Dependent insurance; and
- b) this Policy remains in force.

Termination of Dependent Insurance

Insurance on an Employee's Dependent terminates on the earliest of:

Termination of Dependent Insurance

- a) the date the Employee's insurance terminates;
- b) the date the Dependent is no longer eligible for insurance under the provisions of this Policy;

26 Termination of Insurance

- c) the date written notification is received from the Employee to cease his Dependent coverage because his Dependents are covered under another insurance plan for benefits similar to the ones in this Policy; or
- d) the date a required contribution is due but not paid.

The Benefit

The Benefit

If a person dies while insured for this Benefit, Manulife Financial will pay the amount for which that person was insured at the time of his death.

Settlement Options

Settlement Options

The lump sum payable on the death of an Employee may be applied to purchase any type of annuity then being offered by Manulife Financial.

Who May Choose an Option

The insured Employee may elect the type of annuity to be purchased upon his death. If the Employee does not elect an annuity, the beneficiary may elect one when the benefit becomes payable.

Waiver of Premiums

Waiver of Premiums

If an Employee becomes Totally Disabled while insured for this Benefit and prior to age 65, Manulife Financial will waive the premiums required to continue that Employee's Life Insurance, provided the Employee meets Manulife Financial's Entitlement Criteria.

- Total Disability Definition

Definition of Total Disability or Totally Disabled

Restriction or lack of ability due to an illness or injury which prevents an Employee from performing the essential duties of any occupation for which he is qualified, or may reasonably become qualified by training, education or experience.

The availability of work will not be considered by Manulife Financial in assessing the Employee's Disability.

An Employee who must hold a government permit or licence to perform his duties will not be considered Totally Disabled solely because such permit or licence has been withdrawn or not renewed.

For a Retiree, Total Disability or Totally Disabled means a restriction or lack of ability due to an illness or injury which prevents the Retiree from engaging in duties or activities (household or otherwise) which are considered normal for a person of the same age and sex.

- Entitlement Criteria

Entitlement Criteria

Manulife Financial will apply the following criteria in determining an Employee's entitlement to Waiver of Premiums:

- a) the Employee has been continuously Totally Disabled throughout the Qualifying Period. If the Employee ceases to be Totally Disabled during this period and then becomes Totally Disabled again within 3 weeks due to the same or related cause, the Qualifying Period will be extended by the number of days during which the Total Disability ceased;

28 Life Insurance Benefit

- b) Manulife Financial receives medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of any occupation for which he is qualified, or may reasonably become qualified by training, education or experience.
- c) the Employee is receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial.

At any time, Manulife Financial may require the Employee to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

- Termination of Waiver of Premiums

Termination of Waiver of Premiums

Waiver of Premiums will cease on the earliest of:

- a) the date the Employee ceases to meet this Benefit's definition of Totally Disabled.
- b) the date the Employee does not supply Manulife Financial with appropriate medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of any occupation for which he is qualified, or may reasonably become qualified by training, education or experience.
- c) the date the Employee is no longer receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial.
- d) the date the Employee does not attend a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.
- e) the date the Employee attains the age shown under Waiver of Premiums in the Benefit Schedule.
- f) the date the Employee dies.

- Recurrent Disability

Recurrent Disability

Where an Employee becomes Totally Disabled again from the same or related causes as those for which premiums were waived under this Benefit and such Disability recurs within 6 months of cessation of the Waiver of Premiums, Manulife Financial will waive the Qualifying Period.

All such recurrences will be considered a continuation of the same Disability. The Employee's amount of insurance on which premiums were previously waived will be reinstated.

If the same Disability recurs more than 6 months after cessation of the Waiver of Premiums, such Disability will be considered a separate Disability.

Two Disabilities which are due to unrelated causes are considered separate Disabilities if they are separated by a return to work of at least one day.

First Premium Waived

If the Waiver of Premiums is approved, premiums will be waived from the premium due date coincident with or next following the end of the Qualifying Period.

- *First Premium Waived*

Life Insurance Coverage Continued

While premiums are being waived, Life Insurance in force under this Policy on the Employee will continue to be in force. The amount of such Life Insurance will be the amount of insurance that was in effect on the date of commencement of the Disability, subject to any age reduction or termination shown in the Policy at that time. This continuation of coverage is not affected by a subsequent termination of this Policy or of employment.

- *Life Insurance Coverage Continued*

Conversion When Waiver Ceases

If an Employee is not eligible for Life Insurance under this Policy when the Waiver of Premiums ceases, that Employee may exercise the Conversion Privilege under this Benefit.

- *Conversion When Waiver Ceases*

Conversion Privilege

If an Employee's Life Insurance under this Policy terminates or reduces and the conditions outlined below are satisfied, that person will be eligible to continue all or part of the insurance by converting to an Individual Policy.

Conversion Privilege

The insured person must satisfy the following conditions to be eligible for an Individual Policy:

- *Conditions for Conversion*

- a) application for the Individual Policy must be received by Manulife Financial, within 31 days after insurance under the Group Policy terminates or reduces; and
- b) the first premium must be enclosed with the application.

The maximum amount that may be converted is the lesser of:

- *Maximum Amount*

- a) \$200,000, or
- b) the amount of insurance that terminated less the amount of insurance under any replacing Group Policy within 31 days of the termination.

The Maximum Amount refers to all amounts of group life insurance for which the Employee is insured with Manulife Financial.

Plan of Insurance

- *Plan of Insurance*

The Individual Policy may be:

30 Life insurance Benefit

- a) non-convertible term insurance to age 65; or
- b) a permanent plan that Manulife Financial offers to the public at the time of conversion; or
- c) 1-year non-renewable term insurance which may be converted while it is in force to any plan described above.

- Issue of individual Policy

Issue of Individual Policy

Manulife Financial will apply the following rules in issuing an Individual Policy:

- a) no evidence of insurability will be required;
- b) the premium will be based on Manulife Financial's then current standard premium rates and will take into account the plan of insurance, the amount of insurance, the person's sex and attained age;
- c) no Waiver of Premium or Accidental Death & Dismemberment Benefits will be included;
- d) the effective date of the Individual Policy will be the 32nd day after the date of termination of the Group Insurance under this Benefit; and
- e) if the person elects to convert a lesser amount than that which he is entitled to convert, the Individual Policy cannot be less than the current minimum for which Manulife Financial will issue the Policy.

- Death during Conversion Period

Death during Conversion Period

If a person dies within 31 days of the date his Group Insurance terminates, on receipt of due proof, Manulife Financial will pay the maximum amount the person was eligible to convert. This will be done even if the person did not apply for an Individual Policy. If the person had applied for the Individual Policy, any premium paid will be refunded.

- Subsequent Eligibility Under this Policy

Subsequent Eligibility Under this Policy

If a person obtains an Individual Policy through this Privilege and later becomes eligible for insurance under this Group Policy, the amount for which he is eligible will be reduced by the amount of insurance remaining in force under the Individual Policy.

Extended Health Care Benefit 31

The Benefit

Manulife Financial will pay the Benefit Percentage of all Covered Expenses incurred for the care of an insured person once he has satisfied the Deductible.

Payment is subject to any maximum amount shown in the Benefit Schedule and in the Covered Expenses section below. Lifetime maximums apply to all periods combined in which an insured person is covered by Manulife Financial.

Claim Amounts Applied To The Maximum

Claim amounts that will be applied to the maximum are the amounts paid by Manulife Financial for Covered Expenses after applying the Deductible, Benefit Percentage and any other applicable Policy provisions.

Satisfying the Deductible

The Deductible is satisfied:

- a) when Covered Expenses incurred for the care of an insured person exceed the Individual Deductible; or
- b) when expenses applied to Individual Deductibles for an insured person's family exceed the Family Deductible.

Deductible Carry-Forward

Covered Expenses used to satisfy a Deductible in the last 3 months of a calendar year may also be used to satisfy the Deductible in the following calendar year.

Covered Expenses

Expenses shown below are covered if they:

- a) are Medically Necessary for the treatment of an illness or injury of an insured person and are recommended by a Physician; and
- b) are incurred for the care of a person while he is insured under this Benefit; and
- c) are reasonable taking all factors into account.

These Expenses are covered to the extent that:

- a) they are Reasonable and Customary, as determined by Manulife Financial; and
- b) they are not covered under the Provincial Plan or any other government-sponsored program; and
- c) they can legally be insured.

All Extended Health Care Benefits are paid as if the person were insured under the Provincial Plan.

Kellogg Canada Inc.

The Benefit

- Claim Amounts Applied To The Maximum

Satisfying the Deductible

- Deductible Carry-Forward

Covered Expenses

32 Extended Health Care Benefit

Advance Supply Limitation

Advance Supply Limitation

Payment of any Covered Expenses under this Benefit which may be purchased in large quantities will be limited to the purchase of up to a 3 months' supply at any one time, except for covered Drug expenses.

- Drug Expenses

- Drug Expenses

Employees in Classification Code BA, BB, BC, BD, BE, BI, BJ

The maximum quantity of Drugs or medicines that will be payable for each prescription will be limited to the lesser of:

- a) the quantity prescribed by the Physician or Dentist; or
- b) a 34 day supply.

A quantity of up to a 100 day supply may be payable in long term therapy cases, where the larger quantity is recommended as appropriate by the Physician and the Pharmacist.

Employees in Classification Code BF, BG, BH

The maximum quantity of Drugs or medicines that will be payable for each prescription will be limited to the lesser of:

- a) the quantity prescribed by the Physician or Dentist; or
- b) a 90 day supply.

A quantity of up to a 100 day supply may be payable in long term therapy cases, where the larger quantity is recommended as appropriate by the Physician and the Pharmacist.

Hospital Services in Canada

Hospital Services in Canada

- Hospital Care

- Hospital Care

Hospital charges in excess of the charges for standard Ward accommodation, up to the Hospital maximum shown in the Benefit Schedule, provided:

- a) the insured person was confined to Hospital on an in-patient basis; and
- b) the accommodation was specifically elected in writing by the insured person.

- Licensed Private Hospital Care

- Licensed Private Hospital Care

Daily charges for confinement in a Licensed Private Hospital in excess of the charges for standard ward accommodation up to the Licensed Private Hospital maximum shown in the Benefit Schedule.

Extended Health Care Benefit 33

- Expenses Not Covered

Charges for any portion of the cost of Ward accommodation, utilization or copayment fees (or similar charges).

- Expenses Not Covered

Direct Drugs - Plan 5

Employees in Classification Code BF, BG, BH

Charges incurred for the following when prescribed in writing by a Physician or Dentist and dispensed by a licensed Pharmacist, up to the maximum for this Covered Expense shown in the Benefit Schedule.

Direct Drugs - Plan 5

- Drugs and Medicines For Treatment of an Illness or Injury

Charges for any Drug or medicine prescribed by a Physician or Dentist for the treatment of an illness or injury.

Charges for the following expenses are not covered:

- a) the administration of injectable Drugs; and
- b) Drugs, biologicals and related preparations which are intended to be administered in Hospital on an in-patient or out-patient basis and are not intended for a patient's use at home.

-Drugs and Medicines For Treatment of an Illness or Injury

- Hematinic Vitamins (Vitamins to treat blood disorders)

Charges for hematinic vitamins properly identified in the Compendium of Pharmaceuticals and Specialties.

- Hematinic Vitamins

- Preventive Drugs and Medicines

Charges for oral contraceptives.

Charges for preventive vaccines and medicines (oral or injected)

Charges for dietary supplements, health foods, nutritional products and vitamins (except injectable and hematinic vitamins) are not covered.

- Preventive Drugs and Medicines

- Diabetic Supplies

Charges for standard syringes, needles and diagnostic aids, required for the treatment of diabetes (charges for cotton swabs, rubbing alcohol, automatic jet injectors and similar equipment are not covered).

- Diabetic Supplies

- Direct Claims Payment

Manulife Financial will provide a Pay Direct Drug Card for each Employee insured for this Benefit. The Pay Direct Drug Card is honoured by participating Pharmacists displaying the appropriate Pay Direct Drug decal.

- Direct Claims Payment

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To fill a prescription for covered Drug expenses the insured Employee must:

- a) present the Pay Direct Drug Card to the Pharmacist; and
- b) pay **any** amounts that are not covered under this Benefit.

Reimbursement of covered Drug expenses will be payable directly to the Pharmacist. Prescriptions for covered drug expenses purchased without the Pay Direct Drug Card will be reimbursed directly to the Employee.

ManuScript Generic Drug Plan 2 - Prescribed Drugs

ManuScript Generic Drug Plan 2 - Prescribed Drugs

Employees in Classification Code BA, BB, BC, BD, BE, BI, BJ

Charges incurred for the following when prescribed in writing by a Physician or Dentist and dispensed by a licensed Pharmacist, up to the maximum for this Covered Expense shown in the Benefit Schedule.

- Drugs and Medicines For Treatment of an Illness or Injury

- Drugs and Medicines For Treatment of an illness or Injury

Charges for any Drug or medicine which is prescribed by a Physician or Dentist.

Charges made by a practitioner or Physician to administer injectable medications are not covered.

Charges for Drugs, biologicals and related preparations which are intended to be administered in Hospital on an in-patient or out-patient basis and are not intended for a patient's use at home are not covered.

- Hematinic Vitamins

- Hematinic Vitamins (Vitamins to treat blood disorders)

Charges for hematinic vitamins properly identified in the Compendium of Pharmaceuticals and Specialties.

- Preventive Drugs and Medicines

- Preventive Drugs and Medicines

Charges for oral contraceptive's

Charges for preventive vaccines and medicines (oral or injected)

Charges for dietary supplements, health foods, nutritional products and vitamins (except injectable and hematinic vitamins) are not covered.

- Diabetic Supplies

- Diabetic Supplies

Charges for standard syringes, needles and diagnostic aids, required for the treatment of diabetes (charges for cotton swabs, rubbing alcohol, automatic jet injectors and similar equipment are not covered).

Extended Health Care Benefit 35

- Payment of Covered Expenses

The maximum amount for any Covered Expense is the price of the lowest cost generic equivalent product that can legally be used to fill the prescription, as listed in the Provincial Drug Benefit Formulary.

If there is no generic equivalent product for the prescribed Drug or medicine, the amount covered is the cost of the prescribed product,

The amount payable is subject to any Drug Deductible, any Drug Dispensing Fee Maximum, and the Benefit Percentage for Drugs, as shown in the Benefit Schedule.

- No Substitution Prescriptions

Where a prescription contains a written direction from the Physician or Dentist that the prescribed Drug or medicine is not to be substituted with another product, the full cost of the prescribed product is covered if it is a Covered Expense under this Benefit,

The amount payable is subject to any Drug Deductible, any Drug Dispensing Fee Maximum, and the Benefit Percentage for Drugs, as shown in the Benefit Schedule.

- Direct Claims Payment

Manulife Financial will provide a Pay Direct Drug Card for each Employee insured for this Benefit. The Pay Direct Drug Card is honoured by participating Pharmacists displaying the appropriate Pay Direct Drug decal.

To fill a prescription for covered Drug expenses the insured Employee must:

- a) present the Pay Direct Drug Card to the Pharmacist; and
- b) pay any amounts that are not covered under this Benefit.

Reimbursement of covered Drug expenses will be payable directly to the Pharmacist. Prescriptions for covered Drug expenses purchased without the Pay Direct Drug Card will be reimbursed directly to the Employee.

Vision Care

Charges for the following Vision Care expenses when prescribed by an ophthalmologist, optometrist, or oculist:

- a) eye exams including refractions, once per Plan Year;
- b) purchase and fitting of prescription glasses (including prescription sunglasses) or contact lenses, as well as repairs, up to the Prescription Glasses maximum shown in the Benefit Schedule.

- Payment of Covered Expenses

- No Substitution Prescriptions

- Direct Claims Payment

Vision Care

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Professional Services

Professional Services

Services of a licensed chiropractor, osteopath, podiatrist, massage therapist, speech therapist, physiotherapist, and psychologist, up to the Professional Services maximum shown in the Benefit Schedule.

The recommendation of a Physician is required for services provided by a masseur or masseuse and a speech therapist.

The recommendation of a Physician is not required for any other Professional Services.

Expenses for some of these Professional Services may be payable in part by Provincial Plans. Coverage for the balance of such expenses prior to reaching the Provincial Plan maximum may be prohibited by provincial legislation. In those provinces, expenses under this Benefit are payable after the Provincial Plan's maximum for the benefit year has been paid.

Medical Services and Supplies

Medical Services and Supplies

For all medical equipment and supplies covered under this provision, Covered Expenses will be limited to the cost of the device or item that adequately meets the patient's fundamental medical needs.

- Private Duty Nursing

- Private Duty Nursing

Services which are deemed to be within the practice of nursing and which are provided in the patient's home by a registered nurse.

Covered Expenses are subject to the Private Duty Nursing maximum shown in the Benefit Schedule.

Charges for the following services are not covered:

- a) charges in excess of the fee level set by the largest nursing registry in Ontario;
- b) agency fees, commissions or overtime fees;
- c) service provided primarily for custodial care, homemaking duties, or supervision;
- d) service performed by a Registered Nurse who is an Immediate Family Member or who lives with the patient;
- e) service which can be performed by a person of lesser qualification, a relative, friend, or a member of the patient's household.

Manulife Financial suggests that a detailed treatment plan be submitted with cost estimates before Private Duty Nursing services begin. Manulife Financial will then advise the Employee of any benefit that will be provided.

- Major Medical Equipment

- Rental of Major Medical Equipment

The rental or, when approved by Manulife Financial, purchase of:

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- a) Mobility Equipment: crutches, canes, walkers, and wheelchairs; and
- b) Durable Medical Equipment: manual hospital beds, respiratory and oxygen equipment, and other durable equipment usually found only in hospitals.

- Non-Dental Prostheses, Supports and Hearing Aids

- Non-Dental Prostheses, Supports and Hearing Aids

Charges for external prostheses.

Charges for braces (other than foot braces), trusses, collars, leg orthosis, casts and splints.

Corrective, prosthetic lenses and frames (once only for persons who lack an organic lens or after cataract surgery)

Charges for the following expenses, when recommended by a Physician or podiatrist:

- a) stock-item orthopaedic shoes; and
- b) modifications or adjustments to stock-item orthopaedic shoes or regular footwear.

Charges will be subject to the Stock-Item Orthopaedic Shoes maximum shown in the Benefit Schedule.

Charges for 1 pair of custom-made shoes per calendar year which are:

- a) constructed by a certified orthopaedic footwear specialist; and
- b) required because of a medical abnormality that, based on medical evidence, cannot be accommodated in a stock-item orthopaedic shoe or a modified stock-item orthopaedic shoe.

Charges for casted, custom-made orthotics (excluding foot braces) which are recommended by a Physician or podiatrist, up to the Custom-Made Orthotics maximum shown in the Benefit Schedule.

Charges for surgical stockings up to the Surgical Stockings maximum shown in the Benefit Schedule.

Charges for surgical brassieres up to the Surgical Brassieres maximum shown in the Benefit Schedule.

- Other Supplies

- Other Supplies

The cost of ileostomy, colostomy and incontinence supplies.

The cost of oxygen

The cost of medicated dressings and burn garments.

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- *Diagnostic Procedures*

- *Diagnostic Procedures*

Charges for microscopic and other similar diagnostic tests and services, rendered in a licensed laboratory in the province of Quebec.

- *Ambulance*

- *Ambulance*

Charges for licensed ambulance service provided in the insured person's province of residence, including air ambulance, to transfer the patient to the nearest hospital where adequate treatment is available.

- *Dental Treatment*

- *Dental Treatment*

Charges for the treatment of accidental injuries to the natural teeth or jaw. The accident must be due to a force or blow external to the mouth and have occurred while the person was insured for this Benefit. The treatment must be received and approved for payment within 90 days of the accident.

Injuries due to biting or chewing are not covered.

- *Out-of-Province or Out-of-Canada*

- *Out-of-Province or Out-of-Canada*

Charges incurred for the following medical treatment given outside the insured person's province of residence:

- a) treatment required as a result of a Medical Emergency arising during the first 183 days outside the province of residence and provided that the insured person who receives the treatment is also covered by the Provincial Plan during the absence from the province of residence.

A Medical Emergency is a sudden, unexpected injury which occurs or an unforeseen illness which begins while an insured person is travelling outside his province of residence and requires immediate medical attention. Such emergency no longer exists when, in the opinion of the attending physician and supporting medical evidence, the insured person is stable enough to return to his province of residence. during the first 183 days outside the province of residence and provided that the insured person who receives the treatment is also covered by the Provincial Plan during the absence from the province of residence.

A Medical Emergency is a sudden, unexpected injury which occurs or an unforeseen illness which begins while an insured person is travelling outside his province of residence and requires immediate medical attention. Such emergency no longer exists when, in the opinion of the attending physician and supporting medical evidence, the insured person is stable enough to return to his province of residence.

These charges are subject to the Out-of-Canada Maximum shown in the Benefit Schedule.

Charges for the following are payable under this Covered Expense:

- a) Physician's services;

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- b) Hospital room and board at standard Ward rates. Charges in excess of Ward rates are payable if this Benefit covers Hospital Services in Canada. In such case, the amount payable under this expense is subject to the Hospital maximum shown in the Benefit Schedule;
- c) the cost of special Hospital services;
- d) Hospital charges for out-patient treatment;
- e) licensed ambulance services, including air ambulance, to transfer the patient to the nearest medical facility or Hospital where adequate treatment is available; and
- f) medical evacuation for admission to a Hospital or medical facility in the province where the patient normally resides.

Covered Expenses will be limited to Reasonable and Customary charges less the amount payable by the Provincial Plan, or which would have been payable had proper application been made.

All other charges incurred while outside the province of residence are payable under the appropriate Covered Expense on the same basis as if they were incurred in the province of residence.

ManuAssist

ManuAssist

The following assistance services are provided for an insured person when required as a result of a Medical Emergency which occurs during the first 183 days while travelling outside such person's province of residence.

Medical Emergency Assistance

Medical Emergency Assistance

A Medical Emergency is a sudden, unexpected injury which occurs or an unforeseen illness which begins while an insured person is travelling outside his province of residence and requires immediate medical attention. Such emergency no longer exists when, in the opinion of the attending physician and supporting medical evidence, the insured person is stable enough to return to his province of residence.

a) 24-Hour Access

Multilingual assistance is available 24 hours% day, seven days a week, through telephone (toll-free or call collect), telex or fax.

b) Medical Referral

Referral to the nearest physician, dentist, pharmacist or appropriate medical facility, and verification of insurance coverage, is provided.

c) Claims Payment Service

If a hospital or other provider of medical services requires a deposit or payment in full for services rendered, and the expenses exceed \$200 (Canadian), payment of such expenses will be arranged and claims co-ordinated on behalf of the insured person.

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Payment and co-ordination of expenses will take into account the coverage that the insured person is eligible for under a Provincial Plan and this Policy. If such payments are subsequently determined to be in excess of the amount of benefits to which the insured person is entitled, Manulife Financial shall have the right to recover the excess amount by assignment of Provincial Plan benefits and/or refund from the Employee.

d) **Medical Care Monitoring**

Medical care and services rendered to the insured person will be monitored by medical staff who will maintain contact, as frequently as necessary, with the insured person, the attending physician, the insured person's personal physician and family.

e) **Medical Transportation**

If medically necessary, arrangements will be made to transfer an insured person to and from the nearest medical facility or to a medical facility in the insured person's province of residence. Expenses incurred for the medical transportation will be paid, as described under Medical Services and Supplies - Ambulance.

If medically necessary for a qualified medical attendant to accompany the insured person, expenses incurred for round-trip transportation will be paid.

f) **Return of Dependent Children**

If dependent children are left unattended due to the hospitalization of an insured person, arrangements will be made to return the children to their home. The extra costs over and above any allowance available under pre-paid travel arrangements will be paid.

If necessary for a qualified escort to accompany the dependent children, expenses incurred for round-trip transportation will be paid.

g) **Trip Interruption/Delay**

If a trip is interrupted or delayed due to an illness or injury of an insured person, one-way economy transportation will be arranged to enable each insured person and a Travelling Companion (if applicable) to rejoin the trip or return home. Expenses incurred, over and above any allowance available under pre-paid travel arrangements will be paid.

A Travelling Companion is any one person travelling with the insured person, and whose fare for transportation and accommodation was pre-paid at the same time as the insured person's fare.

If the insured person chooses to rejoin the trip, further expenses incurred which are related directly or indirectly to the same illness or injury, will not be paid.

h) After Hospital Convalescence

If an insured person is unable to travel due to medical reasons following discharge from a hospital, expenses incurred for meals and accommodation after the originally scheduled departure date will be paid, subject to the maximum shown in part l) of this provision.

i) Visit of Family Member

Expenses incurred for round-trip economy transportation will be paid for an Immediate Family Member to visit an insured person who, while travelling alone, becomes hospitalized and is expected to be hospitalized for longer than 7 days. The visit must be approved in advance by Manulife Financial.

j) Vehicle Return

If an insured person is unable to operate his owned or rented vehicle due to illness, injury or death, expenses incurred for a commercial agency to return the vehicle to the insured person's home or nearest appropriate rental agency will be paid, up to a maximum of \$1,000 (Canadian).

k) Identification of Deceased

If an insured person dies while travelling alone, expenses incurred for round-trip economy transportation will be paid for an Immediate Family Member to travel, if necessary, to identify the deceased prior to release of the body.

l) Meals and Accommodation

Under the circumstances described in parts f),g),h),i), and k) of this provision, expenses incurred for meals and accommodation will be paid, subject to a combined maximum of \$2,000 (Canadian) per medical emergency.

Non-Medical Assistance

***Non-Medical
Assistance***

a) Return of Deceased to Province of Residence

In the event of the death of an insured person, the necessary authorizations will be obtained and arrangements made for the return of the deceased to his province of residence. Expenses incurred for the preparation and transportation of the body will be paid, up to a maximum of \$5,000 (Canadian). Expenses related to the burial, such as a casket or an urn will not be paid.

b) Lost Document and Ticket Replacement

Assistance in contacting the local authorities is provided, to help an insured person in replacing lost or stolen passports, visas, tickets or other travel documents.

c) Legal Referral

Referral to a local legal advisor, and if necessary, arrangement for cash advances from the insured person's credit cards, family or friends, is provided.

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d) Interpretation Service

Telephone interpretation service in most major languages is provided.

e) Message Service

Telephone message service is provided for messages to or from family, friends or business associates. Messages will be held for up to 15 days.

f) Pre-trip Assistance Service

Up-to-date information is provided on passport and visa, vaccination and inoculation requirements for the country where the insured person plans to travel.

Exceptions

Exceptions

Manulife Financial, and the company contracted by Manulife Financial to provide the travel assistance services described in this Benefit, will not be responsible for the availability, quality, or results of any medical treatment, or the failure of an insured person to obtain medical treatment or emergency assistance services for any reason.

Emergency assistance services may not be available in all countries due to conditions such as war, political unrest or other circumstances which interfere with or prevent the provision of any services.

Expenses Not Covered

Expenses Not Covered

No benefit is payable for any expense which is directly or indirectly related to:

- a) any illness or injury arising out of or in the course of employment when the person is covered by or is eligible for coverage by workers' compensation;
- b) any illness or injury for which benefits are payable under any government plan or legally mandated program;
- c) self-inflicted injuries or illnesses, whether the person is sane or insane;
- d) war, insurrection, the hostile action of any armed forces or participation in a riot or civil commotion;
- e) the committing of or attempt to commit an assault or criminal offence;
- f) charges for periodic check-ups, broken appointments, third party examinations, travel for health purposes, or completion of claim forms;
- g) charges for services or supplies
 - i) when there would have been no charge at all in the absence of insurance;
 - ii) when reimbursement would have been made under a government-sponsored plan in the absence of insurance;
 - iii) which are received from a medical or dental department maintained by an employer, association or trade union;

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- iv) which are required for recreation or sports but which are not medically necessary for regular activities;
- v) which would have been payable by the Provincial Plan if proper application had been made;
- vi) which are performed or provided by the insured person, an Immediate Family Member or a person who lives with the insured person;
- vii) which are provided while confined in a Hospital on an in-patient basis;
- viii) which are not specified as a Covered Expense under this Benefit;
- h) medical or surgical care which is cosmetic; or
- i) medical treatment which is not usual and customary, or which is Experimental or Investigational in nature.

Continuation of Coverage

*Continuation of
Coverage*

If a person is Disabled when insurance under this Benefit terminates, Covered Expenses related to the treatment of the Disability will continue to be payable by Manulife Financial.

Coverage will be continued for up to 90 days after insurance would otherwise have terminated while the person remains Disabled. However, coverage will terminate if the disabled person becomes eligible for insurance under another group plan.

An Employee will be considered Disabled if he is eligible for disability benefits under any other provision of this Policy.

A Dependent will be considered Disabled if he is receiving medical treatment from a Physician and confined to a Hospital or to his home.

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The Benefit

The Benefit

Manulife Financial will pay the Benefit Percentage of all Covered Expenses incurred for the dental care of an insured person.

Payment is subject to any maximum amounts shown in the Benefit Schedule and to any limit on benefits shown in the Covered Expenses section below. Lifetime Maximums apply to all periods combined in which an insured person is covered by Manulife Financial.

In determining if an expense is covered, Manulife Financial may require the following information:

- a) x-rays and a complete dental chart showing any extractions, fillings, or other work performed prior to the date of the incurred expenses for which claim is being made;
- b) itemized bills from the dentist or other sources, of services or treatments and
- c) laboratory or hospital reports, casts, molds or study models, or other similar evidence of the condition or treatment of the teeth or mouth.

- Claim Amounts Applied To The Maximum

- Claim Amounts Applied To The Maximum

Claim amounts that will be applied to the maximum are the amounts paid by Manulife Financial for Covered Expenses after applying the Deductible, Benefit Percentage and any other applicable Policy provisions.

Covered Expenses

Covered Expenses

Expenses shown below are covered if they:

- a) are incurred for the necessary dental care of an insured person;
- b) are incurred for the care of a person while he is insured under this Benefit;
- c) are incurred for services provided by a Dentist, a dental hygienist working under a Dentist's supervision, or a denturist working within the scope of his license;
- d) are reasonable as determined by Manulife Financial, taking all factors into account; and
- e) do not exceed
 - i) the fees recommended in the Dental Fee Guide shown in the Benefit Schedule, or
 - ii) reasonable and customary charges, as determined by Manulife Financial, if such expenses are not included in the Dental Fee Guide shown in the Benefit Schedule.

Alternate Benefits

Alternate Benefits

Where any two or more courses of treatment covered under this Benefit would produce professionally adequate results for a given condition, Manulife Financial will pay Benefits as if the least expensive course of treatment were used. Manulife Financial will determine the adequacy of the various courses of treatment available, through a professional dental consultant.

Level I - Basic Services

Level I - Basic Services

- a) complete oral examinations, one per 2 calendar years
- b) full mouth x-rays, one per 2 calendar years
- c) recall examinations, one every 6 months
- d) bitewing x-rays, once every 6 months
- e) routine diagnostic and laboratory procedures
- f) one unit of light scaling and one unit of polishing, once every 6 months, when the service is performed outside Quebec, or prophylaxis (light scaling and polishing) once every 6 months, when the service is performed in Quebec
- g) fluoride treatment, once every 6 months
- h) oral hygiene instruction, once every 6 months
- i) space maintainers (excluding appliances placed for orthodontic purposes)
- j) fillings, (amalgam, silicate, acrylic and composite), retentive pins and pit and fissure sealants. Replacement fillings are covered only if
 - i) the existing filling is at least 12 months old and required due to significant breakdown of the existing filling or recurrent decay; or
 - ii) the existing filling is amalgam and there is medical evidence indicating that the patient is allergic to amalgam
- k) pre-fabricated full-coverage restorations (metal and plastic)
- l) minor surgical procedures, simple extractions, and post surgical care
- m) complicated extractions including impacted and residual roots
- n) consultation, anaesthesia, and conscious sedation
- o) denture repairs, relines and rebases, only if the expense is incurred later than 3 months after the date of the initial placement of the denture
- p) injection of antibiotic Drugs when administered by a Dentist in conjunction with dental surgery

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Level II - Supplementary Basic Services

Level II - Supplementary Basic Services

- a) surgical procedures not included in Level I (excluding implant surgery)
- b) periodontal services for treatment of diseases of the gums and other supporting tissue of the teeth, including:
 - i) scaling not covered under Level I, and root planing, up to a combined maximum of 16 units per calendar year;
 - ii) provisional splinting; and
 - iii) occlusal equilibration, up to a maximum of 8 units per calendar year
- c) endodontic services (which include root canals and therapy, root amputation, apexifications and periapical services). Root canals and therapy are limited to one initial treatment plus one re-treatment per tooth per lifetime. Re-treatment is covered only if the expense is incurred more than 12 months after the initial treatment.

**Work in Progress when
Coverage under this
Policy ends**

Work in Progress when Coverage under this Policy ends

If a person's insurance terminates under this Policy for reasons other than termination of this Policy or this Dental Care Benefit, and endodontic treatment had begun exposing a tooth, Manulife Financial will pay for expenses related to such treatment provided the expense is incurred within 31 days after the insurance terminates.

Level IV - Major Restorative Services

Level IV - Major Restorative Services

- a) crowns and onlays (only when function is impaired due to cuspal or incisal angle damage caused by trauma or decay)
- b) inlays (covering at least 3 surfaces, provided the tooth cusp is missing)

**Work in Progress when
Coverage under this
Policy ends**

Work in Progress when Coverage under this Policy ends

If a person's insurance terminates under this Policy for reasons other than termination of this Policy or this Dental Care Benefit, and an impression for a crown, onlay, or inlay had been taken prior to the termination, Manulife Financial will pay for expenses related to the installation of the crown, onlay, or inlay, provided the expense is incurred within 31 days after the insurance terminates.

Level V - Orthodontics

*Level V -
Orthodontics*

- a) correction of malocclusion of the teeth
- b) observation and adjustment
- c) appliances for tooth guidance or uncomplicated tooth movement
- d) appliances to control oral habits
- e) retention appliances
- f) fixed or cemented, unilateral and bilateral appliances

Orthodontic Services are a Covered Expense for Dependent children only, provided treatment commences prior to reaching age 19.

Pre-Determination of Benefits

*Pre-Determination of
Benefits*

When a proposed course of treatment is expected to cost more than \$400, a treatment plan should be filed with Manulife Financial before treatment begins.

Manulife Financial will then advise the Employee of the amount, if any, that is payable

Expenses not Covered

*Expenses not
Covered*

No benefit is payable for any expense which is directly or indirectly related to:

- a) a charge, or a portion of a charge, which is eligible for reimbursement under any other part of this Policy, or through a government plan or legally mandated program;
- b) self-inflicted injuries or illnesses, whether the person is sane or insane;
- c) war, insurrection, the hostile action of any armed forces or participation in a riot or civil commotion;
- d) the committing of or the attempt to commit an assault or criminal offence;
- e) charges for broken appointments, third party examinations, travel to and from appointments, or completion of claim forms;
- f) charges for services or supplies
 - i) when there would have been no charge at all in the absence of insurance;
 - ii) which are received from a medical or dental department maintained by an employer, association or trade union; or
 - iii) which are performed or provided by the insured person, an Immediate Family Member or a person who lives with the insured person;

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- iv) which are not specified as a Covered Expense under this Benefit;
- g) treatment rendered for a full mouth reconstruction, for a vertical dimension, or for a correction of temporomandibular joint dysfunction;
- h) cosmetic treatment, unless this is needed because of an accidental injury which occurred while the person was insured under this Policy;
- i) implants, or any services rendered in conjunction with implants;
- j) anti-snoring or sleep apnea devices;
- k) treatment which is not generally recognized by the dental profession as an effective, appropriate and essential form of treatment for the dental condition;
- l) the replacement of removable appliances which are lost, mislaid or stolen; or
- m) laboratory fees which exceed Reasonable and Customary charges, as determined by Manulife Financial.

The Benefit

The Benefit

If an Employee dies while insured for this Benefit and while his Dependents are covered under this Policy, Manulife Financial may continue the Dependent coverage if the Employee meets the age and service requirements specified in the Benefit Schedule. The Benefit Schedule also shows which Dependent coverage may be continued under this Benefit. Coverage is subject to premium payment.

Insurance Coverage Continued

- **Insurance Coverage
Continued**

The coverage continued on a Dependent will be the same as that which was in effect on the date of the Employee's death. This insurance will be subject to any age reduction or termination shown in the Policy at that time.

Termination of Insurance

- **Termination of
Insurance**

Coverage on any Dependent will cease:

- a) For the Dental Care Benefit, on the date the Employee would have attained the Termination Age if he were still alive;
- b) For the Extended Health Care and Dental Care Benefits:
 - i) if the Dependent Child would cease to qualify as a Dependent Child, even if the Employee were still alive;
 - ii) if the Dependent obtains similar coverage elsewhere;
 - iii) if the Dependent dies; or
 - iv) if this Policy terminates

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The Benefit

The Benefit

If an Employee becomes Totally Disabled while insured for this Benefit, Manulife Financial will pay a Disability Benefit as outlined below, provided the Employee meets Manulife Financial's Entitlement Criteria.

Benefits are payable from the end of the Qualifying Period. Benefits are not payable for or during the Qualifying Period. The Employee must be receiving regular, ongoing care and treatment from a Physician during the Qualifying Period in order for benefits to be payable at the end of the Qualifying Period. Otherwise, benefits will not be payable until the date the Employee is first treated by his Physician.

Total Disability Definition

Definition of Total Disability or Totally Disabled

Restriction or lack of ability due to an illness or injury which prevents an Employee from performing the essential duties of his own occupation.

The availability of work will not be considered by Manulife Financial in assessing an Employee's Disability.

An Employee who must hold a government permit or licence to perform his duties will not be considered Totally Disabled solely because such permit or licence has been withdrawn or not renewed.

Entitlement Criteria

Entitlement Criteria

Manulife Financial will apply the following criteria in determining an Employee's entitlement to Disability Benefits:

- a) the Employee has been continuously Totally Disabled throughout the Qualifying Period.
- b) Manulife Financial receives medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of his own occupation.
- c) the Employee is receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial.

At any time, Manulife Financial may require the Employee to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

Periods for Which the Employee is Not Entitled to Benefits

Periods for Which the Employee is Not Entitled to Benefits

The Employee is not entitled to benefit payments for any period that he is:

- a) not receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial;
- b) receiving Employment Insurance maternity or parental benefits;

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- c) on lay-off during which the Employee becomes Totally Disabled;
- d) on leave of absence during which the Employee becomes Totally Disabled, unless the Employer is required to pay benefits during this period as a result of legislation, regulation or case law (in some provinces, Employers with a benefit plan are required to provide benefits to an Employee during the health-related portion of a Maternity Leave of Absence);
- e) receiving earnings or payments from any employer, including severance payments and vacation pay;
- f) receiving benefits under an employer-sponsored salary continuance or wage loss replacement plan, or receiving temporary disability benefits from workers' compensation; or
- g) incarcerated in a prison, correctional facility, or mental institution by order of authority of a criminal court.

Amount of Disability Benefit

Amount of Disability Benefit

The Amount of Disability Benefit payable is the Benefit Amount shown in the Benefit Schedule, less any amount of benefits the Employee receives, or is entitled to receive, from the following sources for the same or related Disability:

- a) any government motor vehicle automobile insurance plan or policy which is considered an allowable exclusion under the Employment Insurance Premium Reduction Regulations, unless prohibited by law.

Subrogation

Subrogation

Conditional payments shall be made to an Employee with a potential loss of income claim against a third party who caused or contributed to the disability. Any such payments are subject to Manulife Financial's subrogation right to reimbursement when the Employee is indemnified through a judgement or settlement.

Payment of Disability Benefits

Payment of Disability Benefits

Disability benefit payments will be made weekly in arrears. Any payment for a period of less than one week will be made at a daily rate of one-seventh of the Employee's weekly benefit amount.

Termination of Benefit Payments

Termination of Benefit Payments

Disability benefit payments will cease on the earliest of:

- a) the date the Employee ceases to meet this Benefit's definition of Totally Disabled;
- b) the date the Employee works in any occupation for wage or profit;
- c) the date the Employee does not supply Manulife Financial with appropriate medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of his own occupation;

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- d) the date the Employee does not attend a medical, psychiatric, psychological, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial;
- e) the date on which benefits have been paid up to the Maximum Benefit Period shown in the Benefit Schedule;
- f) the date the Employee retires: or
- g) the date the Employee dies.

Recurrent Disability

Recurrent Disability

Where an Employee becomes Totally Disabled again from the same or related causes as those for which Weekly Income benefits have been paid under this Policy and such Disability recurs within one week from the end of the period for which benefits were paid under this Policy, Manulife Financial will waive the Qualifying Period.

All such recurrences will be considered a continuation of the same Disability. The benefit payable will be based on the Employee's Earnings as at the original date of Disability. Benefits for all recurrences will not be paid for a combined period longer than the Maximum Benefit Period shown in the Benefit Schedule.

If the same Disability recurs more than one week after the end of the period for which benefits were paid, such Disability will be considered a separate Disability.

Two Disabilities which are due to unrelated causes are considered separate Disabilities if they are separated by a return to work of at least one day.

Continuation of Insurance

Continuation of Insurance

If an Employee's insurance terminates for reasons other than retirement, Manulife Financial will continue insurance under this Benefit if the Employee is Totally Disabled and:

- a) entitled to receive benefits; or
- b) fulfilling the Qualifying Period.

The Employee must satisfy Manulife Financial's Entitlement Criteria in order for the Disability Benefit to be payable.

The insurance continued is subject to all the provisions of this Policy

Taxability

Taxability

The Policyholder must notify Manulife Financial in writing 31 days prior to a change in the tax status of this Benefit. Manulife Financial reserves the right to adjust the amount of insurance and the premium rates if such a change occurs, whether or not notification has been given. The effective date will be the date of change.

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*Disabilities Not
Covered*

Disabilities Not Covered

No benefits are payable for any Disability directly or indirectly related to:

- a) any illness or injury which arises out of or in the course of employment, unless the Employee's claim has been denied by workers' compensation because the illness or injury is not recognized as resulting from employment;
- b) medical or surgical care which is not Medically Necessary;
- c) war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion;
- d) the committing of or the attempt to commit an assault or criminal offence; or
- e) self-inflicted injuries or illnesses, whether the Employee is sane or insane.

54 Payment of Claims

Payees

Payees

Benefits payable due to the death of an Employee are payable to the Employee's beneficiary or, if no such beneficiary is alive or has been designated, to the Employee's estate. All other benefits for an Employee and such Employee's Dependents are payable to the Employee, unless the Employee has previously authorized payment to be made to the person and/or corporation which has rendered services, treatment or supplies. If the Employee is not alive, these benefits are payable to such Employee's estate.

- Payment of Small Amounts

Payment of Small Amounts

If any amount up to \$2,000 is payable to a person who is not alive or who cannot give a valid discharge for such payment, Manulife Financial may pay the amount to:

- a) any relative of that person; or
- b) any person or institution incurring expenses for the care, maintenance or burial of that person.

Requirement of Proof

Requirement of Proof

No claim for benefits will be paid until Manulife Financial receives satisfactory proof in writing that such benefits are payable under the terms of this Policy.

Manulife Financial reserves the right to request any additional information necessary, as determined by Manulife Financial, to validate the eligibility of a claim for benefits under this Policy. The Employee is responsible for any expenses incurred for obtaining this additional information.

- Submission of Proof

Submission of Proof

Proof that benefits are payable must be submitted by or on behalf of the Employee and received by Manulife Financial at its Head Office for Canadian Operations or one of its Group Claims Offices within:

- a) 90 days from the date of the loss, for claims for Life benefits
- b) 180 days from the end of the Qualifying Period, for claims for disability benefits
- c) 12 months from the date the expense was incurred, for claims for Extended Health Care and Dental Care benefits, while insurance under this Policy is in force. Upon termination of a person's insurance under this Policy, proof that Extended Health Care and Dental Care benefits are payable must be submitted within the earlier of:
 - i) 12 months from the date the expense was incurred
 - ii) 90 days from the date of termination of insurance

Date Costs are Incurred

Date Costs are Incurred

The expense for a service or supply is deemed to have been incurred on the date the service was performed or the supply furnished. If a procedure involves multiple appointments, the expense is deemed to be incurred on the date the procedure is completed. For supplies that have to be ordered, the expense will be deemed to be incurred on the date the supplies were paid for. Proof of receipt of the supplies is required.

Continuing Proof

Continuing Proof

If benefits are being paid or coverage continued on an insured person because of disability, Manulife Financial may require written proof that this person remains Disabled under the terms of this Policy. This proof will be required as often as may reasonably be necessary.

Examination by Manulife Financial

Examination by Manulife Financial

Manulife Financial reserves the right to have any person in respect of whom a claim is being made under this Policy submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial, as often as may reasonably be required. No benefits will be payable if, without reasonable cause, the insured person fails to undergo such examination. If benefits are claimed for loss of life, Manulife Financial may require that an autopsy be performed. Manulife Financial will use the results of any such examination or autopsy to determine whether benefits are payable under this Policy.

Subrogation

Subrogation

If an insured person suffers personal injury or loss for which he has a right to bring action for damages against a third party, Manulife Financial shall be subrogated to the insured person's rights to recover damages to the extent that it may be obligated to pay benefits to the insured person. In such case, Manulife Financial will require the insured person to complete a subrogation reimbursement agreement. Manulife Financial has the right to suspend payment of benefits until the completed agreement is received.

Upon judgement or settlement for damages, the insured person shall reimburse Manulife Financial for benefits paid or payable. Unless notified to the contrary, the insured person's solicitor shall also represent Manulife Financial's interests in such a recovery.

Time Limit on Legal Action

Time Limit on Legal Action

No legal action against Manulife Financial may be commenced less than 60 days after proof has been filed in accordance with the above requirements. No such action may be brought more than two years after the last day on which proof of claim would be accepted under the terms of this Policy.

Co-ordination of Benefits

Co-ordination of Benefits

56 Payment of Claims

Manulife Financial will co-ordinate its Extended Health Care and Dental Care Benefits payable under this Policy with other Plans which also cover an insured person for similar Benefits.

Plans Co-ordinated with this Policy

Plans Co-Ordinated with this Policy

For the purposes of the Co-ordination of Benefits, Plan means:

- a) other group insurance programs;
- b) any other arrangement of coverage for individuals in a group, whether on an insured or uninsured basis, including any pre-payment coverage, capitation plan, franchise plan or services plan; and
- c) individual travel insurance plans.

Plan does not include school insurance or Provincial Plans

How C/aims are Co-ordinated

How C/aims are Co-ordinated

Benefits payable under this Policy will be reduced, when necessary, so that no more than 100% of eligible expenses incurred during a calendar year are jointly paid by this Policy and all Plans which come before it in the Order of Benefit Payment.

For the purposes of this provision, eligible expenses are as defined in each Policy or Plan document, before any applicable payment limitations, such as deductible, benefit percentage and maximums, are applied. An expense is eligible only to the extent that it is Reasonable and Customary

Order of Benefit Payment

Order of Benefit Payment

The Order of Benefit Payment is established by applying the following rules to the various Plans which cover eligible expenses. The rules are applied from first to last until an order is established.

- a) The Plan with no Co-ordination of Benefits provision in the Policy or Plan document is deemed to pay its benefits first (primary carrier).'
- b) If all Plans have a Co-ordination of Benefits provision, the following rules are applied to determine the Order of Benefit Payment. The rules depend on the basis on which the person is covered in the Plan.
 - i) Employee/Member

The Plan which covers the person as an employee/member is deemed to pay its benefits before a Plan which covers that person as a dependent.

If the person is an employee/member under more than one Plan, the following order applies:

- 1) the Plan where the person is an active full-time employee, then

- 2) the Plan where the person is an active part-time employee, then
- 3) the Plan where the person is a retiree.

ii) Dependent - Spouse

If a dependent spouse is also covered as an employee/member under another Plan, the Plan which covers the spouse as an employee/member is deemed to pay its benefits before the Plan which covers the spouse as a dependent.

If the spouse is an employee/member under more than one Plan, the order of benefit payment is as outlined under "Employee/Member" above.

iii) Dependent - Child

If a dependent child is covered under more than one Plan, benefits are deemed to be paid first under the Plan of the parent with the earlier birthdate (month/day) in the calendar year. If both parents have the same birthdate, the Plan of the parent whose first name begins with the earlier letter in the alphabet is deemed to pay benefits first.

However, in situations where the parents of the dependent child are separated or divorced, the following order applies:

- 1) the Plan of the parent with custody of the child, then
- 2) the Plan of the spouse of the parent with custody of the child, then
- 3) the Plan of the parent not having custody of the child, then
- 4) the Plan of the spouse of the parent not having custody of the child.

Where divorced or separated parents share joint custody of the dependent child, benefits are deemed to be paid first under the Plan of the parent with the earlier birthdate (month/day) in the calendar year. If both parents have the same birthdate, the Plan of the parent whose first name begins with the earlier letter in the alphabet is deemed to pay benefits first.

- c) For dental accidents, Extended Health Care Plans with accidental dental coverage determine benefits before Dental Plans.
- d) If the Order of Benefit Payment cannot be established by the preceding rules, benefits will be pro-rated between or among the Plans in proportion to the amounts that would have been paid under each Plan had there been coverage by only that Plan.

Special Rules Applied

*Special Rules
Applied*

Manulife Financial will apply the following rules in co-ordinating benefits under this Policy:

58 Payment of Claims

- a) if a person does not apply for a benefit for which he is eligible under another Plan, the amount of such benefit will be estimated by Manulife Financial and assumed to be paid;
- b) if only part of a Plan provides for the co-ordination of benefits, this part will be considered a separate Plan from the part which does not provide for co-ordination;
- c) this Policy is considered to be a Plan in applying the rules which establish an Order of Benefit Payment;
- d) when a Plan provides benefits in the form of service rather than cash payments, the Reasonable and Customary value of the service rendered is deemed to be both an eligible expense and a benefit paid; and
- e) if a person is also covered under an individual travel insurance plan, benefits will be co-ordinated in accordance with the guidelines provided by the Canadian Life and Health Insurance Association.

*Administration of
the Provision*

Administration of the Provision

Manulife Financial has the right to release to or obtain from any other insurer, person or institution, information needed to administer the Co-ordination of Benefits provision in this Policy. Manulife Financial has the right to recover any payments in excess of the amount determined to be payable in accordance with this provision.

Method of Administration

*Method of
Administration*

This Policy must be administered in accordance with Manulife Financial's instructions.

Participation Requirements

*Participation
Requirements*

100% of eligible Employees must always be insured under this Policy. In addition, a minimum of 20 Employee(s) must be covered at all times.

For Optional Life Insurance, a minimum of 10 eligible Employees must be insured at all times.

Employees who are covered under a Spouses insurance plan for similar benefits may submit a signed waiver of insurance for those benefits under this Policy. Employees who submit these waivers will not be counted as eligible for purposes of the Participation Requirements.

All eligible Dependents must be insured under this Policy unless they are covered under another insurance plan for similar benefits. In this case, the Employee must also submit a signed waiver of Dependent insurance in order for coverage on such Dependents to be waived or terminated. Waiver or termination will take effect on the date such notice is received.

All Employees who have not submitted the signed waivers described above are covered from the date on which they are first eligible, if the benefits are mandatory.

Notice of New Employees

*Notice of New
Employees*

The Policyholder must supply enrolment material to eligible Employees and inform Manulife Financial of the addition of new Employees as they become eligible for insurance.

Notice of Terminated Employees

*Notice of Terminated
Employees*

The Policyholder must inform Manulife Financial of the termination of insurance on Employees on or before the date on which this insurance terminates. The Policyholder is also responsible for the retrieval of every Pay Direct Drug Card issued under this policy. Payments made for the cost of drugs dispensed with respect to ineligible persons because of the late receipt of termination notice or the Policyholder's failure to retrieve Pay Direct Drug Cards will be recovered from the Policyholder if they cannot be recovered from the Employee on whose behalf they were paid.

Uniform Practices

Uniform Practices

Options available to the Policyholder must be chosen and administered by the Policyholder on a uniform basis without prejudice to any Employee.

60 Administration of the Policy

Right of Verification

Right of Verification

Manulife Financial shall have the right to inspect, as often as may reasonably be required, those books and records of the Policyholder or any person or organization that may have a bearing on the insurance in force under this Policy. Manulife Financial may require any insured person to provide proof of age.

Clerical Error and Misstatement

Clerical Error and Misstatement

A clerical error is a mistake in writing or copying data. A clerical error made by the Policyholder or Manulife Financial will not invalidate insurance otherwise in force, or continue insurance otherwise terminated under the terms of this Policy.

If an insured person's age has been misstated, his true age will be used to determine:

- a) the effective date or termination date of insurance;
- b) the amount of insurance; and
- c) any other rights or benefits under this Policy

Manulife Financial will adjust the insurance in force where this is affected by a clerical error or a misstatement of age.

A premium adjustment which reflects the adjustment in insurance will be made on a subsequent premium due date.

Employee Contributions

Employee Contributions

Manulife Financial is not responsible for the collection of any employee contributions required for insurance under this Policy. However, the Policyholder may not require any contribution in respect of a person's insurance under any Benefit while the corresponding premium is being waived.

Booklets

Booklets

Manulife Financial will produce a booklet for each Employee insured under this Policy, unless Manulife Financial and the Policyholder have otherwise agreed. The booklet will set out the main features of insurance coverage and state to whom benefits are payable. These booklets will be distributed by the Policyholder to each insured Employee.

Possession of a booklet alone does not entitle an Employee to insurance under this Policy. This Policy must be in effect and the Employee must satisfy all the requirements of this Policy. The booklet is not a contract of insurance, nor does it create or confer any contractual or other rights. The provisions of this Policy will govern if they are in conflict with anything stated or implied in a booklet.

If an Employee receives a booklet from the Policyholder that has not been approved by Manulife Financial, and if any claim that would otherwise be limited or denied by the provisions of this Policy, is increased or paid as a result of information included in, or missing from such booklet, the Policyholder will be responsible for reimbursing Manulife Financial for the amount of such increase or payment plus expenses and administration costs.

Naming a Beneficiary

*Naming a
Beneficiary*

The Employee may name a beneficiary, subject to governing law, while applying for group insurance under this Policy or by filing notice in accordance with instructions provided by Manulife Financial. An existing beneficiary may be changed by the Employee, subject to governing law, by filing notice in accordance with instructions provided by Manulife Financial. Once notice has been filed, it takes effect as of the date it was signed with respect to any payment made after the time it was filed.

62 Payment of Premiums

Time of Payment

Time of Payment

The initial premium is due on the Effective Date and subsequent premiums are due on the first day of every month thereafter. Premiums are payable by the Policyholder to Manulife Financial at Manulife Financial's Head Office for Canadian Operations or any of its Field Offices.

Amount of Premium

Amount of Premium

The amount of premium payable by the Policyholder on each premium due date will be the aggregate of the amounts, including any retroactive premium adjustments, payable in respect of each person insured on that date.

Grace Period

Grace Period

After the first premium is paid, 31 days of grace are allowed for the payment of any premium. If a premium is paid during the grace period, the insurance under this Policy continues in force. However, if the premium is not paid during this time, Manulife Financial reserves the right to:

- a) apply a service charge to all overdue premiums;
- b) withhold payments for all claims incurred after the grace period until all monies due Manulife Financial are paid; and
- c) automatically cancel this Policy at the end of the grace period

Premium for Each Insured Person

Premium for Each Insured Person

The amount payable in respect of any insured person shall be determined according to the benefits for which that person is insured and the premium rates then applicable to those benefits.

• Premium Rates

Premium Rates

Manulife Financial may set new rates:

- a) on any Policy Anniversary or on any Renewal Date, subject to the terms set out in the Letter of Financial Agreement;
- b) upon amendment of this Policy at the Policyholder's request;
- c) upon amendment or termination of any other plan which provides benefits which are offset against benefits under this Policy;
- d) at any time after the passage of Provincial or Federal law or regulation which results in a change to:
 - i) the liability for provision of benefits under this Policy; or
 - ii) the taxability of premiums or benefits.

- e) for a Policy which covers Hospital, Medical or Dental expenses, at any time the benefits payable under the Policy are affected by a change in:
 - i) hospital room and board charges;
 - ii) provincial hospital, medical, or dental plans;
 - iii) the Compendium of Pharmaceuticals and Specialties;
 - iv) Provincial Dental Fee Guides.

*Premium Payment
Deemed Acceptance*

Premium Payment Deemed Acceptance

Payment towards the first premium due on or after the date on which an amendment or a premium rate change takes effect is deemed to constitute acceptance of the amendment or premium rate change and all written terms and conditions attached to such a change. All such terms and conditions are deemed to become a part of this Policy.

Premium Adjustments

*Premium
Adjustments*

A premium adjustment will be made for each of the following changes to the amount of insurance in force under this Policy:

- a) changes due to an amendment of the Policy;
- b) retroactive changes made to correct the effect of a clerical error or age misstatement;
- c) retroactive changes required due to the late reporting of the addition or termination of Employees; and
- d) any other changes that take effect more than one month prior to the next premium due date.

Retroactive adjustments which result in a credit to the Policyholder will be limited to the lesser of:

- a) 6 months; or
- b) the number of complete months since the last Renewal Date

However, this will in no way affect the actual effective date of the termination or reduction in an Employee's coverage.

64 Payment of Premiums

*Premium Due on
Termination of
Policy*

Premium Due on Termination of Policy

The Policyholder shall remain liable for all premiums due and unpaid on the date this Policy terminates. If this date is not a premium due date, the last premium will be reduced to reflect the period between the date it was due and the date of termination.

The Entire Contract

This Policy, the Policyholder's application, the individual Employee's applications, and any document which supports or alters the information or effect of any such applications constitute the entire contract. A copy of the Policyholder's application is included with this Policy.

On request from the Policyholder, Manulife Financial will provide the Policyholder with an electronic copy of the text in this Policy. The electronic copy is provided for information purposes only and does not create or confer any contractual rights or obligations. All rights and obligations of the Policyholder and Manulife Financial are governed by the paper version of this Policy. In the event of a discrepancy between the paper version and the electronic copy of the Policy, the paper version will govern. No alteration of the electronic copy of the Policy is permitted by any person, except by an authorized representative of Manulife Financial.

Amendments

Amendments

No provision of this Policy may be waived, changed or modified unless this is done in writing and signed by an authorized representative of Manulife Financial.

Termination of the Policy

*Termination of the
Policy*

The Policyholder may terminate this Policy by giving written notice to Manulife Financial. The Policy will terminate on the latest of:

- a) the date such notice is received at Manulife Financial's I-lead Office;
- b) the end of the period for which premiums have been paid; and
- c) the date specified by the Policyholder.

Manulife Financial may terminate this Policy or a benefit under this Policy if:

- a) the number of insured Employees, or
- b) the percentage of insured Employees,

is less than the minimum Participation Requirements specified in this Policy

Manulife Financial may also terminate this Policy or any benefit under this Policy on any Policy Anniversary or Renewal Date by giving at least 31 days written notice to the Policyholder.

Manulife Financial has the right to terminate this Policy at the end of the Grace Period, if premium is not paid.

The Policyholder is responsible for informing Employees when this Policy terminates.

66 The Policy

Contesting the Policy

Contesting the Policy

In the absence of fraud, the validity of this Policy will not be contested if it has been in force for two years from its issue date and all the premiums due in that time have been paid.

Contesting a Person's Insurance

Contesting a Person's Insurance

In the absence of fraud, no statement made in respect of the insurability of a person may be used in contesting the validity of that person's insurance after such insurance has been in force for two years during the person's lifetime.

Assignment of Insurance

Assignment of Insurance

The rights or interests of an Employee under this Policy are not assignable.

Non-Participation

Non-Participation

This Policy will not share in any surplus distributed by Manulife Financial.

Gender

Gender

In this Policy, unless the context requires otherwise, reference to the masculine gender will also include the feminine gender.

Currency of Payment

Currency of Payment

All amounts payable under this Policy, to or by Manulife Financial, are payable in Canadian currency.

Conformity with the Law

Conformity with the Law

If a provision of this Policy is contrary to any law to which it is subject, this provision will be deemed to conform to the minimum requirements of such law.

Drug Benefit for Insured Persons who reside in Quebec

In accordance with the requirements of the prescription drug insurance legislation in Quebec (An Act Respecting Prescription Drug Insurance And Amending Various Legislative Provisions), the drug benefit provided under the Policy to covered persons who reside in Quebec will be administered as outlined in this Addendum.

If a provision of the Policy or this Addendum is contrary to the prescription drug legislation in Quebec, the provision will be deemed to conform to the minimum requirements of the legislation.

Covered Drug Expenses

The following expenses are covered:

- a) drugs that are on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List), provided such drugs are on the list at the time the expense is incurred; and
- b) drugs that are listed as a covered expense in the Policy but are not on the RAMQ List.

Coverage for drugs on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List)

The following provisions apply only to the coverage of drugs that are on the RAMQ List. For all other covered drug expenses, the provisions stated in the Policy will apply.

a) Percentage Payable By Manulife Financial

Prior to the Annual Out-of-Pocket Maximum being reached, the percentage of covered expenses payable under the Policy will be as follows:

- i) For any drug on the RAMQ List which is not otherwise covered under the terms of the Policy, the percentage payable is 75%.
- ii) For any drug on the RAMQ List which is covered under the terms of the Policy, the percentage payable is the greater of:

-the benefit percentage stated in the Policy, and

- 75%

After the Annual Out-of-Pocket Maximum has been reached, the percentage of covered expenses payable under the Policy will be 100%.

b) Annual Out-of-Pocket Maximum

The Annual Out-of-Pocket Maximum is the portion of covered drug expenses which must be paid by an insured person in a calendar year, before the percentage payable under the Policy will be 100%. Amounts that will be applied to the Annual Out-of-Pocket Maximum are:

68 POLICY ADDENDUM

- i) the deductible amounts, and
- ii) the portion of covered drug expenses that is payable by the insured person, when the benefit percentage under the Policy is less than 100%.

The Annual Out-of-Pocket Maximum for the Employee and his Spouse is \$750 each, including those portions of covered drug expenses paid for dependent children.

For the purposes of calculating the Out-of-Pocket Maximum for the Employee and his Spouse, those portions of covered drug expenses paid for dependent children will be applied to the person who is closest to reaching the Annual Out-of-Pocket Maximum.

c) **Deductible**

Deductible amounts, if any, stated in the Policy will apply, up to the Annual Out-of-Pocket Maximum. Thereafter, the deductible will not apply.

d) **Lifetime Maximums**

Lifetime maximums, if any, stated in the Policy will not apply to Drugs on the RAMQ List. Drug coverage provided after the lifetime maximum amount stated in the Policy is reached is subject to the following conditions:

- i) only Drugs that are on the RAMQ List are covered, and
- ii) the percentage payable by Manulife Financial for covered expenses is 75%

e) **Eligible Dependent Children**

Eligible Dependent children who are in full-time attendance at an accredited educational institution will be covered until the later of attainment of:

- i) the age specified in the Policy, and
- ii) age 26

Drug Coverage provided for Dependent Children after the age stated in the Policy is subject to the following conditions:

- only Drugs that are on the RAMQ List are covered, and
- the percentage payable by Manulife Financial for covered expenses is 75%.

9 Termination Age

Provided the person is otherwise eligible for the drug benefit under the Policy, the Termination Age, if any, specified in the Policy will not apply. Drug coverage provided after the Termination Age specified in the Policy is subject to the following conditions:

- i) only drugs that are on the RAMQ List are covered,
- ii) a calendar year deductible of \$100/individual; \$200/family applies to covered expenses,
- iii) the percentage payable by Manulife Financial for covered expenses is 75%,
- iv) the Annual Out-of-Pocket Maximum is \$750, and
- v) the premium required for the drug coverage is the premium for the Extended Health Care Benefit.

g) Continuation of Coverage - Concerted Work Stoppages

In the event of a strike, lock-out or other concerted work stoppages, coverage will continue until the later of:

- i) the length of time, if any, specified in the Policy, and
- ii) 30 days

Premiums must be paid in order for coverage to be continued

Coverage for drugs that are listed as a covered expense in the Policy, but are not on the RAMQ List

With respect to drugs that are covered under the Policy but are not on the RAMQ List, all the provisions stated in the Policy will apply.

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Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

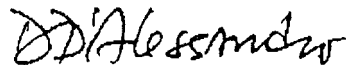
*Group Policy
Number*

January 01, 1994

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on September 13, 1994



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Classification Code BB, "Active London Hourly Employees", is created and forms part of this Policy Number 0091693B. Benefit Coverage is the same as that which had previously existed as Classification Code B under Policy Number 0091693.

Please find attached a new Policy reflecting all changes made to date

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A01

Amendment

Kellogg Canada Inc.

G0091693B

April 16, 1994

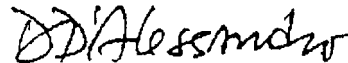
This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on September 13, 1994.

Group Policyholder

*Group Policy
Number*

*Amendment
Effective Date*



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- The Benefit Amount for the Employee Life Insurance is revised as per the attached Policy.

Please find attached a new Policy reflecting all changes made to date

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A02

Amendment

Kellogg Canada Inc.

G0091693B

May 07, 1994

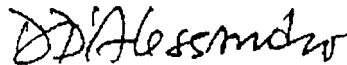
This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on September 13, 1994.

Group Policyholder

*Group Policy
Number*

*Amendment
Effective Date*



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- The Definition of Child is revised for all Employees.
- The Extended Health Care is modified for all Employees
- The Weekly Income Benefit Amount is changed for all Employees.

Please find attached a new Policy reflecting all changes made to date.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A03

Amendment

Kellogg Canada Inc.

G0091693B

June 06, 1994

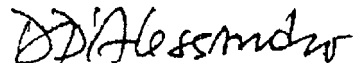
This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on September 13, 1994.

Group Policyholder

*Group Policy
Number*

*Amendment
Effective Date*



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- The Dental Care Fee Guide is changed to the 1993 edition

Please find attached a new Policy reflecting all changes made to date.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A04

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

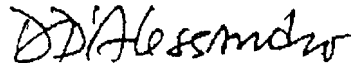
*Group Policy
Number*

September 01, 1994

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on September 13, 1994.



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Employee Optional Life Insurance is added for Classification Code BB as detailed in the attached Policy.

Please find attached a new Policy reflecting all changes made to date.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A05

Amendment

Kellogg Canada inc.

Group Policyholder

G0091693B

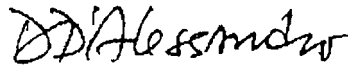
*Group Policy
Number*

January 01, 1994

*Amendment
Effective **Date***

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on October 18, 1994



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- The Employee Life Benefit Amounts are changing as follows for Employees in Classification Code BB.

Benefit Amount

Benefit Amount

Employees in Classification Code BB

Benefit Amount

Benefit Amount

The Employee Life Insurance Benefit Amount is determined according to the Employee's length of service for the first 3 full calendar years as follows:

- a) From the Employee's date of hire until the last day of that calendar year - \$10,000
- b) For the second full calendar year following the Employee's date of hire - \$11,000
- c) For the third full calendar year following the Employee's date of hire - \$12,000

Thereafter, the Employee's Benefit Amount will be determined according to the Employee's Insurance Group as follows:

Insurance Group I - Benefit Amount of \$30,000

Insurance Group II - Benefit Amount of \$32,000

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A06

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

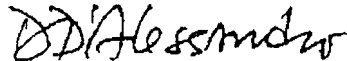
*Group Policy
Number*

December 01, 1994

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on December 02, 1994



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- The Extended Health Care Benefit is being revised for Employees in Classification Code BB.

Please find attached a new Policy reflecting all changes made to date.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A07

Amendment

Kellogg Canada Inc.

G0091693B

January 01, 1995

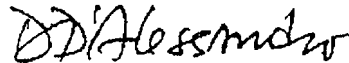
This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on January 04, 1995.

Group Policyholder

*Group Policy
Number*

*Amendment
Effective Date*



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Under the Dental Care Benefit, the Fee Guide is changing to "1 994 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides" for Employees in Classification Code BB.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A08

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

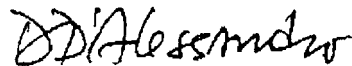
*Group Policy
Number*

January 01, 1994

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on March 03, 1995.



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Under the Extended Health Care Benefit, Licensed Private Hospital is being added with the limit of \$10 per day for up to 120 days per Disability for Employees in Classification Code BB.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A09

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

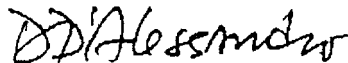
*Group Policy
Number*

January 01, 1994

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on April 25, 1995.



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Under the Employee Life Benefit, the Qualifying Period for Waiver of Premiums/Life Insurance Disability Benefit is changing to "12 months" for Employees in Classification Code BB.
- Under the Life Insurance Disability Benefits, the installment payment is changing to "\$17.70 per \$1,000 of the amount of Life Insurance" for Employees in Classification Code BB.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A10

Amendment

Kellogg Canada Inc.

G0091693B

April 16, 1995

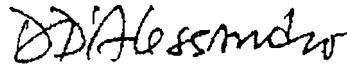
This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on March 07, 1996.

Group Policyholder

**Group Policy
Number**

**Amendment
Effective Date**



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Regarding the Employee Life Insurance, the Benefit Amount for Insurance Group I is changed to **\$31,000** and for insurance Group II, it is changed to **\$33,000**. Also, the Guaranteed Issue Limit is increased to **\$33,000**.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number AI 1

Amendment

Kellogg Canada Inc.

G0091693B

January 01, 1996

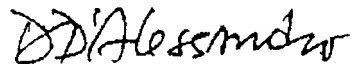
This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on March 07, 1996.

Group Policyholder

*Group Policy
Number*

*Amendment
Effective Date*



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Regarding the Dental Care, the Fee Guide is changed to the **1995** edition and oral hygiene instruction is limited to **once every 6 months**.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number AI 2

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

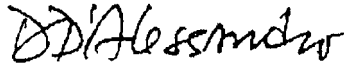
*Group Policy
Number*

April 15, 1996

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on March 07, 1996.



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Regarding the Employee Life Insurance, the Benefit Amount for Insurance Group I is changed to **\$32,000** and for Insurance Group II, it is changed to **\$34,000**. Also, the Guaranteed Issue Limited is increased to **\$34,000**.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number AI 3

Amendment

Kellogg Canada Inc.

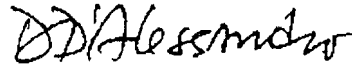
Group Policyholder

G0091693B

**Group Policy
Number**

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on May 27, 1997



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- **Amendment Effective Date -June 01, 1997**
- Under the Group Benefits Schedule for Extended Health Care, the Drug Deductible is changed to "\$1.00" for Employees in Classification Code BB.
- Under the Group Benefits Schedule for Extended Health Care, Vision Care is added for Employees in Classification Code BB.
- **Amendment Effective Date - July 01, 1997**
- Under the Group Benefits Schedule for Weekly Income, the Maximum Benefit Period is changed to "26 weeks" for Employees in Classification Code BB.

Please find attached a new Policy reflecting all changes made to date. This Policy, signed on May 27, 1997, replaces any and all Group Policies previously issued by Manulife Financial under Policy Number G0091693B.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number A14

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

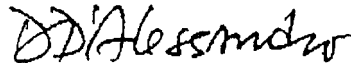
*Group Policy
Number*

April 25, 1997

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on June, 02, 1997



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Under the Employee Life Insurance Benefit for Classification Code BB, the Maximum Benefit Amount for Group 1 is changed to \$34,000.
- Under the Employee Life Insurance Benefit for Classification Code BB, the Maximum Benefit Amount for Group 2 is changed to \$36,000.
- Under the Employee Life Insurance Benefit for Classification Code BB, the Non-Evidence Limit is changed to \$36,000 for Group 1 and Group 2.
- Under the Dental Care Benefit, the Dental Fee Guide is changed to the 1996 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides, for Classification Code BB.

Please find attached a new Policy reflecting all changes made to date. This Policy, signed on June 02, 1997, replaces any and all Group Policies previously issued by Manulife Financial under Policy Number G0091693B.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number AI 5

Amendment

Kellogg Canada Inc.

Group Policyholder

G0091693B

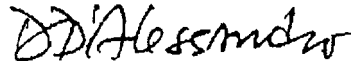
*Group Policy
Number*

January 01, 1998

*Amendment
Effective Date*

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the above Group Policyholder.

Issued at Waterloo, Ontario on March 18, 1998



President & Chief Executive Officer

Manulife Financial agrees to amend the Group Benefits Policy, as requested by the Group Policyholder. The changes are detailed below.

- Under the Dental Care Benefit, the Dental Fee Guide is changed to the 1997 Fee Guide for General Practitioners approved by the Provincial Dental Association in the Province where the Employee resides, for Classification Code BB.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.

Amendment Notice Number AI 6

WESTBURY LIFE

Group Insurance Policy

POLICYHOLDER: KELLOGG CANADA INC.

POLICY NUMBER: 605637
HOURLY LTD + AD&D.

POLICY EFFECTIVE DATE: July 1, 1997 at 12:01 a.m. local time at the address of the Policyholder for Long Term Disability

September 1, 1999 at 12:01 a.m. local time at the address of the Policyholder for Accidental Death and Dismemberment. This policy replaces coverage for Class 1 Employees of Policy A-62027 issued effective January 1, 1995 for Class 1 Employees.

This policy has been completely rewritten as at September 1, 1999, including Amendments and Endorsements to date.

PREMIUM DUE DATE: On the Policy Effective Date and on the 1st day of each calendar month thereafter.

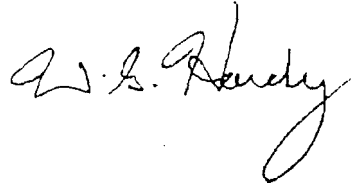
SUBSIDIARIES AND AFFILIATES COVERED: None

WESTBURY LIFE
AUG 02 2001

Westbury Canadian Life Insurance Company (referred to as the "Company") will pay the benefits provided in this Policy. The Company makes this promise subject to all of this Policy's provisions.

The Policyholder should read the Policy Specifications carefully and contact the Company promptly with any questions.

Signed for the Company at Mississauga, Ontario.



President and Chief Executive Officer

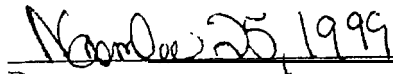

Registrar
Date

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SECTION I - POLICY SPECIFICATIONS

1. Description of Eligible Class:

Class	Description
1	All active full-time employees of the Policyholder who are participating in the Policyholder's Group Life Insurance plan.

2. Minimum Requirement for Actively at Work:

<u>Benefit</u>	<u>Number of Hours per week</u>
Accidental Death and Dismemberment	20 hours
Long Term Disability Benefit	20 hours

Individuals who work on a seasonal or temporary basis are not eligible for coverage under this Policy.

3. Waiting Period:

- a) There is no Waiting Period for Individuals who began working for the Policyholder on or before the Policy Effective Date.
- b) For individuals who began working for the Policyholder after the Policy Effective Date, coverage will become effective:
 - i) on the date the Insured Person completes the probationary period stated in the Collective Bargaining Agreement, for Long Term Disability; or
 - ii) on the date of hire, for Accidental Death and Dismemberment.

ACCIDENTAL DEATH AND DISMEMBERMENT

1. Amount of Principal Sum: 50% of the amount provided under the Policyholder's Basic Group Life Insurance policy, subject to a maximum of \$100,000.
2. Aggregate Limit of Indemnity: NIL

Coverage terminates upon the earlier of attainment of age 70 or retirement.

LONG TERM DISABILITY

1. Elimination Period: 182 days

2. Maximum Benefit Period:

Age at Disability

Maximum Benefit Period

Under age 65..... to age 65, but not less than 12 months

3. Maximum Monthly Benefit: \$2,000

4. Non-Evidence Maximum Amount: \$2,000

5. Gross Monthly Benefit: 60% of Pre-Disability Earnings, but in no event greater than the Maximum Monthly Benefit.

6. Taxability of Benefit: Taxable

Coverage terminates upon the earlier of attainment of age 65 or retirement.

SECTION II - DEFINITIONS

The following are definitions of terms used in this Policy.

Actively at Work means an Individual who is engaged in the performance of work for the Policyholder whereby that Individual reports for work at the usual workplace of the Individual (or other location to which the Policyholder requires that Individual to travel) and is physically and mentally able to perform the material duties of that Individual's regular occupation (or other equivalent work that the Policyholder may assign for that Individual to perform). An Individual is also considered to be Actively at Work on weekends, statutory holidays and on a scheduled non-working day if that Individual was Actively at Work on that Individual's last scheduled working day.

Child means a natural child, stepchild or legally adopted child, who lives with the Insured Person in a permanent parent-child relationship.

Classification means the category into which an Individual falls by virtue of the class chosen by the Policyholder.

Earnings means regular income received by an Employee from the Policyholder, as may be verified by the Company from the Policyholder's pay records. Earnings do not include overtime, bonuses, commissions, incentive pay or other extra compensation.

Hospital means a legally licensed facility which satisfies all of the following requirements:

- a) provides medical, diagnostic and surgical facilities for the care and treatment of the sick and injured on an in-patient basis;
- b) has a staff of one or more Physicians available at all times, with 24 hour a day care by graduate registered nurses; and
- c) is not otherwise licensed as a home for the aged, a rest home, health spa, nursing home, convalescent hospital or a place for the care and treatment of drug addicts or alcoholics.

Notwithstanding this definition, Hospital will include a facility or part of a facility used for rehabilitative care.

Individual means an Employee.

Insured Person means an Employee of the Policyholder who is insured under the provisions of this Policy.

DEFINITIONS

Member of the immediate family means a person over the age of 18, who is the spouse, son, daughter, parent, sibling, grandparent or in-law of the Insured Person.

Leased Aircraft means an aircraft, the leasing or charter contract of which extends beyond 30 consecutive days.

Physician means a doctor of medicine (other than the Insured Person or a member of the immediate family) who is duly licensed to practise medicine by:

- a) a recognized medical licensing organization in the locale where the treatment is rendered, provided such doctor is a member in good standing of such licensing body; or
- b) a governmental agency having jurisdiction over such licensing in the locale where the treatment is rendered.

Policyholder means the legal person who is designated on the title page and any subsidiary, affiliated and/or associated organization, as listed on the title page, of such legal person.

Spouse means a person who either is:

- a) legally married to the Insured Person; or
- b) a member of the opposite sex, who lives with and has been continuously living with the Insured Person for a minimum period of twelve consecutive months immediately before the time when the status of the person is required to be determined for purposes of this Policy, or immediately before a Loss is incurred under this Policy, and who is being publicly represented as the spouse of the Insured Person.

Only one person will qualify as a Spouse. If the Insured Person is legally married but is also cohabiting with a person of the opposite sex, the Insured Person may elect, in writing, which one of these persons will qualify as a Spouse. This election must be filed with the Policyholder. If an election is not filed, the Spouse will be the person to whom the Insured Person is legally married.

The male pronoun will be construed as the feminine when the person is a female.

SECTION III - GENERAL PROVISIONS

INDIVIDUAL ELIGIBILITY

An Individual in an Eligible Class, who is under the termination ages as shown in the POLICY SPECIFICATIONS, will become eligible for insurance under this Policy on the later of the following:

- a) the Policy Effective Date; or
- b) the date the Individual completes the Waiting Period as shown in the POLICY SPECIFICATIONS.

To complete the applicable Waiting Period, an Individual must be continuously Actively at Work for the Policyholder during the Waiting Period.

An Insured Person will continue to be eligible for insurance under this Policy as long as that Insured Person:

- a) regularly works full-time for the Policyholder;
- b) is and continues to be Actively at Work for the Policyholder; and
- c) receives compensation from the Policyholder for their work for the Policyholder.

Individuals who work on a seasonal or temporary basis are not eligible for insurance under this Policy.

EFFECTIVE DATE OF INDIVIDUAL INSURANCE

An Individual will become insured under this Policy on the day the Individual becomes eligible, provided the Individual was Actively at Work on that day. If the Individual was not Actively at Work on that day, insurance will begin on the day that Individual returns to being Actively at Work.

Timely Request For Insurance

If the Company receives a signed written application from an Individual for insurance on or before the 31st day after that Individual becomes eligible under this Policy, that Individual will become insured under this Policy on the later of the following:

- a) the day the Individual becomes eligible; or
- b) the day the Company receives the application from the Individual;

provided the Individual was Actively at Work on that day. If the Individual was not Actively at Work on that day, insurance will begin on the day that Individual returns to being Actively at Work.

Exceptions

- a) If an Individual's insurance is to begin on the day:
 - 1. that Individual is on a regular paid day of vacation; or
 - 2. such day is a regular non-working day;that Individual will still be considered Actively at Work if that Individual was available for work on the last preceding regular workday.
- b) If an Individual does not report to work on the day the Individual's insurance is to begin, that Individual will be considered Actively at Work if that Individual was available for work on that day.

Late Request For Insurance

If the Company receives a signed written application from an Individual for insurance more than 31 days after that Individual becomes eligible under this Policy, that Individual must also submit evidence of good health to the Company. If the application and evidence of good health are approved by the Company for that Individual, the Company will determine the day that Individual's insurance will begin. The evidence of good health furnished to the Company will be at the Individual's expense.

Reinstatement of Insurance

If an Individual who is eligible under this Policy wants to reinstate his insurance under this Policy after that Individual, while continuing to be eligible under this Policy, voluntarily terminated his insurance under this Policy, that Individual must submit a signed written application and evidence of good health to the Company. If the application and evidence of good health are approved by the Company for that Individual, the Company will determine the day that Individual's insurance will begin again. The evidence of good health furnished to the Company will be at the Individual's expense.

If an Individual's insurance under this Policy ceases because that Individual is no longer working for the Policyholder and that Individual returns to work again for the Policyholder within six months of such cessation, then that Individual's insurance under this Policy will be reinstated as of the date that Individual is again Actively at Work for the Policyholder, subject to the payment of the required premium for that Individual.

If an Individual's insurance under this Policy ceases because that Individual is no longer working for the Policyholder and that Individual returns to work again for the Policyholder more than six months after such cessation, then that Individual must satisfy all of the eligibility provisions of this Policy again before becoming insured under this Policy.

AMOUNT IN EXCESS OF THE NON-EVIDENCE MAXIMUM

If an Insured Person's Gross Monthly Benefit is in excess of the Non-Evidence Maximum Amount, such excess amount shall not become effective until:

- a) the Insured Person submits evidence of insurability to the Company; and
- b) the Company advises in writing that it has approved the health evidence for such excess amount.

CHANGE IN ELIGIBLE CLASS OR AMOUNT OF INSURANCE COVERAGE

Any changes in an Insured Person's Classification or amount of insurance coverage as shown in the POLICY SPECIFICATIONS will take effect on the day of the change, provided the Insured Person is Actively at Work on that day. If the Insured Person was not Actively at Work on that day, the change will take effect in accordance with the following conditions:

- a) If the change involves an increase in the amount of insurance coverage, the change will take effect on the day that Individual returns to being Actively at Work.
- b) If the change involves a decrease in the amount of insurance coverage, the change will take effect on the day of the change.

GENERAL PROVISIONS

However, if the increase in an Insured Person's amount of insurance coverage results in an amount exceeding the Non-Evidence Maximum Amount, the excess will be subject to health evidence. Once the Insured Person submits evidence of his insurability satisfactory to the Company, the excess amount shall take effect on the later of:

- a) the date the Insured Person becomes eligible for the increase; or
- b) the date the Company advises in writing that it has approved the health evidence submitted for the excess amount.

In no event will any increase take effect during a period of disability or during a period when disability benefits are payable to the Insured Person under this Policy.

INDIVIDUAL TERMINATIONS

An Insured Person will cease to be insured under this Policy on the earliest of the following dates:

- a) the date this Policy terminates;
- b) the date any premium under this Policy for the Insured Person is due and unpaid;
- c) the date the Insured Person is no longer eligible under this Policy;
- d) the date the Insured Person is no longer in an Eligible Class;
- e) the date the Insured Person does not satisfy:
 - 1. the Minimum Requirement for Actively at Work as shown in the POLICY SPECIFICATIONS; or
 - 2. any other eligibility conditions in this Policy;
- f) the date the Insured Person resigns or retires;
- g) the date the Insured Person is dismissed by the Policyholder, except as provided under the provisions entitled Extension of Insurance;
- h) the date the Insured Person is not working because of a work stoppage, lay-off, lock-out, suspension or leave-of-absence except under the Continuation of Insurance During Approved Leaves clause, and for statutory maternity or parental leave-of-absence where continuation of coverage is required either by any relevant federal or provincial law (whether statutory, regulatory or otherwise), or any written agreement between the Policyholder and the Insured Person, provided premium payment is continued;
- i) the day before the Insured Person attains the termination age as shown in the POLICY SPECIFICATIONS.

SECTION IV - BENEFIT PROVISIONS

ACCIDENTAL DEATH AND DISMEMBERMENT

The terms set out below, wherever they appear in the Accidental Death and Dismemberment Sections of this Policy, will be interpreted as follows:

Injury with respect to an Insured Person means accidental bodily injury which is sustained while insured under this Policy and which results in covered Loss independently of sickness and all other causes, 24 hours a day, anywhere in the world.

Loss means any covered loss, as shown in the provision entitled Specific Loss Accident Indemnity.

Medical Treatment means regular care and attendance by a Physician, according to a planned programme of observation and treatment, which once initiated is continued in accordance with existing standards of medical practise for the condition rendering the Insured Person disabled.

Principal Sum means the amount indicated in the POLICY SPECIFICATIONS.

SPECIFIC LOSS ACCIDENT INDEMNITY

When Injury results in any of the following Losses within 365 days after the date of the accident, the Company will pay for:

<u>Loss of</u>	
Life	the Principal Sum
Both Hands, Both Feet or the Entire Sight of Both Eyes	the Principal Sum
One Hand and One Foot	the Principal Sum
One Hand and the Entire Sight of One Eye	the Principal Sum
One Foot and the Entire Sight of One Eye	the Principal Sum
Speech and Hearing in Both Ears	the Principal Sum
One Arm or One Leg	the Principal Sum
One Hand, One Foot or the Entire Sight of One Eye	Two-Thirds of the Principal Sum
Speech or Hearing in Both Ears	Two-Thirds of the Principal Sum
Hearing in One Ear	One-Third of the Principal Sum
Thumb and Index Finger or at Least Four Fingers of One Hand	One-Third of the Principal Sum
All Toes of One Foot	One-Quarter of the Principal Sum

Loss of Use of

Both Arms or Both Hands	the Principal Sum
Both Legs or Both Feet	the Principal Sum
One Arm or One Leg	Three-Quarters of the Principal Sum
One Hand or One Foot	Two-Thirds of the Principal Sum
Quadriplegia	Two Times the Principal Sum
Paraplegia	Two Times the Principal Sum
Hemiplegia	Two Times the Principal Sum

Loss as above used with reference to hand or foot means complete severance through or above the wrist or ankle joint, but below the elbow or knee joint; as used with reference to arm or leg means complete severance through or above the elbow or knee joint; as used with reference to thumb means the complete loss of one entire phalanx of the thumb; as used with reference to finger means the complete loss of two entire phalanges of the finger; as used with reference to toe means the complete loss of one entire phalanx of the big toe and all phalanges of the other toes; as used with reference to eye means the irrecoverable loss of the entire sight thereof.

Loss as above used with reference to speech means complete and irrecoverable loss of the ability to utter intelligible sounds; as used with reference to hearing means complete and irrecoverable loss of hearing.

Loss as above used with reference to loss of use means the total and irrecoverable loss of use, provided the loss is continuous for 12 consecutive months and such loss of use is determined to be permanent at the end of such period.

Paraplegia means the total, complete and irreversible paralysis of both lower limbs.

Quadriplegia means the total, complete and irreversible paralysis of both upper and lower limbs.

Hemiplegia means the total, complete and irreversible paralysis of upper and lower limbs of one side of the body.

Only one of the amounts specified above, the largest applicable, will be paid for Injury to the same limb resulting from any one accident.

Notwithstanding the amounts specified above, the maximum payable under this Policy for all Losses sustained by an Insured Person as a result of the same accident will not exceed the following:

- a) with the exception of Quadriplegia, Paraplegia and Hemiplegia, the Principal Sum;
- b) with respect to Quadriplegia, Paraplegia and Hemiplegia, two times the Principal Sum, subject to a maximum amount of \$200,000; or the Principal Sum if Loss of Life occurs within 90 days after the date of the accident.

The maximum amount payable for Quadriplegia, Paraplegia and Hemiplegia will not exceed one million five hundred thousand dollars (\$1,500,000) in combination with the maximum stated for Quadriplegia, Paraplegia or Hemiplegia in any other policy issued to the Policyholder by the Insurer.

AIRCRAFT COVERAGE

Insurance provided under this Policy includes Injury sustained while and in consequence of:

- a) travelling as a passenger, and not as a pilot, operator or member of the crew, in or on any civil aircraft having a current and valid certificate of airworthiness, including any aircraft owned or leased by or on behalf of the Policyholder (of other than a limited, restricted or experimental classification) and piloted by a person who then holds a current and valid pilot's license, issued by a rating authority, to pilot such aircraft;
- b) travelling as a passenger, and not as a pilot, operator or member of the crew, in or on any aircraft operated by the Canadian Armed Forces or by a similar military service of any duly constituted governmental authority of any other recognized country;
- c) boarding or alighting from or being struck by any aircraft;

provided that such aircraft is at the time making a flight which is for the principal purpose of transporting passengers or passengers and cargo for hire, and not for or in connection with any other operational purpose or any tactical or test purpose.

EXPOSURE AND DISAPPEARANCE

If, by reason of an accident covered by this Policy, an Insured Person is unavoidably exposed to the elements and, as the result of such exposure, suffers a Loss for which indemnity is otherwise payable hereunder, such Loss will be covered under the terms of this Policy.

If the Insured Person is not found within one year after the date of the disappearance, sinking or wrecking of the conveyance in which the Insured Person was riding at the time of the accident and under such circumstances as would otherwise be covered hereunder, it will be presumed the Insured Person suffered Loss of Life resulting from Injury caused by an accident at the time of such disappearance, sinking or wrecking.

REHABILITATION BENEFIT

In the event an Insured Person sustains an Injury which results in a Loss payable under the Specific Loss Accident Indemnity provision of this Policy, and such Injury requires that the Insured Person participate in a rehabilitation program in order to be qualified to engage in an occupation in which the Insured Person would not have engaged except for such Injury, the Company will pay the reasonable and necessary expenses actually incurred, within two years from the date of such accident, by the Insured Person for such program.

Payment by the Company for the total of all expenses incurred by any Insured Person will not exceed \$10,000 as the result of any one accident. Payment will not be made for room, board or other ordinary living, travelling or clothing expenses.

Benefits payable under this provision will be limited to only one policy in the event this benefit is contained in two or more policies issued to the Policyholder by the Company,

REPATRIATION BENEFIT

In Country of Residence

In the event accidental Loss of Life is sustained by an Insured Person at a distance greater than 200 km from the Insured Person's normal place of residence and indemnity for such Loss becomes payable in accordance with the terms of this Policy, the Company will pay the reasonable and customary expenses incurred for the shipment of the body to the first resting place (including but not limited to a funeral home or the place of interment) in proximity to the normal place of residence of the deceased, including charges for the preparation of the body for such transportation. The maximum amount payable hereunder will not exceed \$2,000 for all such expenses.

Outside Country of Residence

In the event accidental Loss of Life is sustained by an Insured Person in a country other than Canada and indemnity for such Loss becomes payable in accordance with the terms of this Policy, the Company will pay the reasonable and customary expenses incurred for the shipment of the body of the deceased Insured Person to the first resting place (including but not limited to a funeral home or the place of interment) in proximity to the normal place of residence of the deceased, including charges for the preparation of the body for such transportation. The maximum amount payable hereunder will not exceed in the aggregate \$10,000 for all such expenses.

Benefits payable under this provision will be limited to only one policy in the event this benefit is contained in two or more policies issued to the Policyholder by the Company.

SEAT BELT BENEFIT

In the event an Insured Person sustains an Injury which results in a Loss payable under the Specific Loss Accident Indemnity provision of this Policy, the Company will pay an additional sum equal to 10% of the amount payable for such Loss, if, at the time of the accident, the Insured Person was driving or riding in a Vehicle and wearing a properly fastened Seat Belt.

The driver of the Vehicle must hold a current and valid driver's license, issued by a rating authority, to operate such Vehicle, and, at the time of the accident, neither be intoxicated nor under the influence of drugs, unless such drugs are taken as prescribed by a Physician. "Intoxicated" and "under the influence of drugs" are as defined by the local jurisdiction where the accident occurs.

Due proof of Seat Belt use must be provided as part of the written proof of Loss.

Seat Belt means those belts that form a restraint system and includes infant and child restraint systems when properly used with a seat belt, and the restraint belts which are part of a stretcher used in the transportation of sick and injured persons by ambulance.

Vehicle means any passenger type automobile, station wagon, van, jeep-type automobile, truck, ambulance or any type of motorized vehicle used by municipal, provincial or federal police forces.

FAMILY TRANSPORTATION BENEFIT

When, following an Injury which results in a Loss payable under the Specific Loss Accident Indemnity provision of this Policy, an Insured Person is confined as an inpatient in a Hospital located not less than 150 km from his normal place of residence and such Insured Person receives Medical Treatment, the Company will reimburse the Insured Person the reasonable expenses actually incurred by him or by a Member of the Immediate Family for transportation by the most direct route by a licensed Common Carrier to the confined Insured Person. The maximum amount payable under this section will not exceed \$1,000 per accident. Reimbursement will not be made for board, lodging or other ordinary living, travelling or clothing expenses.

Common Carrier means any air, land or water conveyance which is operated under a license for the transportation of passengers for hire.

The above benefit will only be payable under one of the policies issued to the Policyholder by the Company.

HOME ALTERATION AND VEHICLE MODIFICATION BENEFIT

In the event an Insured Person sustains the Loss of or Loss of use of both feet or legs, or becomes quadriplegic, paraplegic or hemiplegic, for which indemnity is payable in accordance with the terms of this Policy, and as a result the Insured Person subsequently requires the use of a wheelchair to be ambulatory, the Company will reimburse, upon presentation of proof of expenditure, the reasonable and necessary expenses actually incurred within 3 years from the date of the accident causing such Loss for:

- a) the cost of alterations to the Insured Person's principal residence; and/or
- b) the cost of modifications to one motor vehicle used by the Insured Person, when such modifications are approved by the licensing authorities where required;

for the purpose of making them wheelchair accessible.

Reimbursement by the Company for the total of all expenses incurred by or for any Insured Person will not exceed \$10,000 as the result of any one accident, nor will this benefit be payable under more than one of the policies issued to the Policyholder by the Company.

EDUCATION BENEFIT

In the event an Insured Person sustains an Injury which results in Loss of Life, and indemnity for such Loss becomes payable in accordance with the terms of this Policy, the Company will pay the Education Benefit stated below for each of the Insured Person's Dependent Children who are enrolled as full-time students:

- a) in an institution of higher learning above the secondary school level as defined in the province or territory of residence; or
- b) at the secondary school level but who will enrol as full-time students in an institution of higher learning within 365 days following the date of the Loss.

The Education Benefit is equal to the reasonable and necessary expenses actually incurred, subject to the lesser of 5% of the Insured Person's Principal Sum or \$5,000, which maximum is in combination with the Education Benefit maximum provided under any other policy issued to the Policyholder by the Company, for each year the Dependent Child described above continues his education on a full-time basis at an institution of higher learning, but not to exceed 4 consecutive years with respect to any one Dependent Child.

The benefit will be paid each year immediately upon receipt of satisfactory proof that the Dependent Child is attending an institution of higher learning as a full-time student. Payment will neither be made for expenses incurred prior to the death of the Insured Person, nor for room, board or other ordinary living, travelling or clothing expenses.

BENEFIT PROVISIONS
ACCIDENTAL DEATH AND DISMEMBERMENT

In the event the Insured Person's Dependent Child does satisfy the requirements indicated above, such Child will be deemed the beneficiary with respect to the benefits payable under this provision. If none of the Insured Person's Dependent Children satisfy the above requirements, the Company will pay an amount of \$1,500 under one of the policies issued to the Policyholder by the Company to the Insured Person's beneficiary.

Institution of higher learning includes any university, college, or trade school,

Dependent Child means the Insured Person's Child, who is under 25 years of age, unmarried and dependent upon the Insured Person for support and maintenance.

OCCUPATIONAL TRAINING BENEFIT

In the event an Insured Person sustains an Injury which results in Loss of Life and indemnity for such Loss becomes payable in accordance with the terms of this Policy, the Company will pay the reasonable and necessary expenses actually incurred, within 3 years from the date of such Loss, by the Spouse of the Insured Person for a formal occupational training program that the Spouse enrolled in for the purpose of specifically obtaining the qualification required to gain active employment in an occupation for which the Spouse would otherwise not have sufficient qualifications. The maximum amount payable hereunder is \$10,000 for all such expenses, which will not include room, board or other ordinary living, travelling or clothing expenses.

In the event the Insured Person's Spouse does satisfy the requirements stated above, such Spouse will be deemed the beneficiary with respect to the benefits payable under this provision.

Benefits payable under this provision will be limited to only one policy in the event this benefit is contained in two or more policies issued to the Policyholder by the Company.

EXTENSION OF INSURANCE

If the Policyholder has terminated the Insured Person's employment and is required to extend Accidental Death and Dismemberment Insurance to that Individual during a prescribed notice of termination in accordance with any federal or provincial law (whether statutory, regulatory or otherwise), the Individual may continue to be insured for Accidental Death and Dismemberment Insurance benefits under this Policy for that period.

The Policyholder must ask for continuation in writing and in no event will it extend beyond the date on which this Policy terminates. If the Company approves such request, the required premium must continue to be paid. The extent and length of any extension approved by the Company shall be at the sole discretion of the Company but shall not exceed 12 months. The Company reserves the right to adjust the premium payable under this Policy whenever the Company approves such an extension request.

WAIVER OF PREMIUM

If, under the Policyholder's Group Life Insurance benefit of this Policy, an Insured Person's Life Insurance is extended under a waiver of premium provision as the result of total disability, Accidental Death and Dismemberment insurance under this Policy will also be extended and waiver of premium granted in accordance with the same terms and conditions as of the Employee Life Insurance benefit.

Premiums will continue to be waived until the earliest of the following dates:

- a) on the date this Policy is terminated;
- b) on the date the Insured Person reaches 65 years of age; or
- c) on the date the Insured Person ceases to be totally disabled.

The Company reserves the right to request proof of total disability or any continuance thereof from time to time as the Company may reasonably require. Failure to provide proof satisfactory to the Company may result in termination of this Waiver of Premium clause.

The Accidental Death and Dismemberment insurance which is continued under this clause will be subject to the terms and provisions of this Policy in effect as of the date of commencement of disability, including any provision providing for reductions in amounts of insurance.

Notwithstanding anything contained to the contrary in this Policy, in no event will benefits payable for any Loss which occurs while coverage is being continued under this clause exceed the amount of insurance that would have been payable to the Insured Person at the date of commencement of disability.

CONTINUATION OF INSURANCE DURING APPROVED LEAVES

Coverage under this Policy may be continued for an Insured Person during any approved leave of absence, temporary lay-off, maternity leave or disability leave of the Insured Person, provided payment of premium is continued. Coverage as provided under this clause will terminate at 12:01 a.m., local time at the address of the Policyholder:

- a) with respect to any approved leave of absence, temporary lay-off or maternity leave, on the first day of the month following the completion of a 12 month period that started on the date such approved leave of absence, temporary lay-off or maternity leave began, or the date the Insured Person returns to work in any capacity with the Policyholder, whichever is earlier. Extension of coverage for periods in excess of 12 months may be granted! provided written request is submitted by the Policyholder to the Company.
- b) with respect to any approved disability leave, on the date the Insured Person reaches 65 years of age, qualifies under a Waiver of Premium clause, or returns to work in any capacity with the Policyholder, whichever is earlier.

During the period coverage is continued under this clause the definition of Injury with respect to an Insured Person, as shown in this Policy, is amended to read as follows:

The coverage which is continued under this clause will be subject to the terms and provisions of this Policy in effect as of the date of commencement of the leave (except for the definition of Injury which is as stated herein), including any provision providing for reductions in amounts of insurance.

Notwithstanding any-thing contained to the contrary in this Policy, in no event will benefits payable for any Loss which occurs while coverage is being continued under this clause exceed the amount of insurance that would have been payable to the Insured Person at the date of commencement of the leave.

CONVERSION TO AN INDIVIDUAL INSURANCE CONTRACT

If an Insured Person's coverage terminates prior to the termination age stated in the POLICY SPECIFICATIONS for Accidental Death and Dismemberment, for reasons other than policy termination, and an Insured Person makes written application to the Company within 30 days of such termination, the Company will, without evidence of insurability, issue on the life of such Insured Person an individual accident policy.

The benefits provided will be a Specific Loss Accident Indemnity schedule available from the Company at the date of conversion, and the amount of insurance that may be converted will not exceed the amount of insurance then in effect on the date of termination or a total aggregate of \$100,000 for all such conversions with the Company.

Premiums for such an individual accident policy being issued in compliance with the aforementioned condition will be calculated at the Company's manual premium rates then in force for the attained age of the Insured Person at the date of conversion.

Premiums will be payable annually in advance and the individual accident policy will be issued on an annually renewable basis.

GENERAL EXCLUSIONS

This Policy does not cover any Loss, fatal or non-fatal, caused or contributed to by:

- a) intentionally self-inflicted Injury or suicide while sane or self-inflicted Injury or suicide while insane;
- b) declared or undeclared war or any act thereof;
- c) active full-time service in the armed forces of any country;
- d) travelling in or on any aircraft or travelling otherwise by air, except as specifically provided in the provision entitled Aircraft Coverage.

NOTICE OF CLAIMS

Written notice of Injury on which claim is made must be given to the Company within 30 days after the date of the accident causing such Injury, except in the event of accidental death of which immediate notice must be given to the Company.

PROOF OF LOSS

The Company, upon receipt of such notice, will furnish to the claimant such forms as are usually furnished by it for filing proofs of Loss. If such forms are not so furnished within 15 days after the receipt of such notice, the claimant will be deemed to have complied with the requirements of this Policy as to proof of such Loss upon submitting, within 90 days after the date of such Loss, written proof covering the occurrence, character and extent of the Loss for which claim is made:

Failure to give notice or written proof of Loss within the time provided in this Policy will not invalidate nor reduce any claim, if it is shown that such proof was furnished as soon as was reasonably possible.

DESIGNATION AND CHANGE OF BENEFICIARY

Indemnity payable in the event of the Loss of Life of an Insured Person will be payable to the beneficiary or beneficiaries designated by the Insured Person on his Group Life Insurance application on file with the Policyholder or Group Life Insurance carrier, as the case may be. If there is no such beneficiary designation or if no designated beneficiary survives the Insured Person, such indemnity will be payable to the estate of the Insured Person. All other indemnities payable will be payable to the Insured Person, except those payable under the sections of this Policy entitled as follows:

Education Benefit
Occupational Training Benefit

Unless legally restricted, the Insured Person may change his designated beneficiary. Any such designation or change must be made in writing and signed by the Insured Person. A designation or change will take effect on the date of execution of such request, without prejudice to the Company on account of any payments made by it before receipt of such request.

PAYMENT OF CLAIMS

All indemnities provided in this Policy for Loss will be paid immediately after the Company receives due proof.

SECTION IV - BENEFIT PROVISIONS

LONG TERM DISABILITY

The terms set out below, wherever they appear in the Long Term Disability Sections of this Policy, will be interpreted as follows:

Disability or Disabled means Total Disability or Totally Disabled as defined in this Policy.

Elimination Period means the period of cumulative days of a continuous Disability for which no benefit is payable. The Elimination Period is shown in the POLICY SPECIFICATIONS and begins on the first day of Disability.

Indexed Pre-Disability Earnings means an Insured Person's Pre-Disability Earnings adjusted on the first anniversary of benefit payments and each following anniversary by 7%.

Injury means a contusion or wound on the exterior or interior of the body caused by external, violent and accidental means and resulting directly and independently of all other means.

Maximum Monthly Benefit means the amount shown in the POLICY SPECIFICATIONS

Monthly Benefit means the monthly amount payable by the Company under the terms of this Policy to an Insured Person.

Partial Disability or Partially Disabled means that because of Injury or Sickness the Insured Person, while unable to perform all of the material duties of his regular occupation on a full-time basis, is capable of performing at least one of the material duties of his regular occupation or other gainful occupation on a part-time or full-time basis and is earning more than 20% but less than 60% of his Indexed Pre-Disability Earnings due to that same Injury or Sickness. The loss or restriction of a professional or occupational license for any reason does not, in itself, constitute Partial Disability.

Pre-Disability Earnings means an Insured Person's monthly Earnings in effect immediately prior to the date of his Disability.

Pre-Existing Condition means any Injury or Sickness for which the Insured Person received medical treatment, consultation, care or services including diagnosis, or had drugs or medicines prescribed or had taken prescribed drugs or medicines during the six months prior to the day he became insured under this Policy.

Recurrent Disability means a Disability which is related to or due to the same cause(s) as a prior Disability for which a Monthly Benefit was payable to the Insured Person.

Retirement Benefit when used with the term Retirement Plan, means money which:

- a) is payable to the Insured Person under a Retirement Plan either in a lump sum or in the form of periodic payments;
- b) does not represent contributions made by the Insured Person; and
- c) is payable upon:
 - 1. early or normal retirement; or
 - 2. disability, if the payment does not reduce the amount of money which would have been paid at the normal retirement age of the Insured Person under the Retirement Plan if the disability had not occurred.

Retirement Benefit payments which represent contributions made by the Insured Person are deemed to be received over his expected remaining life regardless of when such payments are actually received.

Retirement Plan means a plan which provides Retirement Benefits to an Insured Person and which is not funded by his contributions. A Policyholder's Retirement Plan is deemed to include any Retirement Plan:

- a) which is part of any federal, provincial, municipal, county or association retirement system; and
- b) for which the Insured Person is eligible as a result of his relationship to the Policyholder.

Sickness means an illness, disease, disorder, or condition, including pregnancy, which requires treatment by a Physician but excluding any condition caused by voluntary action of the Insured Person whether by the ingestion of chemical substances (unless prescribed by a Physician) or otherwise.

Substance Abuse means the misuse of alcohol or drugs, including but not limited to controlled substances, as defined in the Narcotics Act and/or the Criminal Code of Canada.

Total Disability or Totally Disabled means because of an Injury or Sickness:

- a) the Insured Person is unable to perform all of the material duties of his occupation on a full-time basis; and
- b) after Disability Benefits have been paid for 24 months, he is unable to perform all of the material duties of any gainful occupation for which he is reasonably fitted by training, education or experience.

The loss or restriction of a professional or occupational license for any reason does not, in itself, constitute Total Disability.

The availability of work for the Insured Person is not a factor in determining Total Disability.

DISABILITY BENEFITS

When the Company receives proof that an Insured Person is Disabled and requires the regular care and attendance of a Physician, and after he satisfies the Elimination Period, the Company will pay the Insured Person a Monthly Benefit in accordance with the provisions of this Policy.

For accumulating days to satisfy the Elimination Period, the following will apply:

- a) a Disability will be treated as continuous if the Disability stops during the Elimination Period for a period of not more than 14 consecutive days; and
- b) days that the Insured Person is not Disabled will not count toward the satisfaction of the Elimination Period.

The Company will continue to pay a Monthly Benefit to an Insured Person who has been Disabled and becomes Partially Disabled, in accordance with the provisions of this Policy, provided that:

- a) proof of the Partial Disability was submitted to the Company within 31 days of the Insured Person becoming Partially Disabled;
- b) the Partial Disability began within 31 days of the end of a period during which the Insured Person was Disabled and received Disability benefits for the Disability; and
- c) the Partial Disability resulted from the same Injury or Sickness that caused the Disability.

Total Disability Benefit

If the Insured Person is Totally Disabled, his Monthly Benefit is the lesser of:

- a) 60% of the Insured Person's Pre-Disability Earnings, less Direct Income Benefits; or
- b) 85% of the Insured Person's Pre-Disability Earnings, less Other Income Benefits; or
- c) the Maximum Monthly Benefit as shown in the POLICY SPECIFICATIONS, less Other Income Benefits.

Partial Disability Benefit

If the Insured Person is Partially Disabled, his Monthly Benefit will be determined as follows:

- a) **Work Incentive Benefit:** For a total of 12 months of Partial Disability, the Monthly Benefit will be equal to the Monthly Benefit payable while Totally Disabled. However, if the Gross Monthly Benefit plus the Insured Person's current monthly earnings exceed 100% of the Insured Person's Indexed Pre-Disability Earnings, the Monthly Benefit will then be reduced by that excess amount.
- b) **Proportionate Loss Formula:** If the Insured Person is still Partially Disabled after receiving a total of 12 months of benefits under the Work Incentive Benefit, the following formula will be used to determine the Monthly Benefit:

$$(A \text{ divided by } B) \times C$$

A = The Insured Person's Indexed Pre-Disability Earnings minus the Insured Person's monthly earnings received while he is Partially Disabled.

B = The Insured Person's Indexed Pre-Disability Earnings.

C = The Monthly Benefit as calculated under the Total Disability Benefit provision above.

The Monthly Benefit will be calculated each month.

- c) **Child Care Expenses:** If Partial Disability Benefits are payable under the Proportionate Loss Formula, and the Insured Person incurs child care expenses for a dependent child, which allows him to return to work, the child care expenses, subject to the limitations in the following two paragraphs, will be added to the result in term "A" of the Proportionate Loss Formula.

The maximum child care expense credit allowed is for child care expenses actually incurred up to \$250 per month per child (or prorated for any lesser period). Child care expenses for all children of an Insured Person cannot exceed 100% of that Insured Person's return-to-work earnings.

Child care services must be provided by someone other than a person who is part of the Insured Person's immediate family. The dependent child must reside in the Insured Person's home and:

1. be under age 13; or
2. incapable of self-sustaining employment and dependent upon the Insured Person for support because of a mental or physical handicap.

DIRECT INCOME BENEFITS

Direct Income Benefits mean the following benefit amounts:

- a) The amount of any disability or pension benefits for which the Insured Person is eligible under:
 1. a workers' compensation law; or
 2. any other act or law;
- b) The amount of any disability or retirement benefits under the Canada Pension Plan, Quebec Pension Plan, Old Age Security Act, or any other act as follows:
 1. disability benefits for which the Insured Person is eligible; and
 2. retirement benefits received by the Insured Person;
- c) The amount of any disability benefits for which the Insured Person's Spouse, Child or Children are eligible because of the Insured Person's Disability, under the Canada Pension Plan, Quebec Pension Plan, Old Age Security Act or any other act.

The Insured Person must make reasonable efforts to obtain all benefits to which he may be entitled with respect to his disability. The Insured Person is not required to receive any retirement benefits, including but not limited to early retirement benefits, but excluding benefits under the Canada or Quebec Pension Plans characterized as retirement benefits receivable at age 60 by the Insured Person, arising from a disability, for which he may be eligible, which would result in a reduction in the amount of monthly retirement benefits received by the Insured Person.

Direct Income Benefits must be payable arising from the same disability for which the Company pays the Insured Person under the provisions of this Policy.

Item b) 2. above will not apply to disabilities which begin at or after age 65, if the Insured Person is receiving retirement benefits while continuing to work beyond attaining age 65.

Estimating Direct Income Benefits

The Company reserves the right to estimate the amount of any Direct Income Benefits for which the Insured Person may be eligible and has not yet received approval or payment of the amounts to which he may be eligible.

Lump Sum Payments

Direct Income Benefits which are paid in a lump sum will be prorated on a monthly basis over the time period for which the lump sum is paid. If no time period is stated, the lump sum will be prorated on a monthly basis over the period as determined by the Maximum Benefit Period shown in the POLICY SPECIFICATIONS for the Insured Person.

Cost-of-Living Freeze

After adjusting for each of the Direct Income Benefits, the Company will not reduce the Insured Person's Monthly Benefit due to any cost-of-living increases payable under Direct Income Benefits.

OTHER INCOME BENEFITS

Other Income Benefits mean the following benefit amounts:

- a) The amount of any disability or pension benefits for which the Insured Person is eligible under:
 1. a workers' compensation law; or
 2. any other act or law;
- b) The amount of any disability or retirement benefits under the Canada Pension Plan, Quebec Pension Plan, Old Age Security Act, or any other act as follows:
 1. disability benefits for which the Insured Person is eligible; and
 2. retirement benefits received by the Insured Person;
- c) The amount of any disability income benefits which the Insured Person receives under a provincial government mandated motor vehicle insurance plan in Canada;

BENEFIT PROVISIONS
LONG TERM DISABILITY

- d) The amount of disability or retirement benefits under the Policyholder's Retirement Plan, as follows:
 - 1. disability benefits for which the Insured Person is eligible; and
 - 2. retirement benefits received by the Insured Person;
- e) The amount of any disability income benefits for which the Insured Person is eligible under any other group insurance plan, including professional association plans;
- f) The amount of any disability benefits for which the Insured Person's Spouse, Child or Children are eligible because of the Insured Person's Disability, under the Canada Pension Plan, Quebec Pension Plan, Old Age Security Act or any other act; and
- g) The amount of any payments the Insured Person is eligible for under any salary continuation arrangement or plan.

The Insured Person must make reasonable efforts to obtain all benefits to which he may be entitled with respect to his disability. The Insured Person is not required to receive any retirement benefits, including but not limited to early retirement benefits, but excluding benefits under the Canada or Quebec Pension Plans characterized as retirement benefits receivable at age 60 by the Insured Person, arising from a disability, for which he may be eligible, which would result in a reduction in the amount of monthly retirement benefits received by the Insured Person.

Other Income Benefits must be payable arising from the same disability for which the Company pays the Insured Person under the provisions of this Policy.

Item b) 2. above will not apply to disabilities which begin at or after age 65, if the Insured Person is already receiving retirement benefits while continuing to work beyond attaining age 65.

Estimating Other Income Benefits

The Company reserves the right to estimate the amount of any Other Income Benefits for which the Insured Person may be eligible and has not yet received approval or payment of the amounts to which he may be eligible.

Lump Sum Payments

Other Income Benefits which are paid in a lump sum will be prorated on a monthly basis over the time period for which the lump sum is paid. If no time period is stated, the lump sum will be prorated on a monthly basis over the period as determined by the Maximum Benefit Period shown in the POLICY SPECIFICATIONS for the Insured Person.

BENEFIT PROVISIONS
LONG TERM DISABILITY

Cost-of-Living Freeze

After adjusting for items a), b) and f) the Company will not reduce the Insured Person's Monthly Benefit due to any cost-of-living increases payable under Other Income Benefits.

REHABILITATION

The Company, in co-operation with the Insured Person and the Insured Person's Physician, may enter into a Managed Rehabilitation program if appropriate, as determined by the Company.

DISABILITY BENEFITS TERMINATION

Disability benefits will cease on the earliest of the following:

- a) the day the Insured Person is no longer Disabled;
- b) the day the Insured Person dies;
- c) the end of the Maximum Benefit Period shown in the POLICY SPECIFICATIONS;
- d) the day the Insured Person's current earnings exceed 60% of his Indexed Pre-Disability Earnings;
- e) the day the Insured Person ceases to provide proof of his continuing Disability;
- f) the day the Insured Person no longer requires the regular care and attendance of a Physician; or
- g) the day the Insured Person for any reason ceases to receive the recommended care and treatment which is intended to facilitate his eventual recovery and/or return to work (whether voluntary or otherwise).

RECURRENT DISABILITY

A Recurrent Disability will be treated as part of an Insured Person's prior Disability if, after receiving Disability Benefits under this Policy, he:

- a) returns to his regular occupation on a full-time basis for less than six months; and
- b) performs all of the material duties of his occupation;

then accordingly, he will not need to satisfy another Elimination Period.

If the Insured Person returns to his regular occupation on a full-time basis for six months or more, a Recurrent Disability will be treated as a new period of Disability. The Insured Person must then satisfy another Elimination Period.

In order to prevent over-insurance because of a duplication of benefits, benefits payable under this Recurrent Disability provision will cease if benefits are payable to the Insured Person under any other group long term disability policy.

REEMPLOYMENT SUBSIDY BENEFIT

If after an Insured Person qualifies for Partial or Total Disability Benefits, he is unable to return to his previous job but returns to alternate or modified employment with the Policyholder, the Company will pay the Policyholder a Reemployment Subsidy Benefit. The amount of such benefit will be the least of the following amounts:

- a) 50% of the Insured Person's earnings for the first 3 months of alternate or modified employment; or
- b) the Monthly Benefit paid to the Insured Person in the month prior to his return to alternate or modified employment; or
- c) \$1,000.

The Reemployment Subsidy Benefit is paid after the Insured Person has worked for 6 consecutive months with the Policyholder and is payable once only in any one period of disability.

PRE-EXISTING CONDITION EXCLUSION

This Policy does not cover any Disability:

- a) caused by or contributed to by a Pre-Existing Condition as defined in this Policy, or resulting from the Pre-Existing Condition; and
- b) which begins in the first 12 months after the Insured Person became insured under this Policy.

SUBSTANCE ABUSE LIMITATION

No amount shall be payable under this Policy for a Disability caused directly or indirectly by Substance Abuse unless:

- a) for the first 12 months after completion of the Elimination Period as shown in the **POLICY SPECIFICATIONS**, the Insured Person is participating in a therapeutic program, recognized as such by the Company, and is under continuous medical supervision by a specialist in this field;
- b) after the first 12 months, the Insured Person is unable to engage in any occupation for which he is or becomes reasonably fitted by education, training or experience.

CONTINUATION OF INSURANCE IN EVENT OF DISABILITY

If an Insured Person becomes Disabled, his Long Term Disability insurance will continue without payment of premium for as long as he is entitled to receive a Disability Benefit under this Policy, provided the premium is paid during the Elimination Period.

EXTENSION OF INSURANCE

If the Policyholder has terminated the Insured Person's employment and is required to extend Long Term Disability insurance to that Individual during a prescribed notice of termination in accordance with any federal or provincial law (whether statutory, regulatory or otherwise), the Individual may continue to be insured for Long Term Disability benefits under this Policy for that period.

The Policyholder must ask for continuation in writing and in no event will it extend beyond the date on which this Policy terminates. If the Company approves this request, the required premium must continue to be paid. The extent and length of any extension approved by the Company shall be at the sole discretion of the Company but shall not exceed the period of notice prescribed by legislation. The Company reserves the right to adjust the premium payable under this Policy whenever the Company approves such an extension request.

WAIVER OF PREMIUM

Long Term Disability Insurance premium payments for an Insured Person are waived during any period for which Monthly Benefits are payable to the Insured Person under this Policy.

The premium will not be waived during the Elimination Period

GENERAL EXCLUSIONS

This Policy does not cover any Disability during which the Insured Person is not under the regular care and attendance of a Physician, or resulting directly or indirectly from, or being in any manner or degree associated with or occasioned by:

- a) service in the armed forces, active or reserves of any country or international authority;
- b) an act of war, declared or undeclared, or armed aggression;
- c) active participation in a riot;
- d) committing, attempting or provoking a criminal offence or an offence under the Criminal Code of Canada; or
- e) an intentionally self-inflicted Injury or Sickness or attempted suicide while sane or insane.

No benefit or any other amount is payable under this Policy for any of the following:

- a) any disability, loss or expense that commences or occurs during a leave of absence by the Insured Person except to the extent that the continuation of such insurance coverage during any period of statutory maternity or parental leave of absence is required either by any relevant federal or provincial law (whether statutory, regulatory or otherwise) or by any written agreement between the Policyholder and the Insured Person; or
- b) any period of disability, loss or expense during which the Insured Person receives or is entitled to receive any basic and supplementary Employment Insurance Maternity/Parental leave benefits.

NOTICE OF CLAIMS

Written notice of claim must be given to the Company as soon as possible after the occurrence or commencement of a covered loss, but in no event beyond the 30 day period following the expiration of the Elimination Period.

PROOF OF LOSS

Written proof of loss must be received by the Company following the filing of a notice of claim, but in no event beyond the 90 day period following the expiration of the Elimination Period.

Failure to furnish proof of loss within the time periods stated above shall not invalidate or reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as possible.

All claims under this Policy must be submitted on a Company claim form or one that is acceptable to the Company and should include the claimant's name and the Policy Number.

SECTION V - ADMINISTRATIVE PROVISIONS

SETTLEMENT OF CLAIMS

All monies payable under this Policy are payable in Canadian Dollars

LIMITATION OF ACTION

An action or proceeding against the Company for the recovery of a claim under this Policy shall not be commenced more than one year after the date the insurance money became payable or would have become payable if it had been a valid claim.

EXTENSION OF TIME LIMITATION

If any time limitation of this Policy for providing proof of loss, or for bringing legal action, is less than the time limitation permitted by the law of the province in which the Insured Person resides at the time this Policy is issued, then the time limitation of this Policy is deemed to agree with the minimum period permitted by such applicable law.

MEDICAL EXAMINATION AND AUTOPSY

The Company shall have the right and opportunity to have the Insured Person examined medically, at the expense of the Company, at such intervals as the Company may reasonably require during the pendency of claim hereunder, and also the right and opportunity to make an autopsy in the case of accidental death where such autopsy is not forbidden by law.

ATTENDING PHYSICIAN

An Insured Person may select any licensed Physician as his attending Physician.

SUBROGATION

In the event that benefits are paid under this Policy to an Insured Person who has a right to receive payment from any person or organization arising from the same cause, the Company will be subrogated in the amount of benefits paid under this Policy to the rights of recovery of the Insured Person against any such person or organization. The Insured Person will reimburse the Company in the amount of benefits paid by the Company to the Insured Person.

THE CONTRACT

This Policy consists of:

- a) a copy of the Policyholder's original application; and
- b) this Policy including any amendments;

and together constitute the entire Contract between the Company and the Policyholder.

All statements made by the Policyholder and by the Insured Person shall be considered, in the absence of fraud, to be representations and not warranties. No statements made that affect an Insured Person's insurance shall void or reduce such insurance unless the statement is made in writing on a form signed by the Policyholder or the Insured Person and a copy given to such Policyholder or Insured Person.

Neither the Policyholder nor any broker shall be considered to be the agent of the Company for any purpose under this Policy.

MISSTATEMENT OF AGE

In the event that an Insured Person's age has been misstated, the Insured Person's true age will be used to determine:

- a) the effective date or termination date of the Insured Person's insurance;
- b) the amount of insurance; or
- c) any other rights or benefits.

Based on the true age of the Insured Person, an adjustment will be made in either the premiums or benefits, or both, at the Company's sole discretion.

CLERICAL ERROR

Clerical error on the part of the Company or the Policyholder in keeping or in furnishing of information shall not void any Insured Person's insurance otherwise validly in force.

MODIFICATIONS

Any change to or modification of this Policy is not legally binding or enforceable unless such change or modification is in writing and is signed by an authorized officer of the Company.

This Policy may be modified from time to time by the Company and accepted by the Policyholder as evidenced by the payment of premiums for periods beginning on and after the effective date of such change. However, if the change is not the direct result of a request by the Policyholder, a period of 31 days will be given before the date when such amendment is to take effect. If no objection is made during the 31 day period, the amendment will still take effect on the specified effective date of such change unless the Company agrees in writing before the specified effective date to change or to withdraw such amendment.

REPORTS OF REGISTRATION OF DATA BY THE POLICYHOLDER

The Policyholder will furnish the Company the data needed to determine the amounts of insurance for each Insured Person and the related premium.

INSPECTION OF RECORDS BY THE COMPANY

The Company has the right, at all reasonable times, to inspect the payroll and all other records of the Policyholder for any purpose relating to insurance under this Policy.

PREMIUMS

Premiums and Policy Anniversaries

The term of this Policy begins on the Policy Effective Date at 12:01 a.m. local time at the address of the Policyholder, and ends at 12:01 a.m. on the first anniversary thereof; but the Policy may be continued, as herein provided, upon due payment of premiums.

The initial premium is due on July 1, 1997. Subsequent premiums are due, and payable in advance, monthly thereafter on the 1st day of each month.

Policy anniversaries are deemed to occur on the 1st day of July each year, beginning in 1998. The premiums due on each premium due date shall be the sum of the individual premiums of each Insured Person, determined according to his Classification at the time the premium is due.

Any premium due is payable to the Company or to a designated agent, as stipulated in the Policy. The payment of any premium or instalment thereof shall not maintain the Policy in force beyond the due date of the next premium except as provided in this Policy.

Premium Rates

The Company has set the premium rates that apply to the insurance provided by this Policy. Those rates are shown in a notice given to the Policyholder with or prior to the delivery of this Policy.

The Company, upon 31 days of written notice to the Policyholder, may set new premium rates to become effective on the expiration of the rate guarantee period and on any premium due date thereafter.

The Company may set new premium rates to become effective on any date that is either:

- a) the 1st day of the month following any change that is made to this Policy at the Policyholder's request; or
- b) the effective date of any change in the Company's liability under this Policy resulting from the legislative or regulatory requirements of any governmental entity; or
- c) the 1st day of the month following any variation in the demographic composition of the group of more than $\pm 25\%$.

Grace Period for Payment of Premiums

A grace period of 31 days will be granted to the Policyholder for the payment of every premium due after the initial premium. If any due premium is not paid before the expiration of the grace period, this Policy shall automatically terminate at the expiration of the grace period. However, if the Policyholder has given written notice in advance of an earlier date of discontinuance during the grace period, this Policy shall terminate as of such earlier date.

The Policyholder shall be liable to the Company for the unpaid premiums for the period (including a pro rata premium for the grace period or fraction thereof) during which coverage is in force.

Termination

The Policyholder may terminate this Policy on any Premium Due Date by giving the Company written notice at least 31 days in advance.

The Company may terminate this Policy at any time by giving written notice of such termination to the Policyholder at least 31 days before the specific termination date that is set out in the written notice.

Without restricting the Company's right to do so and regardless of any other provision in this Policy, the Company, because of fraud or of material misrepresentation or non-disclosure by, or on behalf of, the Policyholder or an Insured Person, may void insurance coverage for any Insured Person as if no insurance coverage had ever been issued for such Insured Person.

ADMINISTRATIVE PROVISIONS

CONFORMITY WITH LAW

If the coverage provided by this Policy does not conform to current legislation, it is considered to be automatically amended in order to comply with the minimum requirements of such legislation.

ASSIGNMENT

Except where this Policy expressly provides otherwise, the benefits contained in this Policy are not assignable.

GOVERNING JURISDICTION

This Policy shall be governed by and construed in accordance with the laws of the Province of Ontario,

OVERPAYMENT OF BENEFITS

The Company has the right to recover any overpayment of benefits made to an Insured Person, whatever the cause of such overpayment.

BY-LAWS

No provision of the charter or by-laws of the Company not included herein will void this Policy or be used in any legal proceeding hereunder.