

COLLECTIVE AGREEMENT

Port Colborne

Between

ADM MILLING CO.  
Port Colborne, Ontario, Canada

And

UNITED FOOD AND COMMERCIAL  
WORKERS INTERNATIONAL UNION,  
AFL-CIO, CLC, LOCAL 175

TERM: November 30, 2003 to November 30, 2006

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THIS AGREEMENT, made and entered into this 26th day of May, 2004, by and between ADM MILLING CO., Port Colborne, Ontario, hereinafter referred to as the "Company" and the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO-CLC, Local Union 175, hereinafter called the "Union".

## PREAMBLE

This Agreement is entered into by the parties hereto in order to provide for the orderly collective relations between the Company and those employees who come within the bargaining unit as hereinafter set forth. In consideration of the mutual promises herein contained, the parties hereto mutually agree as follows:

### ARTICLE I                    RECOGNITION

#### Section 1.01                Recognition

The Company recognizes the Union as the sole and exclusive bargaining agent for its production, maintenance, laboratory and boat crew employees employed at its flour mill located at South King Street, West Pier, Port Colborne, Ontario, except supervisors and persons above the rank of supervisor, salesman, office and clerical staff, technical employees, and all other employees.

#### Section 1.02                Union Membership

The Company agrees that all hourly paid employees shall become and remain members in good standing with the Union. Upon commencing employment, the employer shall require all employees to complete a membership application form and remit same to the Union with regular dues plus the established initiation fee.

#### Section 1.03                Checkoff

A - The Company agrees to automatically deduct the regular weekly dues as specified by the Union. The Company shall remit such monies so deducted to the Secretary-Treasurer of the Union no later than the 10th day of the following month.

The remittance statement shall be documented by location containing a dues and initiation report which will be provided in the form of e-mail ([remit@ufcw175.com](mailto:remit@ufcw175.com)) or on a computer diskette as well as a hard copy of the dues report being attached to the remittance check. The information provided shall be on a standard spreadsheet in a format acceptable and adaptable to both the Union and the Company. The spreadsheet will be in a format provided by the Union and the Company will provide the following current information:

1. S.I.N.
2. Employee number, if applicable
3. Full name (Last/First/Initial)
4. Full address, including the city and postal code\*
5. Telephone number, including area code\*

6. Rate of pay
7. Full-time or part-time classification
8. Union dues deducted (or the reason a deduction was not made). If the dues are required weekly, the report requires five columns for reporting.
9. Total dues deducted
10. Back dues owing
11. Initiation fees deducted
12. Total initiation fees deducted

\* Within the guidelines of the Privacy Act

B - The Union shall defend, indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that may arise out of, or by reason of, actions taken or not taken by the Company for the purpose of complying with the checkoff provisions of this Agreement.

## ARTICLE II                      MANAGEMENT RIGHTS

### Section 2.01                      Management Rights

A - The Company retains any and all management rights not expressly limited by the specific terms of this collective Agreement. Among these rights, but not intended as a wholly inclusive list, shall be the right to manage the plant and direct the workforce; to plan, direct and control plant operations; to determine the means, methods, processes and schedules of production; to determine the products to be manufactured or processed, and the plant or facility at which they are to be manufactured or processed; to determine the location of its plants/grain terminals and the continuance of its operating departments; to transfer work temporarily or permanently between plants; to temporarily or permanently close the plant or any portion thereof during the term of the collective Agreement; to promote, demote or transfer employees from one job to another; to decide on "make" or "buy" decisions; to determine the number of personnel needed; to determine schedules, shift assignments, and hours of work including overtime; to determine the number of shifts; to demote, discipline, suspend or discharge employees for just cause; to maintain order; to hire, rehire, or recall employees; to lay off or relieve employees from duty because of lack of work or any other legitimate reason; to make and enforce reasonable plant rules and regulations; to make and enforce safety rules; to install, use and move cameras as applicable legislation allows. Prior to installing and moving cameras, the Union will be notified in writing of the locations of the cameras; to assign employees to work and designate the duties of the employees; to change, modify, eliminate or reassign job duties; to set the wage rates for newly created jobs; to contract work out or in, including but not limited to maintenance and construction work, cleanup and boat unloading operations, or to have such work performed by other Company personnel; to use contract labourers; and to make any decisions or changes which in the opinion of management, the efficient operation of the plant requires.

B - The Company agrees that it will not exercise its functions in a manner inconsistent with the specific provisions of this Agreement, and an alleged violation thereof shall be subject to the grievance procedure. It is understood that the express provisions of this Agreement constitute the only limitations upon the Company's rights.

ARTICLE III                    GRIEVANCE & ARBITRATION PROCEDURE

Section 3.01                    Grievance Procedure

The parties to this Agreement shall attempt to resolve grievances as quickly as possible. No grievance shall be considered where the circumstances giving rise to it occurred or originated more than 7 full calendar days before the filing of the grievance or 7 days from the date the grievant became aware of the alleged violation. An employee or the Union shall discuss problems orally with the supervisor in an attempt to seek a solution prior to the commencement of the formal grievance procedure. A grievance may be filed by an employee(s) or the Union. Formal grievances will be processed promptly using the following procedure:

Step 1 (In Writing)

Between the aggrieved employee, the Union Steward and the Department Supervisor. The Company will give its answer within 7 calendar days.

Step 2

Between the aggrieved employee, the Union Steward, the Chief Steward, the Department Supervisor and his representative. The Company will provide an answer in writing to the Union within 7 calendar days.

Step 3

Between the President, Chief Steward and Steward, and the Department Supervisor, the Plant Manager or a representative of the President of the Company. A Union Staff Representative may also be present. The Company representative will give the Union the Company's written decision within 30 calendar days following the Step 3 meeting.

Section Note: Time limits cannot be waived unless by mutual agreement between the Company and the Union.

Section 3.02                    Arbitration Procedure

A - If the grievance procedure has been complied with and either party desires to arbitrate a grievance relating to the interpretation, application, administration or alleged violation of the provisions of the Agreement, the procedure outlined below shall be followed.

B - The parties shall select an arbitrator by exchanging lists reflecting the names of five (5) arbitrators. The individual whose name first appears on both lists shall be accepted by the parties as the arbitrator. If the parties do not succeed in selecting an arbitrator on the first exchange of lists, this procedure will be repeated. If after a second exchange of lists the parties do not succeed in selecting an arbitrator, the appointment shall be made by the Minister of Labour at the request of either party. This process must be initiated within 30 calendar days of the written notice to arbitrate. This time limit may be extended by mutual agreement between the parties.

C - The arbitrator selected shall set a mutually convenient date and place for the hearing and hear both sides of the dispute before rendering a decision.

D - The Arbitrator shall not be authorized to make any decision inconsistent with the provisions of this Agreement, nor to alter, modify or amend any part of this Agreement. The decision of the Arbitrator shall be final and binding on the Company, the Union and the employees.

E - Each party shall pay its own expenses incurred in arbitration, including the expense of its witnesses and representatives. All other expense of arbitration, including fees and expenses of the arbitrator, shall be borne equally by the Company and the Union.

Section 3.03                      Union Notice Of Written Discipline

The Company will give the Union a copy of any written discipline which is to be placed in an employee's file.

Section 3.04                      Union Steward - Disciplinary Meetings

A Union Steward or a Union Executive member, provided one is available on Company property, shall be present at meetings between management and bargaining unit employees or when disciplinary measures are to be presented by management to such employees. If a Union Steward or Union Executive member is not available, a union employee will be asked to attend the meeting.

ARTICLE IV                      JOB CLASSIFICATIONS AND RATES OF PAY

Section 4.01                      Job Classifications And Rates Of Pay

The following hourly rates will apply during the term of this Agreement.

<u>Job Classification</u>	<u>Hourly Rates Effective</u>		
	<u>11-30-03</u>	<u>11-30-04</u>	<u>11-30-05</u>
Operator 1	\$20.33	\$20.84	\$21.26
Operator 2	19.42	19.91	20.31
*Utility (current employees)	18.48	18.94	18.94
**Utility (new employees and bidders)	16.00	16.40	16.73
Maintenance	22.57	23.13	23.59
Training Grade	20.75	21.27	21.70

\* Applies to all employees in the Utility Classification as of the date of ratification of this contract (May 26, 2004) or to any current employee as of the date of ratification of this contract (May 26, 2004) that is bumped into the Utility Classification.

\*\* Applies to all employees hired after the ratification date of this contract (May 26, 2004) or any other employee who bids into this classification.

#### NOTES APPLICABLE TO JOB CLASSIFICATIONS

1. Employees in any job classification will perform any jobs or duties to which they may be assigned. Each "job classification" may include a wide variety of different jobs, tasks and duties, some of which may cross job classification lines. Maintenance, housekeeping and lubrication duties may be required of any employee. Employees who either perform maintenance duties or assist in performing maintenance duties will be paid at the rate of their own regular job classification. There is no contractual obligation for establishing light duty job classifications.
2. There are no minimum crew or job manning requirements. The Company has the sole right to determine the number of employees in any job classification as well as the right to determine crew size in the plant or any portion thereof, provided there is no violation of any appropriate government legislation. Classified jobs may be filled, vacated or permanently discontinued at the Company's discretion.
3. If employees within the bargaining unit do not possess the necessary skills to fill a vacancy, the Company may fill such vacancy by hiring from outside.
4. Non-employee, contract labour may be used to supplement the Company's workforce. Such contract labourers will not be used if any employee is in a layoff status unless such laid off employee either cannot be immediately contacted, or if contacted, the employee rejects the opportunity to perform the available work.
5. Lab employees may be required to have a minimum education level as determined by the Company. This may include a requirement for post secondary education in courses related to Quality Assurance and/or related experience.
6. Safety is everyone's responsibility. Employees' job responsibilities include their personal safety and collectively, that of their fellow employees.

#### Section 4.02

#### Shift Differentials

2nd or 3rd Shifts - A shift differential is paid in addition to an employee's regular straight time hourly rate if he is scheduled and working on either the 2nd or 3rd shift. The 2nd shift differential is 70¢ per hour. The 3rd shift differential is \$1.00 per hour. The 4th shift or swing shift differential is \$1.00 per hour.

Note 1: If an employee is scheduled on a 2nd or 3rd shift and is involved in a continuous work period requiring him to work on more than one shift, then the shift on which he has been scheduled establishes the shift differential, if any, for all hours worked during the continuous work period. An employee who is scheduled on the day or 1st shift does not qualify for shift differential pay even though he works on the 2nd or 3rd shifts. Shift differentials are not applicable to call-ins or call-backs unless such an assignment continues on into the employee's regularly scheduled 2nd or 3rd shift. If an employee is on a regular schedule which requires him to overlap 2 shifts, then the shift on which he is scheduled the greatest number of hours determines the shift



differential, if any. Should he be scheduled an equal number of hours on 2 shifts, then the higher shift differential will apply.

Note 2: Shift differentials are not added to an employee's base rate for purposes of computing overtime, or for any unworked hours for which the employee is paid such as holidays, jury duty and funeral leave.

Section 4.03                      Rates Of Pay - Temporary Transfers

A - If an employee is temporarily transferred for Company convenience to a lower-rated job classification, he will continue to receive the rate of pay for his regular job classification until the transfer is made permanent.

B - If an employee is temporarily transferred by the Company to a higher-rated job classification, he will receive the higher rate of pay. However, it does not apply to employees who may relieve for breaks or who may be supplementing the workforce performing various tasks or jobs performed by employees in other job classifications.

Section 4.04                      Rates Of Pay - Permanent Transfers

An employee who is permanently transferred to a lower-rated job classification will receive the lower rate at the time he begins work in the lower-rated job. If he is permanently transferred to a higher-rated job classification, he will receive the rate of the higher-rated job after he has completed his training and trial period and can satisfactorily perform the duties of the job with no more supervision than is required by other employees on the same job.

Section 4.05                      Rates of Pay – Supervisor Relief and Lead Person

A – An employee assigned as a Relief Supervisor shall be paid an hourly rate which is \$1.25 above the highest rate of the employees working on the shift for which he is responsible.

B – An employee assigned as a Lead Person shall be paid an hourly rate which is \$1.00 above the highest rate of the employee working on the shift for which he is responsible.

C – Supervisor Relief or Lead Person assignments may be filled at the Company's discretion, subject to the employee's willingness to accept such assignment. Lead Persons may be used in any department where lead duties are desirable. Lead Persons will perform regular duties in addition to their lead duties. Supervisor Relief and Lead Person assignments may run for indefinite periods of time and may be filled or vacated at the Company's discretion.

Section 4.06                      Temporary Employees

Temporary employees may be hired as determined by the Company to supplement the workforce. Such employees will not be entitled to benefits under this collective Agreement nor will the provisions of this collective Agreement apply to them. Such temporary employees will not accrue seniority as a result of such temporary employment. Temporary employees are not considered probationary employees even if the temporary assignment exceeds the probationary period. Individual temporary assignments will not exceed 160 work days per contract year.

Note 1: Regular employees who are on layoff will be offered the temporary assignment before temporary employees are assigned the temporary work. Regular employees who accept the temporary assignment will be paid the rate of the job they are performing. If the temporary assignment is for a minimum of 10 work days, the regular employee who is on layoff must accept the assignment or lose his seniority in accordance.

Note 2: Temporary employees will be paid \$12.00 per hour for all hours worked regardless of the job they are performing.

Section 4.07                      Creation Of New Job Classifications

If a new job classification is created, the Company will establish a rate for such classification and, if requested by the Union, shall after no more than 120 working days of job experience, negotiate with the Union for a permanent rate for such classification. Such negotiated rate will be retroactive to the date that the job was established. If the negotiation of such rate reaches an impasse, there shall be no arbitration of such wage rate and the parties shall continue to honor the provisions of Article XII - No Strikes Or Lockouts. In the event of such impasse, the rate negotiation will be deferred to the next regular negotiation of the collective Agreement, and the provision of retroactivity shall be as provided in this Section.

Section 4.08                      Severance Procedure

In the event that a permanent reduction in force results in the reduction in the number of full-time employees, the Company and Union will meet to negotiate the severance payments for the affected employees.

ARTICLE V                      HOURS OF WORK AND OVERTIME

Section 5.01                      Intent And No Pyramiding

This Article is intended to set forth the normal hours of work and to provide a basis for computing overtime and premium pay, and shall not be construed as a guarantee or limitation on overtime hours or on hours of work per day or per week, nor shall anything in this Agreement be so construed as to permit the pyramiding or duplicating of overtime or premium payments. Hours for which overtime or premium payments are made

shall not be used to compute overtime or premium pay for any other hours. Whenever more than one premium could be applied to the same hours, only the larger will be paid. For purposes of this Section, shift differentials are not considered as premium payments.

Section 5.02                      Workday And Workweek

The workday is a 24-hour period running from 6 AM one day to 6 AM the following day. The workweek begins at 6 AM Monday and ends at 6 AM the following Monday. The normal workweek contains 5 consecutive workdays scheduled Monday through Sunday. The workday and workweek may be different for some individuals, departments or shifts in the interest of efficient or less costly plant operations.

Note: Employees scheduled rest days will be consecutive; and, in the case of a 5-day work schedule, one of the rest days will include Saturday or Sunday.

Section 5.03                      Starting Times, Shifts And Schedules

A - The Company may vary schedules, starting times and quitting times for different areas or operations of the plant or for individual employees. In general, when overtime is not required, employees may be scheduled, at the Company's option, on either an 8 1/2 hour shift including a 1/2 hour unpaid meal period, or on an 8-hour shift with a paid meal period on-the-run.

B - The Company may vary or change the number of hours scheduled, the number of shifts scheduled, the manpower requirements of the various shifts and the scheduling of workdays and hours for business reasons or efficient plant operations. This includes determination as to whether operations are scheduled in a continuous or non-continuous manner. Any area of the plant or portion of the employees may be scheduled in more than one way.

C - Employees scheduled in operations with job classifications requiring 2 or more shifts may be required to rotate shifts. The Company, at its discretion, may from time to time change an individual employee's shift assignment within a given shift rotation. For example, in a 4-shift operation the Company may determine whether an individual employee is assigned to the A, B, C or D shift.

Section 5.04                      Daily And Weekly Overtime Pay

All time worked by an employee over 8 straight time hours in any one day (on an 8-hour shift) or over 40 straight time hours in any one workweek will be paid for at the rate of 1 1/2 times.

Note: For purposes of satisfying the 40 straight time hour requirement, the following unworked hours shall count as straight time hours of work up to 8 hours per day or 40 hours per week for days the employee was either scheduled to work or was laid off: (1) a worked or unworked holiday for which the employee is paid, provided it falls on an employee's scheduled straight time day of work, or (2) a paid absence resulting from either bereavement leave, jury duty or vacation time off, or (3) 8 hours per day

for Union members who miss work as a result of attending negotiations with the Company.

Section 5.05                      Call-In Pay Premium

An employee who is called in for emergency or overtime work on his scheduled day off or called back after he has finished his shift and left the plant and premises, will be paid at the applicable hourly rate for such unscheduled hours worked or 4 hours' pay at his straight time hourly rate, whichever is greater. An employee called back or called in to start in advance of his regular starting time and who continues to work on into his scheduled shift, shall not qualify for the 4-hour guarantee provided for in this Section.

Section 5.06                      2nd Scheduled Day Off Premium

An employee shall be paid 2 times his regular rate of pay for work performed on his 2nd scheduled day off, provided he has actually worked 40 straight time hours in the workweek.

Note: The 2nd scheduled day off principle of double time pay shall apply to: (1) the 1st scheduled day off for those employees on a 6-day schedule, and (2) the 7th day of the workweek for those employees on a 7-day emergency schedule, and (3) the 7th day of the workweek for those employees scheduled less than 5 days.

Section 5.07                      Distribution Of Overtime

Daily and weekly overtime will be filled by active, qualified employees who are either bid, assigned or temporarily transferred and working in the job where the overtime occurs. Such employees will be assigned to daily and weekly overtime on the basis of the man-on-the-job concept. If this applies to more than one man-on-the-job, then the man-on-the-job in the classification where the overtime occurs who has the most plant seniority will have first opportunity to work the overtime. The Company will attempt to equalize overtime assignments. If active employees in the job classification are not available, the Company may, subject to qualifications, then offer the overtime to the other regular department employees according to their plant seniority. If the overtime is still not filled, the Company may offer the overtime to (1) any qualified employee, then (2) anyone outside of the bargaining unit.

Note 1: The term man-on-the-job means the employee who is actually performing a specific job (within a job classification) on the off-going shift.

Note 2: An employee whose job is in operation may not turn down overtime in his own job in order to work overtime in another job.

Note 3: If overtime (including call-ins) is mis-assigned, an employee so affected shall have the opportunity to make up such missed overtime as soon as is practical within a 30 calendar day period at any time mutually agreeable between the Company and the employee.

Section 5.08                    Job Coverage

A - In case an employee does not report for work, the employee waiting to be relieved will remain on the job and, if necessary, an attempt will be made to supply a replacement as soon as possible within 4 hours after the end of the shift. With respect to relieving a group of employees in the same job classification, the principle followed is that the junior, available, qualified employee(s) must remain on the job until the crew is properly relieved.

B - Employees must stay until released when assigned to jobs which are necessary to complete from an emergency breakdown standpoint. Maintenance employees agree to accept emergency call-in or call-back work on a regular basis.

ARTICLE VI                    SENIORITY AND FILLING VACANCIES

Section 6.01                    Seniority

A - Seniority shall be considered as plant seniority and shall be defined as the duration of a regular employee's continuous service for the Company within the bargaining unit as described in Section 1.01 - Recognition, from his last hiring date. The seniority date of the employee will be determined according to Section 6.03 - Probationary Employees.

B - Seniority of employees hired at the same date will be determined by alphabetic order of family name.

Section Note: An up-to-date seniority list will be posted every 3 months and a copy will be given to the Union.

Section 6.02                    Consideration Of Qualifications

The application of the seniority provisions of this Agreement must be governed by considerations of whether the employee is qualified to perform the job required. If the employee is not so qualified, the applicable seniority provision will not apply.

Note: It is recognized that an employee who permanently bids or who is permanently transferred to a new or different job will have a fair trial/training period on such new job, as determined by management. If during the trial period, the Company finds the employee incapable or the employee declares himself incapable, he will be placed in his previous job. It is understood that the employee who declares himself incapable during the trial period may not apply for another job posting for a 12 month period. The 12 month period will be from the date the posting comes down.

Section 6.03                    Probationary Employees

All new employees will be hired as probationary employees for the first 120 calendar days of employment after which the employee shall be placed on the seniority

list dating back to his date of hire as a probationary employee. A probationary employee shall not have seniority rights and the discharge of such employee will not be subject to the grievance and arbitration procedure of this Agreement.

Section 6.04                      Filling Permanent Vacancies  
(Except Maintenance and Job Classifications in the Line of Progression)

When new jobs are created or the Company determines it necessary to fill a permanent vacancy, such job will be filled by plant seniority provided that, in the opinion of management, such employee is capable of learning and performing the job in a safe, efficient and productive manner.

Note 1: If after posting in the plant, management determines that no suitable employee is available in the bargaining unit, then employees may be hired from outside the bargaining unit.

Note 2: An employee who returns from an absence of up to 60 days because of vacation, leave of absence, funeral leave, jury duty, or occupational or non-occupational illness or injury may make application retroactively for any permanent vacancies posted during his absence, provided that he does so within 2 working days following his return to work. The Company will attempt to contact an absent employee to determine if he/she wishes to bid on a permanent vacancy, and he/she must respond to such inquiry within 48 hours or forfeit his right to such bid.

Note 3: For entry into Maintenance, see Section 6.05 - Filling Permanent Vacancies (Maintenance).

Section 6.05                      Filling Permanent Vacancies (Maintenance)

A - Entry into the Maintenance job classification will be made at the Company's discretion by either hiring from outside or by the assignment of an employee of the Company's choice to be trained in the job. The following criteria, among others, may be used in the selection of an employee for these job classifications.

1. Results from a Company-designated test battery to measure maintenance aptitude, interest and other skills and characteristics specific to maintenance.
2. Physically able to perform all types of plant maintenance work.
3. Willing and able to perform high work.
4. Willing and able to continually work overtime and emergency call-in or call-back work subject to applicable law.
5. Willing and able to take formal trade school courses as selected by management and to take such courses on a continuing basis during the training period.

6. Must have shown good job proficiency, had a good attendance record, and have been a productive employee in previous jobs performed in the plant.

B - An employee in training must advance through the training grade and into the Maintenance classification or be disqualified. The Training Grade [1-12 months] hourly rate will be as noted in Section 4.01.

C - An employee with obvious skills may be advanced at a faster rate. Advancement through the training grade will be based on management's judgment of the employee's skills and job performance. An employee who is not progressing satisfactorily to the Maintenance classification may be kept in training for longer than the above-listed time, or he may be disqualified. An employee who is disqualified will return to his previous job classification if held by a less senior employee.

D - An employee in training may be required to take formal trade school courses applicable to the plant work. Such courses must be approved by management prior to enrollment. The Company will pay for tuition, books and supplies, but not for time spent at such course.

E - The training program shall not restrict the Company from hiring qualified employees from outside.

Section Note: The Company will post a notice in the plant when a Maintenance vacancy is to be filled through the testing program. An employee may indicate his interest by signing the notice. The Company may test all or any portion of those desiring to be tested. After posting in the plant, the Company may test employees from the outside.

Section 6.06                      Entry and Line of Progression - Operator II & Operator I Job Classifications

A - The following job classifications are included in the Line of Progression from the Operator II job classification to the Operator I job classification:

Milling Department Line of Progression

1.     Operator I
2.     Operator II

B - Entry - Entry into the Operator II job classification will be either by assignment of the most capable employee, provided the employee is agreeable to such assignment or by hiring from outside. An employee will not be assigned to the Operator II unless, he has the capability to advance to the Operator I job classification within the Line of Progression. The Company may employ testing procedures to determine which employees are the most capable of progressing through the jobs in the Line of Progression. In addition, such factors as the employee's proficiency, productivity and attendance in previous jobs performed in the plant will be considered by the Company in selecting the employee to be transferred. If the Company determines that 2 or more employees are equally capable, the senior employee will be awarded the job.

C - Progression - An employee in the Operator II Line of Progression job classification must accept promotion to the Operator I job classification. Permanent vacancies in the Operator I classification will be filled by the employee in the Operator II classification who has been in that lower classification the longest consecutive period of time, provided he is qualified to perform the job. If the Company chooses to fill a temporary vacancy by progression, any qualified employee in the Operator II job classification may be selected to be temporarily transferred. An employee who refuses to progress or who is disqualified from the Line of Progression will be assigned a job in the Utility classification, provided his seniority is sufficient.

Section Note: The Company will post a notice in the plant when a permanent vacancy in the Operator II, Milling Department is to be filled. An employee may indicate his interest by signing the notice. The signing of this interest notice does not restrict the Company from filling this vacancy by hiring from the outside. The Company will post a notice indicating who was awarded the position.

Section 6.07                      Filling Temporary Vacancies

To provide for flexible and efficient operations, temporary vacancies which the Company determines are necessary to fill may be filled with any employee.

Section 6.08                      Layoffs And Recalls

A - In case of layoff, the employee subject to layoff may exercise his seniority rights throughout the plant provided that in each case he bumps an employee with less seniority and can fulfill the normal requirements of the occupation without further training.

B - Laid off employees will be recalled to the plant in the order of their plant seniority, provided that those called back have the skill and qualifications to perform the functions necessary to the efficient and safe operation of the plant.

Section Note: Employees in the Maintenance Department may not be bumped and may be retained or recalled out of seniority order to work in their classification. An employee with sufficient seniority to remain in the workforce, will remain on his regular job, if it is operating. The provisions of this Note shall not be interpreted to restrict in any way the provision of Section 4.01 - Notes applicable to Job Classifications.

Section 6.09                      Loss Of Seniority

An employee will lose his seniority rights and employment, and his name shall be removed from the Company seniority list for any of the following reasons. The employee:



1. Voluntarily quits his employment or retires.
2. Is discharged and is not reinstated pursuant to the provisions of Article III - Grievance and Arbitration Procedure.
3. Is laid off and fails to notify the Company within 48 hours after being notified to return to work by registered mail forwarded by the Company to his last listed address on the records of the Company that he will return within 7 calendar days or, having given notice, fails to report for work within 7 calendar days. It shall be the duty of the employees to notify the Company promptly in writing of any change in address or telephone number. If an employee fails to do this, the Company will not be responsible for failure of a notice to reach such employee and any notice sent by the Company by registered mail to the last address which appears on the Company's personnel records shall be deemed to have been received by the employee on the 5th working day after the day it was mailed. A copy of the recall letter will be given to the Union President.
4. Has been on layoff or off work for any other reason for a period of 18 consecutive months for employees on the seniority list as of January 1, 1999. Employees hired after January 1, 1999, loss of seniority will occur after 12 consecutive months. This provision shall not apply to leaves of absence for full-time Union positions or employees off work because of LTD or WSIB.
5. Fails to return to work promptly after the expiration of any leave of absence granted to him without furnishing a reason satisfactory to the Company.
6. Either falsifies the reason for a leave of absence, or fails to abide by the terms of the leave, or works at other employment during the leave.
7. Is absent from work for 3 consecutive days without good cause or fails to notify the Company of his absence.

Section 6.10                      Transfers Outside Bargaining Unit

An employee who agrees to be transferred by the Company to a position outside of the bargaining unit shall accumulate seniority during such period of employment outside the bargaining unit if the assignment is for a period of 1 year or less. An employee transferring back to the bargaining unit will be transferred to the Utility job classification.

Section 6.11                      Disqualifications

If an employee, who has satisfactorily completed his trial period, is unable at a later date to perform the specific tasks of the job he holds, he will be transferred to the entry level job classification, provided he has sufficient plant seniority and is qualified to perform the job. In the case of a disqualification from an entry-level classification, such disqualification may result in termination.

Note: An employee may not voluntarily give up his job or disqualify himself.

ARTICLE VII            HOLIDAYS

Section 7.01            Recognized Holidays

A - For purposes of the Agreement, the following 12 days will be recognized as holidays during the calendar year:

New Year's Day	Thanksgiving Day
Good Friday	December 24
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	Day Before New Year's Day
Labour Day	Personal Holiday

Note 1: Holidays will be observed on the days on which they occur except as follows: A holiday occurring on Sunday will be observed on the following Monday. A holiday occurring on Saturday will be observed on the preceding Friday. If Christmas Day occurs on Sunday, it will be observed on the preceding Friday. If Boxing Day occurs on Saturday, it will be observed on the following Monday.

Note 2: Personal Holidays: (1) the timing must be agreed upon by the employee and the supervisor, (2) be taken as a day off, (3) does not apply to a new employee until he has completed 12 months of continuous service, (4) granted each year, (5) an employee must be in an active work status to receive a Personal Holiday, (6) unused personal holidays will not be paid to employees who terminate their employment, either voluntarily or involuntarily, for any reason.

Note 3: Probationary employees are not eligible for pay or time off under this Section.

Section 7.02            Pay For Holidays Worked

When an employee works on a holiday, he shall receive 1 1/2 times his straight-time hourly rate for all hours worked plus 8 hours holiday pay.

Section 7.03            Pay For Holidays Not Worked

A - An employee who is not required to work on a recognized holiday will be paid holiday pay for that holiday equivalent to 8 hours at his regular straight-time hourly rate provided he meets all of the following requirements:

1. He has earned wages for 120 worked hours during the 30 calendar days immediately preceding the recognized holiday.
2. Such employees who were unable to work 120 hours during the 30 calendar days immediately preceding the holiday will receive 1/20 of the wages he has earned during the 30 calendar days immediately preceding the holiday.

Note 1A: Unworked holiday pay for which the employee is eligible will be offset by any other pay or other form of Company compensation which the employee may receive for the same day.

B - If an employee is scheduled to work on a holiday and fails to work as scheduled without a reason acceptable to the Company, he will not qualify for holiday pay as provided in paragraph A of this Section.

C - For the purposes of satisfying the 120 worked hours requirement, the following unworked hours shall count as straight-time hours of work: (1) a paid absence resulting from either bereavement leave, jury duty or vacation time off, or (2) 8 hours per day for union committee members who miss work as a result of attending contract negotiation meetings with the Company or other union business approved by the Company.

Section 7.04                      Holidays Considered As Time Worked

Only holidays for which the employee is eligible to receive holiday pay, and which fall on the employee's scheduled day of work, whether worked or not worked, will be considered as time worked for the purpose of computing overtime pay.

ARTICLE VIII                      VACATIONS

Section 8.01                      Vacation Eligibility

A - Employees will receive vacations in accordance with the following schedule, based on years of continuous service during the current calendar year:

<u>Years of Continuous Service</u>	<u>Weeks of Vacation Time</u>	<u>Vacation Pay</u>
Less than 1 Year	1 day for each month of service up to a maximum of 10 days	4%
1 through 4 Years	2 Weeks	4%
<u>Years of Continuous Service</u>	<u>Weeks of Vacation Time</u>	<u>Vacation Pay</u>
5 through 9 Years	3 Weeks	6%
10 through 17 Years	4 Weeks	8%
18 through 25 Years	5 Weeks	10%
26 or More Years	6 Weeks	12%

Note 1A: Vacation time off may not be taken for the 5th or 6th week, except for employees who are eligible for the 5th week of vacation as of November 30, 2003. These employees may take vacation time off for the 5th week. All other employees may only receive pay in lieu of their 5th or 6th week of vacation.

Note 1B: Employees hired after March 1, 1997, will not be eligible for a 5th or 6th week of vacation.

B - Percentage is calculated on the basis of the previous vacation year's earnings subject to the provisions of the Federal Canada Labour Code.

C - An employee shall be eligible for the additional week of vacation or vacation pay when he has worked past his 5th or 10th anniversary date of employment.

D - The amount of vacation time off will be reduced by 1/52 for each 40 straight-time hours of absence for any reason (except personal illness up to 30 days annually) during the previous calendar year. In the application of this provision, an employee with 1 to 4 years of continuous service will not have his vacation time and pay reduced to less than 2 weeks (vacation pay at a minimum of 80 straight-time hours). Employees with 5 or more continuous years of service will not have their vacation time and pay reduced to less than 3 weeks (vacation pay at a minimum of 120 straight-time hours).

E - Vacation pay will be paid at the time the employee takes his vacation provided the Company has 7 days of advanced notice.

#### Section 8.02                      Vacation Pay For Inactive Employees

On or after January 1, an employee who is in an inactive status because of illness, injury, approved leave of absence, layoff, or for any other reason who has not taken his earned vacation (that vacation to which he became eligible on January 1) may request pay in lieu of such unused earned vacation. Such employee will not be considered to be in a vacation status as a result of receiving his vacation pay, nor will he be granted vacation time off without pay at a later date.

#### Section 8.03                      Vacation Pay For Terminated Employees

An employee who leaves the employ of the Company for any reason will receive vacation pay as follows:

1. Earned Vacation - Earned vacation is defined as a vacation for which the employee became eligible on the January 1 date prior to his termination and such unused earned vacation shall be paid to him upon his termination of employment.
2. Prorated Vacation - Prorated vacation for an employee whose employment terminates for any reason will be calculated from January 1 to his last day of work within the vacation period of one year.

#### Section 8.04                      Scheduling Of Vacation Period

A - The choice of vacation time shall be given to an employee, according to his seniority, for employees who sign the vacation schedule between December 1st and January 31st, subject to the operational requirements. An approved schedule will be

posted on March 1st. Vacations requested after January 31st will be scheduled on a first come, first served basis, subject to the operational requirements of the business. Vacations of more than 3 weeks duration will not normally be scheduled consecutively.

B - Vacations may be taken in weekly increments of one or more weeks at a time. Vacations cannot be postponed and allowed to accumulate from year to year but must be taken each calendar year.

Section 8.05                    Pay In Lieu Of Vacation

Pay in lieu of vacation for earned vacation in excess of 2 weeks per calendar year, or any portion thereof, may be granted to an individual employee at the employee's option. Holiday pay is not added to vacations paid for under this Section.

Section 8.06                    Holiday Pay During Vacations

If a holiday is observed during an active employee's vacation, he will be granted an additional day with pay at a time mutually acceptable to the Company and the employee.

Section 8.07                    Rehired Employees

Employees who have lost their seniority and who are later rehired will be entitled to vacations on the basis of their latest employment date.

ARTICLE IX                    TIME OFF FROM WORK

Section 9.01                    Jury Duty And Crown Witness

A - When an employee is summoned for jury duty or as a Crown Witness in a court of law and must lose time from work as a result of such summons, the employee will pay to the Company any monies received for such jury or witness duty (not including expense monies) and the employee will receive the pay he would have received had he been working. Such pay shall not exceed 8 straight time hours per day or 40 straight time hours per week.

B - The employee shall furnish evidence to the Company that he reported for or performed jury duty or appeared as a witness on the days for which he claims payment.

C - The employee is required to report for work on days when he is on call for jury duty but not required to appear in court.

## Section 9.02

### Bereavement Pay

A - Should a death occur in the immediate family of an employee, he may request bereavement leave for the purpose of making arrangements and/or attendance at the funeral. "Immediate family" shall mean spouse, son, daughter, stepchild, brother, sister, mother, father, stepmother, stepfather, mother-in-law, father-in-law, grandchildren.

B - The employee shall be granted such time off with pay up to a maximum of 3 consecutive days for the purpose of making arrangements and/or attendance at the funeral. This will not include pay for days on which the employee is not scheduled to work. One paid day will be the day of the funeral provided the day of the funeral is on the employee's scheduled day of work. Bereavement pay shall not exceed a maximum 8 straight time hours per day.

C - In the event of the death of an employee's grandparents, brother-in-law or sister-in-law, he will be granted time off with pay (up to 8 straight time hours) for the purpose of making arrangements and/or attendance at the funeral on his scheduled day of work.

## Section 9.03

### Leave Of Absence

A written request for up to 30 days leave of absence without pay shall be considered (except for gainful employment elsewhere) by the Company. It is understood that any leave of absence is subject to reasonable notice being given to the Company. In the event such leave of absence is not used for the purpose granted, the employee may be subject to disciplinary action up to and including dismissal. It is further understood that leaves of absence will be honored on a first-come, first-served basis. Approval of leave of absence will be a unilateral decision of the Company. Within 7 days of receipt of an application for leave of absence, an employee will receive a written reply. If leave is denied, written reasons will be given for the denial.

## Section 9.04

### Leave Of Absence - Full Time Union Position

A - Upon request, the Company will grant an unpaid leave of absence to one employee, and may grant such leave to a second employee (maximum of two may be gone at any one time) to serve in a full-time position with the National or Local Union. Such leave of absence shall be requested by the Union, in writing, and shall be for the duration of the collective Agreement, and may be extended upon request. In the event of return from such leave, the employee shall, if possible, return to the job from which he was granted leave. The Company shall not be required to pay the premium for the group benefits of any employee during any such leave of absence, nor any other payments required by this collective Agreement.

B – Union officials will be excused, without pay, to attend to daily union business if such time off will not cause disruption to plant operations.

Section 9.05

Leave Of Absence - Elected To Public Office

A - An employee who is elected to Municipal Government, the Provincial Legislature, or the Parliament of Canada, shall be granted a leave of absence without pay and without loss of seniority for a period equivalent to the duration of the first term of office. The Company shall not be required to pay the premium for the group benefits of any employee during any such leave of absence, nor any other payments required by this collective Agreement.

B - The employee must give the Company at least one month's notice of his desire to return to work at the completion of said leave of absence. Subject to the employee's length of service and his ability to satisfactorily perform the required work, the Company will place the employee on the job he held immediately prior to said leave of absence or place the employee on a job at an equal rate of pay, provided such work is available.

Section 9.06

Maternity Leave

A - Maternity leave of absence without pay and without loss of seniority shall be granted and administered in accordance with the provisions of the Canada Labour Code. Written application to be submitted 30 days before leave scheduled to begin.

B - The employee returning to work after a maternity leave shall provide the Company with at least 2 weeks' notice.

ARTICLE X

HEALTH AND WELFARE

Section 10.01

Group Insurance

The group insurance program in effect on the effective date of this Agreement is a separate document and will continue in effect during the term of this collective Agreement.

Section 10.02

Pension

The pension plan for bargaining unit employees at the Port Colborne plant is a separate document whose term will run concurrently with the term of this collective Agreement.

Section 10.03

RRSP and Stock Purchase Plan

Employees can contribute 1% to 10% of their before tax earnings. The Company will contribute \$1 for \$1 on the first 2% and 50¢ on the dollar for the next 4% of employee contributions to the ADM Stock Purchase Plan to a maximum Company contribution match of 4%.

Section 10.04            Injury On The Job

An employee injured on the job will be sent for first aid and treatment. If further treatment is required, the employee will go to a doctor or hospital of his choice. If the employee is sent home or to a hospital by the doctor administering first aid, he will be paid for the balance of the shift on which the injury occurred.

ARTICLE XI            GENERAL PROVISIONS

Section 11.01            Non-Discrimination

The Company agrees that there will be no discrimination, interference, restraint, or coercion by the Company or by any of its representatives, with respect to any employee because of his membership in or connection with the Union.

Section 11.02            Supervisors Working

There shall be no restriction on supervisors or other Company personnel performing any kind or amount of work at any time.

Section 11.03            Subcontracting - Contracting Out

A - The Company retains the right to contract work out or in, including, but not limited to, maintenance and construction work, clean up and boat unloading operations. The Company also retains the right to use contract labourers or to have such work performed by other Company personnel.

B - There shall be no restriction on the use of outside commercial carriers up to and including the contracting out of the entire boat unloading operations.

Section 11.04            Safety

A - The Company shall make provisions in accord with applicable Federal, Provincial or local regulations for the safety and health of its employees during the hours of employment. Safety rules and regulations issued by the Company shall be strictly adhered to, including the wearing or use of protective devices, wearing apparel, and other equipment required by the Company.

B - A health and safety committee comprising of 3 members appointed by the Union and 2 by management will meet in accordance with the regulations set out in the Canada Labour Code, or more often if deemed necessary, to review all matters pertaining to the Code and/or procedures and policies of the Company, and make recommendations to the Company.



Section 11.05            Bulletin Board

The Company shall furnish 5 bulletin boards to be placed in a conspicuous place within the plant for the use of the Union for posting official Union notices.

Section 11.06            Negotiating Committee

The Negotiating Committee for the Union shall consist of not more than 3 members of the Union. During negotiations of a new labor Agreement, the Plant Manager will determine, based on the merits of the negotiating sessions, whether the Committee will be paid.

Section 11.07            Union Stewards

The names of the Union Stewards shall be given to the Company in writing. A Union Steward shall be entitled to leave his work during working hours in order to carry out his functions under the Agreement for the investigations and processing of grievances and attendance at meetings with management. Permission to leave work during working hours for such purposes shall first be obtained from the supervisor, but such permission shall not be unreasonably withheld.

Section 11.08            Reporting Requirements - Absences And/Or Lateness

In the event an employee is unable to report for work as scheduled, he shall be required to notify the Company of this fact by phone or some other reasonable method prior to the start of his shift. This notification must also include the employee's reason(s) for his failure to report as well as stating the time of his anticipated return. It is also understood that this reporting requirement does not eliminate the additional responsibility on the part of the employee to further prove the legitimacy and need for any such absence or lateness.

ARTICLE XII            NO STRIKES OR LOCKOUTS

Section 12.01            No Strikes Or Lockouts

During the term of this Agreement, there shall be no strikes, sympathy strikes, curtailment of work, interference with the operations of the Company, or interference with production caused by or engaged in by the Union or any members thereof. Employees may be disciplined up to and including discharge for engaging or participating in any of the foregoing activities in violation of this Section 12.01. The Company will not lockout any of its employees during the term of this Agreement.

ARTICLE XIII                    SCOPE AND TERM OF AGREEMENT

Section 13.01                    Term Of Agreement

This Agreement shall remain in full force and effect from 7 AM, November 30, 2003, to 7 AM, November 30, 2006.

Section 13.02                    Separability

All provisions of this Agreement shall be subject to the laws of Canada. Should any part hereof or any provision herein contained be rendered or declared invalid by reason of existing or subsequently enacted legislation or by a decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect.

Section 13.03                    Complete Agreement

This collective Agreement, including a Letter of Understanding dated November 30, 2003, represents the complete agreement between the parties and shall supersede and replace all prior agreements and understandings, oral or written, expressed or implied, between the parties hereto and shall constitute the entire agreement between the parties. Past practices, procedures and understandings may be changed or eliminated by management unless specifically prohibited by the provisions of this Agreement. This Agreement may be amended in any of its provisions by mutual agreement of both parties. If agreements are made after the effective date of this Agreement, they must be in writing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

UNITED FOOD AND COMMERCIAL  
WORKERS INTERNATIONAL UNION  
AFL-CIO, CLC, Local Union 175

ADM MILLING CO.

/s/ Leo Caron

/s/ K. W. Marlor  
ADM Plant Manager

/s/ Rudy Vink

/s/ Michael A. Moffett  
ADM Employee Relations Representative

/s/ Rolf Numsen

/s/ James E. Quinn  
ADM Vice President, Employee Relations

/s/ Rick Hogue  
Union Representative

LETTER OF UNDERSTANDING

Effective November 30, 2003

Between

ADM MILLING CO., for its Port Colborne, Ontario flour mill and the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO, CLC, Local Union 175.

The parties agree to the following:

1. TOOL REPLACEMENT

Maintenance employees, who are required to provide their own tools on the job, will have broken, lost, stolen or worn out tools replaced by the Company. The Maintenance Supervisor will approve all tool replacements. Maintenance employees are required to provide an up-to-date tool inventory to the Company.

2. SAFETY SHOES

Upon proof of purchase, the Company will reimburse employees with seniority a maximum of \$300 towards the cost of safety shoes for the term of this collective agreement.

3. WORK CLOTHING

Employees with seniority will be provided uniforms and laundry service. Employees will be responsible to wear clean uniforms on the job.

4. LICENSE RENEWAL

The Company will reimburse employees for renewal of their Journeyman licenses for trades and skills required for the job.

5. REST PERIODS

Employees will be provided with two 10-minute rest periods during their shift. One will be scheduled by the Company during the first half of the shift, and one will be scheduled in the second half.

6. WORK SCHEDULE

The weekly work schedule will be posted by 3 PM Thursday.

This Letter of Understanding agreed to this 26th day of May, 2004.

UNITED FOOD AND COMMERCIAL  
WORKERS INTERNATIONAL UNION  
AFL-CIO, CLC, Local Union 175

ADM MILLING CO.

/s/ Rudy Vink

/s/ K. W. Marlor  
ADM Plant Manager

/s/ Rolf Numsen

/s/ Michael A. Moffett  
ADM Employee Relations Representative

/s/ Leo Caron

/s/ Rick Hogue  
Union Representative

Canada  
Port Colborne

**Your Summary Plan Description**

Your **GroupLife** and  
**Health Benefits**  
for Hourly Wage Employees

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**THE KEY TO YOUR HEALTH AND WELL-BEING**

**Life Insurance**  
**Disability Benefits**  
**Medical**  
**Dental**  
**Vision**

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# ADM GROUP BENEFITS

This booklet describes your benefit program, which includes:

- **Life Insurance**
- **Accidental Death and Dismemberment**
- **Weekly Indemnity Benefits**
- **Long Term Disability Benefits**
- **Hospital**
- **Healthcare**
- **Dentalcare**
- **Visioncare**

It is important that you read this booklet for a complete understanding of:

- Eligibility and enrollment procedures
- Eligible expenses
- Charges not covered
- Conversion of life coverage upon termination

The **Schedule of Benefits** Section **lists** the coverage maximums, deductibles and co-insurance percentage. Details of coverage provisions under each benefit program are contained in the sections that follow. They explain what charges are covered, how benefits are paid, benefit amounts, if a deductible is required, and charges that are not eligible for coverage under the Plan.

The statements in this booklet are subject to the terms and conditions of the policy. If there are variations between the information in the booklet and the provisions of the policy, the policy will prevail. **If** you have any questions about your benefits program that are not answered in this booklet, please contact your plant manager.

**The** Life and Accidental Death and Dismemberment Insurance coverages are insured by Great-West Life Assurance Company. The Long-Term Disability Insurance is insured by Great-West Life Assurance Company. **The** Weekly Indemnity and Health Coverages are provided by ADM with claim administration by Great West Life Assurance Company.

## IMPORTANT:

To be covered under the plan, you must complete the Group Insurance Enrollment form. Coverage will be effective on the date shown in the Eligibility and Enrollment section. If you do not turn in an Enrollment form you will not be enrolled for any coverages available under this plan.

# SCHEDULE OF BENEFITS

The **Schedule of Benefits** lists levels of coverages provided. For specific Plan provisions, refer to the appropriate Sections of **this** booklet.

## **LIFE INSURANCE**

## **AMOUNT OF COVERAGE**

Employee	\$24,000
Spouse	\$ 1,000
Children	
16 days but less than 6 months	\$ 500
6 months or older	\$ 1,000

## **ACCIDENTAL DEATH AND DISMEMBERMENT - Employee**

\$24,000

## **WEEKLY INDEMNITY BENEFITS - Employee**

66 2/3% of your regular weekly insurable earnings up to a maximum of \$450 for up to 26 weeks.

Waiting period is 3 days for accident or illness.

## **LONG TERM DISABILITY - Employee**

60% of your monthly base earnings up to a maximum of \$2,000 per month.

## **HOSPITAL - Employee and Dependents**

100% Daily charge for semi-private room and board

## **HEALTHCARE - Employee and Dependents**

### **Annual Deductible**

\$25 per person or \$50 per family per calendar year.

### **CO-Insurance Reimbursement Percentage**

80%

### **Healthcare Maximum**

\$10,000 maximum every three years (per person).



## **Additional Limitations – Medical**

### **Prescription Drugs**

Deductible	\$25 per person or \$50 per family per calendar year.
Reimbursement Percentage	90%

### **Paramedical Covered Expenses**

Chiropractic Treatment	
-each visit	\$15
-in any calendar year	\$200
Speech Therapists	
-each visit	\$15
-in any calendar year	\$200
Psychologists	
-each visit	\$15
-in any calendar year	\$200
Masseur	
-each year	\$15
-in any calendar year	\$200

### **DENTALCARE - Employee and Dependents**

Deductible	\$50 per person \$100 per family
(Only applied to Major Treatment)	
Dental Fee Guide	Current Dental Association Fee Guide
CO-Insurance Percentage	
-Routine Treatment	100%
-Major Treatment	50%
Annual Maximum	
-Routine Treatment	Unlimited
-Major Treatment	\$3,000 per person every 2 years.

## **VISIONCARE - Employee and Dependents**

**Reimbursement**

100%

### **Plan Maximums**

Eye Examinations

For children

1 exam each year

For all others

1 exam every 2 years

Eyeglasses or Contact Lenses

\$100 every 24 consecutive months

Contact Lenses for Special Conditions

\$250 every 24 consecutive months

## **EMPLOYEE CONTRIBUTION TOWARD THE COST OF BENEFITS**

The Company pays the premiums for the Group Benefits.

### **NOTES:**

- (1) **At Work Requirement:** You must be actively at work when coverage takes effect otherwise the coverage ~~will~~ not be effective until you return to work.

Increases in your benefits while you are covered by this plan ~~will~~ not become effective unless you are actively at work.

- (2) **Occupational Illness or Accident:** Hospital, Healthcare, Dentalcare, Visioncare and Weekly Indemnity benefits are not payable for work related illness or injury.

# ELIGIBILITY AND ENROLLMENT

## ELIGIBILITY

Full-time Hourly Employees are eligible to join the Plan. Temporary, part-time and seasonal employees may not join the plan. To enroll or make changes in your benefits, contact the plant office.

## WHEN COVERAGE BEGINS

Coverage will be effective **as** follows:

- **Life Insurance** - The 1<sup>st</sup> day of the month following the date you complete 45 days of employment.
- **Accidental Death and Dismemberment** – The 1<sup>st</sup> day of the following the date you complete ~~45~~ days of employment.
- **Weekly Indemnity Benefits** - The 1<sup>st</sup> day of the month following the date you complete **45** days of employment.
- **Long-Term Disability** - The 1<sup>st</sup> day of the month following the date you complete ~~45~~ days of employment.
- **Hospital, Healthcare, Visioncare and Dentalcare** - The 1<sup>st</sup> day of the month following the date you complete 45 days of employment.

**You must be actively at work on the date benefits are effective.** If you are off work, benefits will become effective when you return to work.

You are considered to be actively at work if you are not disabled **and** you are either at work or absent for vacation, weekends, statutory holidays or shift differentials.

## HOW TO ENROLL

You must complete a Group Insurance Enrollment Form within 31 days of your employment in order to receive coverage under the Plan. Enrollment forms are available from the plant office.

*See Late Enrollment at the end of this section if Enrollment is completed after 31 days of your employment date.*

## ELIGIBLE DEPENDENTS

Your eligible dependents are:

- spouse (legal or common-law), and
- unmarried children under age **21**,
- unmarried children **21** years of age to age **25** if a full-time student in an educational institution,
- unmarried dependents who are mentally retarded or physically handicapped and totally incapable of self-support and who were insured under this plan on the day before they reached age **21**. To continue **as** a dependent under this provision, you must provide the Claims Administrator with proof of incapacity within **2** months before the dependent reaches the limiting age. Ask your Plant Manager for details and forms.

NOTE: The following provisions also apply to your eligible dependents.

1. Spouse means the person of the opposite sex who is residing with you and is either:

Legally married to you, or

Has been living with you and you have been publicly representing yourselves **as** husband and wife for:

Alberta employees: The three year period preceding the date of the event that causes a benefit to be paid under the plan.

Manitoba employees: The one year period (or the three year period, if the person and member are prohibited from being legally married) preceding the date of the event that causes a benefit to be paid under the plan.

Ontario employees: The three year period (or one year period, if the person and member are the natural or adoptive parents of a child) preceding the date of the event that causes a benefits to be paid under the plan.

Quebec employees: The three year period (or one year period, if the person and member are the natural adoptive parents of a child) preceding the date of the event that causes a benefit to be paid under the plan.

Saskatchewan employees: The one year period preceding the date of the event that causes a benefit to be paid under the plan.

The term children shall include: children living with a divorced or separated spouse; legally adopted children; step-children residing with and wholly dependent upon employee for support and maintenance.

The plan does not cover:

- children who are working more than 30 hours a week, unless they are full-time students, or
- spouses or children who are not resident in Canada or the U.S.

## **WHEN DEPENDENT COVERAGE BEGINS**

If you enroll for family coverage, each dependent's coverage becomes effective on the date your coverage begins, except if a dependent is confined to a **hospital** or other covered institution on this day - that dependent's coverage is postponed until discharged. (This does not apply to children who are hospital confined from birth).

## **CHANGE IN FAMILY STATUS**

If you are currently enrolled for single coverage and acquire a new dependent by marriage, birth or adoption, the dependent(s) are eligible for immediate coverage provided you enroll them within 31 days after they first qualify. If you do not enroll your dependent(s) within 31 days after they first qualify, coverage will be delayed until the first day of the month following the date application is approved by The Great-West Life.

If you are currently enrolled for family coverage and acquire a new dependent, that person will be covered on the first day they qualify as your dependent. A Request for Change form is not required.

To change your coverage from single to family or family to single status, obtain a "Request for Change" form from the plant manager.

## **CHANGES IN INSURANCE BENEFITS**

If your insurance benefits change because of an amendment to the plan, or because of a change in your age, class, earnings, dependent status, etc., the new benefits become effective on the date the change affecting your benefits occurred.

When a change results in increased benefits you must be actively at work to be eligible for the new benefits. If you are not at work on the date the new benefits would otherwise become effective, the change will not become effective until you return to work. Increased benefits for a dependent confined in hospital on the date the new benefits would otherwise become effective do not become effective until he or she is released from the hospital. In any case, payment for services and supplies received before the date of an increase in benefits will always be based on plan benefits in effect before the change.

## **LATE ENROLLMENT – Employees**

If you did not enroll within the 31 days of your employment date, you may apply for coverage at a later date. You must complete a Group Insurance Enrollment Form and an Employee Evidence of Insurability Form and return them to your Plant Manager. In addition, you may be required to have a physical examination at your own expense. The respective coverages will become effective the first day of the month following the date the application is approved by the claims administrator.

## **LATE ENROLLMENT – Dependents**

If you do not add dependent coverage within 31 days of the date the dependents(s) first become eligible, you may be required to show evidence of good health. To apply for coverage please complete a Request for Change Group Health Insurance form and Evidence of Insurability form and return them to the Plant Office for processing. If the late enrollment is approved, the coverages will be effective on the first day of the month following the date the enrollment is approved by the claims administrator.

# LIFE INSURANCE

## DESIGNATION OF BENEFICIARY

In the event of your death from any cause, the Life Insurance benefits will be paid to the beneficiary(ies) named on your Group Insurance Enrollment Form. If one of your dependents dies, Great West Life will pay you the dependent life insurance benefit.

**NOTE:** Children under 15 days are not insured for dependent life insurance.

You may change your beneficiary at any time by completing a “Change of Beneficiary” form and submitting it to your plant manager for processing.

See “General Information Section” for further details regarding beneficiary designation.

## BENEFICIARY

If there is no named beneficiary living at the time of your death, the life insurance will be paid in a lump sum to the survivors in the first surviving class of those that follow: you (a) spouse; (b) children; (c) parents; or (d) brothers and sister. If none survives, that part will be paid in a lump sum to your estate.

If your life insurance under this Group Policy replaces another group policy, the beneficiary named under the replaced policy will be in effect until you: (a) name a beneficiary under this Group Policy; or (b) change your beneficiary as explained above.

If a minor has no legal guardian, that minor’s share of your life benefits may be paid to the adult or adults who, in Great-West’s opinion, have assumed the custody and support of the minor.

If you die after having applied to convert your Group Life Insurance to Individual Life Insurance, the beneficiary named under the Individual Policy or in the application for it, will receive any benefits payable under the Group Policy.

# ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS

If you suffer one of the losses listed below as a result of an accident which occurs while you are insured, Great-West Life will pay up to the Principal Sum shown in the **Schedule of Benefits**. The loss must occur no later than 365 days after the accident. For loss of use, the loss must be continuous for 365 days.

All benefits other than for loss of life will be paid to you. Benefits for loss of life will be paid to your beneficiary named on your Group Life Insurance.

<b>Loss</b>	<b>Amount Payable</b>
Life	Principal <b>Sum</b>
Both hands or both feet	Principal <b>Sum</b>
Sight of both eyes	Principal Sum
One hand and one foot	Principal Sum
One hand and sight of one eye	Principal Sum
One foot and sight of one eye	Principal Sum
Speech and Hearing in both ears	Principal Sum
One arm or one leg	$\frac{3}{4}$ Principal <b>Sum</b>
One hand or one foot or sight of one eye	$\frac{1}{2}$ Principal Sum
Speech	$\frac{1}{2}$ Principal Sum
Hearing in both ears	$\frac{1}{2}$ Principal Sum
Thumb and index fingers or at least 4 fingers on one hand	$\frac{1}{4}$ Principal Sum
All toes of one foot	$\frac{1}{8}$ Principal Sum

## **Loss of use**

Both legs or both arms or both hands	Principal Sum
One leg or one arm	$\frac{3}{4}$ Principal Sum
One hand	$\frac{1}{2}$ Principal Sum

## **Limitations**

The Principal Sum is the maximum amount that will be paid for all injuries resulting from the same accident.



## **NOT COVERED**

No benefits will be paid for losses resulting from or caused directly or indirectly by:

1. Bodily or mental infirmity.
2. Disease or illness of any kind.
3. Self-destruction or intentionally self-inflicted injury.
4. War, if declared or not, **an** act of war or service in any military force of any country while such country is engaged in war.
5. Doing police duty as a member of a military organization.
6. Taking part in, or as a result of taking a part in, commission of a felony.
7. **A** drug, unless taken as prescribed by a **doctor**.
8. Poison, gas, or fumes willingly taken, administered or inhaled, except for an accident of employment with any employer or self employment and caused by a risk related to that employment.
9. Travel or flight in any military aircraft, except as a passenger on a commercial flight or on a Military Air Transport Passenger flight.

## **How to Make a Claim**

- To claim benefits for yourself, ask your employer for a claim form. Complete it and return it to your employer.
- If you die accidentally, your employer will explain the claim requirements to your beneficiary.
- Claims should be submitted as soon as possible, but no later than 15 months after the loss.

# WEEKLY INDEMNITY BENEFITS

If you are disabled due to illness or injury, the plan will provide you with a weekly income. Benefits begin after the waiting period is over, and continue until you are no longer disabled or the maximum benefit period has been reached, whichever is earlier. Check the **Schedule of Benefits** for the benefit amount, waiting period and maximum benefit period.

- To receive weekly indemnity benefits your disability must prevent you from performing your regular work, and you must be under the continuous personal care of a physician.
- If you have not seen a physician on or before the end of the waiting period, benefits will not start until after your first visit to the physician.
- Successive absences from work are considered to be the same period of disability unless separated by 2 weeks of full-time work or unless the later disability results from different causes and starts after a return to work for 1 full day.
- Because your employer pays the cost of Weekly Indemnity coverage benefits are taxable.

## Note:

- (1) Benefits are not payable for the Waiting Period.
- (2) If benefits are payable for a period which is less than a week, the amount payable for each day of that period will be one-seventh of the weekly rate.
- (3) The amount of your benefit cannot exceed 66 2/3 % of your regular hourly rate times 40 hours per week up to the maximum shown in the **Schedule of Benefits**.

## Limitations

Where permitted by law, your Weekly Indemnity benefits will be reduced by any amounts payable under **an** Automobile Insurance Plan.

No benefits are paid for:

- injury sustained while working for pay or profit,
- illness covered under Worker's Compensation,
- disability due to or associated with cosmetic treatment, intentionally self-inflicted injury, war, insurrection, participation in a riot, or service in the armed forces of any country,

- the scheduled duration of a temporary lay-off unless you become disabled
  - before notice of lay-off is given, or
  - more than 2 months before the lay-off is scheduled to start, whether or not notice of lay-off has been given,
- the scheduled duration of a leave of absence.

**Weekly Indemnity Insurance**- If your insurance terminates while you are disabled for reasons other than a voluntary termination of employment, you will continue to receive Weekly Indemnity benefits during that period of disability up to the maximum noted in the Schedule of Benefits.

### **How to Make a Claim**

Obtain Weekly Indemnity claim form **M163/CMHIA - 1** from your employer. Complete the employee portion of the form and have your doctor complete the portion titled "Attending Physician's Statement". Return the completed form to your employer as soon as possible, but no later than 15 months after the end of the waiting period.

# LONG TERM DISABILITY BENEFITS

Long Term Disability (LTD) insurance provides you with regular income to replace wages lost because of a lengthy disability due to a serious illness or injury, up to age 65. **LTD** benefits end at age 65. The plan is designed to work with other sources of disability income to replace a percentage of your base monthly pay. Because the Company pays the entire cost of this LTD insurance, the monthly benefit is taxable for income tax purposes.

## WHAT IS COVERED

If, while insured for these benefits, you become totally disabled because of an accidental injury or sickness covered by these benefits, a monthly benefit is payable while so disabled. To qualify, you must be continuously disabled beyond the waiting period, which is the later of 26 weeks, end of sick leave benefits or end of Employment Compensation (EI).

If Weekly Indemnity benefits, sick leave or EI benefits are still being paid when the waiting period ends, the waiting period will be extended to the date the Weekly or sick leave benefits end, but not longer than one year after your disability starts.

You are entitled to LTD benefits as long as your disability continues but only until you reach age 65.

## BENEFIT AMOUNT

Your Monthly Benefit will be the amount of coverage shown in the **Schedule of Benefits** less what you are paid for that month:

- (a) from disability or Retirement benefits you become entitled, or would become entitled if application for such benefits were made and approved under:
  - (1) the Canada/Quebec Pension Plans or similar plans or acts, including any amounts for which your dependents may qualify because of your disability;
  - (2) any Worker's Compensation or Occupational Disease Act or Law;
  - (3) any income benefits provided by or through any Government Plan of Automobile insurance;
- (b) disability benefits paid or payable under:
  - (1) any group insured or non-insured disability plan (including Association group);
  - (2) any pension or other retirement plan maintained by or to which ADM contributes to.

Note:

- (a) The Monthly Benefit may be reduced **as** shown in “Benefit Amount”.
- (b) **If** benefits are payable for a period which is less than a month, the amount payable for each day of that period will be one-thirtieth of the Monthly Benefit.
- (c) Monthly base pay includes only regular monthly base earnings (excludes overtime, bonuses, incentive pay or any other extra compensation.)
- (d) **If** benefits are underpaid, you will be paid the additional amount. **If** benefits are overpaid GWL has the right to recover the excess amount from you.

## **LUMP SUM PAYMENTS UNDER OTHER PLANS**

A lump sum might be paid by other sources in place of periodic payments referred to in “Benefit Amount”. If so paid, the lump sum will be divided by the number of months from the date of its receipt to the end of the benefit applicable to you.

## **WHAT IS TOTAL DISABILITY**

You are “totally disabled” if you are unable during the first two years of a period of disability to do 60% of the material duties pertaining to your work, are under the regular care of a physician, and are not actively engaged in any occupation for wage or profit for which you are reasonably qualified by training, education or experience.

For the rest of the period you must not be able to do any work for compensation or gain for which you may be reasonably qualified by training, education or experience.

You will **not** be deemed so disabled if you do any work for compensation or gain, or during a period in which you are not under the direct care of a doctor.

## **WHEN DO BENEFITS BEGIN AND END**

Monthly benefits will start the day after the Waiting Period. Benefits will be payable as long as you remain totally disabled. You must give proof of such disability that will satisfy GWL. Benefits will cease at age 65 or the end of total disability, whichever occurs first.

## **PERIODS OF DISABILITY**

These are treated as follows:

- (a) if they are because of unrelated causes and separated by your return to active work, they are treated as separate periods.
- (b) If they are because of related causes:
  - (i) they are treated as separate periods if they are separated by your return to active work for at least six months in a row; or
  - (ii) They are treated as one period when not so separated.

Only one Waiting Period will be required for all periods of disability which are treated as one period of disability.

All these periods must begin while you are insured.

## **BENEFITS DURING REHABILITATION**

The rehabilitation benefit is designed to help you as a disabled individual, return to gainful employment and therefore a more productive lifestyle.

You might be able to return to work in a rehabilitative status after you have received Long Term Disability Benefits for a period of disability. If this occurs, you may return to work and still receive benefits. During the first 12 months of rehabilitative employment, you will continue to receive disability benefits, however, the benefit will be reduced so that when added together with your rehabilitative income, the sum total does not exceed 100% of your monthly base pay before you become disabled. After this period, your monthly benefit will be regular disability payment less 50% of your income from your rehabilitative employment.

Rehabilitative employment means any paid job (full-time or part-time) for which you are reasonably qualified by education, training or experience.

If you do not participate or cooperate in a rehabilitation program that has been recommended or approved by GWL, you will no longer be entitled to LTD benefits.

## **BENEFIT LIMITATIONS**

No benefits will be paid for:

- Disability that begins before your insurance starts or after it ends.
- Disabilities resulting from working for another employer.
- The scheduled duration **of** a temporary lay-off or leave of absence, including maternity leave.
- Disability arising from war, insurrection, voluntary participation in a riot or intentionally self-inflicted injury.
- Disability because of, or as a result of taking part in, commission of a felony.
- Any period of prison confinement.
- Any period in which you do not cooperate with an approved rehabilitation program.
- Any period in which you do not cooperate with a reasonable treatment program. Depending on the severity of the condition, the plan may require you be under the care of a specialist. For substance abuse, treatment must include participation in a recognized substance abuse withdrawal program.
- Beyond the date of retirement if you elect to retire.
- Any 12-month period during which you do not live in Canada for at least 6 months.
- The inability to pass periodic physical examinations required by **the** Ministry of Transport will not, in itself, constitute proof of disability.

## **HOW TO MAKE A CLAIM**

Contact your Plant Manager for LTD Claim form. Claim must be filed within 6 months following the date you last worked, but the earlier the better in order to avoid any delay in commencement of your LTD benefit payments.

## **TERMINATION OF BENEFITS**

Benefits payable under this policy will terminate on the earliest of:

1. The date you cease to be disabled,
2. The date you engage in any occupation for wage or profit except as permitted by the rehabilitative employment provision,
3. The date we deem you have failed to furnish satisfactory evidence of the continuance of Disability, or fail to submit to medical examinations as required by **us**,
4. The date you reach age 65 or date of retirement if you elect to retire, or
5. The date you die.



# HOSPITAL

The hospital plan covers reasonable and customary charges for the following hospital services and supplies, to the extent that they are not covered under your provincial government plan. Benefits are subject to a daily maximum. See the **Schedule of Benefits** for this information.

## **Covered Expenses**

- Semi-privateroom and board in a hospital
- Confinement in an intensive care unit
- Services and supplies received during hospital confinement
- Out-patient treatment
- Semi-privateroom and board in a convalescent hospital, provided that the confinement is recommended by your doctor and follows a 3 day confinement in hospital for the same condition.

## **Limitation**

No benefits are paid for chronic or custodial care.

## **How to Make a Claim**

Have the hospital attach the billing to a completed standard Hospitalization Claim Form and send it to the benefit payments office as soon as possible, but no later than 15 months after your hospitalization.

# HEALTHCARE

A deductible may be applied before you are reimbursed. **All** expenses will be reimbursed at the level shown in the **Schedule of Benefits**. Benefits may be subject to plan maximums and frequency limits. Check the **Schedule of Benefits** for this information.

## The Deductible

- You pay a deductible as noted in the **Schedule of Benefits**, for all covered expenses.
- You pay the deductible only once for any one family member or any one family in any calendar year.
- **Three** Month Deductible Carry-Over: Any expenses incurred by an individual in the last 3 months of a calendar year used to meet the deductible for that year will count toward the deductible for the next year.

## Reimbursement Amount

After the annual deductible is met, covered medical expenses will be reimbursed as noted in the **Schedule of Benefits**.

## Maximum Lifetime Benefit

Each covered individual has their own maximum lifetime benefits. See **Schedule of Benefits** for the maximum amounts.

## Reinstatement of Lifetime Maximum Benefit

If you or your covered dependents have benefits charged to your lifetime maximum benefits, the amount needed to restore the maximum benefit will be automatically reinstated on the first of each calendar year, however, the amount restored will not be more than \$1,000 in a calendar year.

## Covered Expenses

The plan covers reasonable and customary charges for the following services and supplies, if they are not covered under your Provincial Government Plan **and** provincial law permits the plan to cover them.

1. Drugs and medicines which require the written prescription of a doctor and are dispensed by a licensed pharmacist, and certain drugs listed in the current Compendium of Pharmaceutical and Specialties when prescribed by your doctor for the treatment of injury or illness

2. Doctor's services outside your province of residence
3. Hospital charges other than room and board.
4. Ambulance transportation to the nearest center when adequate treatment is available
5. Diagnostic x-rays and lab tests
6. Insulin, insulin syringe and testing supplies for diabetics.
7. Rental or, at Great-West Life's discretion, purchase of certain medical supplies, appliances and prosthetic devices prescribed by a doctor
8. Injectable drugs administered by a doctor for which no non-injectable alternative is available
9. Out-of-hospital services of a registered nurse, licensed practical nurse or registered nursing assistant who is not a member of your family, but only if the patient requires the specific skills of a trained nurse
10. Orthopedic shoes prescribed by a doctor. Benefits for these expenses are covered if the orthopedic shoes are attached to and form part of a brace. If the shoes do not form part of a brace, expenses will be limited to two pairs each calendar year to the greater of the actual cost of the specific adjustment or 50% of the total cost of the shoes.
11. Physiotherapist, blood and blood products, oxygen and radioactive materials.

## **Limitations**

No benefits are paid for:

1. Hospital room and board
2. Services not listed as covered expenses,
3. Delivery, transportation and administration charges
4. Services and supplies required for recreation or sports but which are not medically necessary for regular activities
5. Hospital charges. (These services are covered under the Hospital Insurance described earlier in this booklet.)
6. Chronic or custodial care

7. Contact lens supplies, vitamins, food, food products, skin and hair care products, contraceptive devices, laxatives, antacids, antihistamines, disinfectants, acne therapy, vaccines
8. Any single purchase of drugs which would not reasonably be used within 90 days
9. Any drug or item which does not have a drug identification number as defined by Canadian legislation, and drugs that are registered under Division 10 of the Regulations of the Food and Drugs Act, Canada

**Hospital and Healthcare-** If your insurance terminates while you or one of your dependents is totally disabled, your benefit payments for that disability will be continued until the earliest of the following:

- the date the disability ends
- the date you have received maximum benefits
- 90 days from the date the group policy terminates
- the date you have received benefits for a period equal in length to the period for which you were insured
- the end of the calendar year following the calendar year in which you or your dependent's insurance terminates.

If your Healthcare terminates due to termination of the Healthcare benefit, any benefits payable under this plan for accidental injuries to natural teeth will continue after termination as long as the accident occurred while the Healthcare benefit was still in force.

### **How to Make a Claim**

- Obtain Healthcare expense form M635D from your employer. Complete this form, making sure it shows all required information.
- Attach your receipts to the claim form and return it to the benefit payments office as soon as possible, but no later than 15 months after you incur the expense.

## OUT-OF-PROVINCE COVERAGE

Medical expenses incurred outside your home province are covered when you or your dependent are temporarily out-of-province for vacation, business or education purposes and the expenses arise as a result of a medical emergency, or when the required medical treatment is not readily available in your home province.

- If the medical treatment is readily available elsewhere in Canada, but you **seek** treatment outside Canada, benefits will be limited to the reasonable and customary charges of the nearest Canadian medical center equipped to provide the necessary treatment.
- Before incurring **any** non-emergency expenses outside Canada it is strongly suggested that you submit a treatment plan so Great-West Life can let you know the amount payable before you incur the expense.
- Benefits are subject to Plan maximums and frequency limits shown in the **Schedule of Benefits**.

### How to Make a Claim

- Out-of-province claims must be submitted to your Provincial Healthcare Plan before you submit your claims to Great-West Life.
- After you receive the Provincial Healthcare payment, obtain Healthcare expense form M635D from your employer. Complete this form, making sure it shows **all** required information.
- Attach your receipts to the claim form along with proof of the payment made by your Provincial Healthcare Plan, and return it to the benefit payments office no later than 15 months after you incur the expenses.

# DENTALCARE

Deductible may be applied before you are reimbursed. **All** expenses will be reimbursed at the level shown in the **Schedule of Benefits**. Benefits may be subject to plan maximums and frequency limits. Check the **Schedule of Benefits** for this information.

The plan covers reasonable and customary charges to the extent they do not exceed the dental fee guide level shown in the **schedule of Benefits**.

## CO-INSURANCE PERCENTAGE

Covered dental services will be paid at the co-insurance percentages shown in the **Schedule of Benefits**.

## MAXIMUM BENEFIT

The plan will pay for Routine Treatment and Major Treatment expenses in any one calendar year for any one person, up to the maximum benefit shown in the **Schedule of Benefits**.

## TREATMENT PLAN

Before you begin any course of dental treatment expected to cost more than \$200, or any course of orthodontic treatment, **ask** your dentist to complete a treatment plan and submit it to Great-West Life. Great-WestLife will calculate the benefits payable for the proposed treatment, so you know in advance the portion of the cost you will have to pay. The calculation is valid for 90 days.

## COVERED EXPENSES

### Routine Treatment

1. Diagnostic services including:

- one complete oral examination every 36 months.
- limited oral examinations twice every 12 months, except that only one limited oral examination is covered in any 12-month period that a complete oral examination is also preformed.
- limited periodontal examinations twice every 12 months.
- complete series of x-rays every 36 months.

- intra-oral x-rays every 36 months. Services provided in the same 12 months as a complete series are not covered.

2. Preventive services including:

- Polishing and topical application of fluoride each twice every 12 months.
- Scaling, limited to a maximum combined with periodontal root planing of 6 times units every 12 months.

A time unit is considered to be a 15-minute interval or any portion of a 15-minute interval.

- Pit and fissure sealant on bicuspid and permanent molars every 60 months.
- Space maintainers including appliances for the control of harmful habits.
- Finishing restorations.
- Interproximal diskings.
- Recontouring of teeth.

3. Minor restorative services including:

- Caries, trauma, and pain control.
- Amalgam and tooth-contoured fillings. Replacement fillings are covered only if the existing filling is at least 2 years old or the existing filling was not covered under this plan.
- Retentive pins and prefabricated posts for fillings.
- Prefabricated crowns for primary teeth.

4. Endodontics. Root canal therapy for permanent teeth will be limited to one course of treatment per tooth. Repeat treatment is covered only if the original treatment fails after the first 18 months.

5. Periodontal services including:

- Root planing, limited to a maximum combined with preventive scaling of 6 times units every 12 months.
- Occlusal adjustment and equilibration, limited to a combined maximum of 4 time units every 12 months.

6. Denture maintenance, after the 3-month post-insertion care period, including:

- Denture relines for dentures at least 6 months old, once every 3 years.
- Denture rebases for dentures at least 2 years old, once every 3 years.
- Resilient liner in relined or rebased dentures, once every 3 years.
- Repairs to dentures.

7. Oral Surgery

8. Adjunctive services

**Major Treatment**

1. Crowns. Coverage for crowns on molars is limited to the cost of metal crowns. Coverage for complicated crowns is limited to the cost of standard crowns.
2. Onlays. Coverage for tooth-colored onlays on molars is limited to the cost of metal onlays.

Replacement crowns and **onlays** are covered when the existing restoration is at least 5 years old and cannot be made serviceable.

3. Standard complete dentures, standard cast or acrylic partial dentures or complete overdentures or bridgework (when standard complete or partial dentures are not viable treatment options) when required to replace one or more teeth extracted while the person is covered. Coverage for tooth-colored retainers and pontics on molars is limited to the cost of metal retainers and pontics. Replacement appliances are covered only when:
  - The existing appliance is a covered temporary appliance



- The existing denture or bridgework is at least 5 years old and cannot be made serviceable. If the existing appliance is less than 5 years old, a replacement will still be covered if the existing appliance becomes unserviceable while the person is covered and as a result of placement of an initial opposing appliance or the extraction of additional teeth.

If additional teeth are extracted but the existing appliance can be made serviceable, coverage is limited to the replacement of the additional teeth.

4. Denture-related surgical services for remodeling and are contouring oral tissues.
5. Bridgework maintenance following the 3-month post-insertion period

Bridgework expenses will be limited to repairs to covered tooth-colored bridgework materials and removal and re cementation of bridgework.

### **Accidental Dental Injury Coverage**

- Treatment of injury to sound natural teeth. Treatment must start within 60 days after the accident unless delayed by a medical condition.

A sound tooth is any tooth that did not require restorative treatment immediately before the accident. A natural tooth is any tooth that has not been artificially replaced.

### **Limitations**

No benefits are paid for:

1. Duplicate x-ray, custom fluoride appliances, audio-visual oral hygiene instruction and nutritional counseling.
2. The following endodontic services – root canal therapy for primary teeth, isolation of teeth, enlargement of pulp chambers and endosseous intra coronal implants.
3. The following periodontal services – desensitization, topical application of antimicrobial agents, subgingival periodontal irrigation, charges for post surgical treatment and periodontal re-evaluations.
4. The following oral surgery services – implantology, surgical movement of teeth, services performed to remodel or recontour oral tissues (other than minor alveoloplasty, gingivoplasty and stomatoplasty) and alveoplasty or gingivoplasty performed in conjunction with extractions. Services for remodeling and recontouring oral tissues will be covered under Major Coverage.

5. Hypnosis or acupuncture.
6. Veneers, recontouring existing crowns, and staining porcelain.
7. Crowns or onlays if the tooth could have been restored using other procedures. If crowns, onlays or inlays are provided, benefits will be based on coverage for fillings.
8. Overdentures or initial bridgework provided when standard complete or partial dentures would have been a viable treatment option.

If overdentures are provided, coverage will be limited to a standard complete dentures.

If initial bridgework is provided, coverage will be limited to a standard cast partial denture and restoration of abutment teeth when required for purposes other than bridgework.

Benefits will be limited to standard dentures or bridgework when equilibrated and pathological dentures, dentures with stress breaker, precision and semi-precision attachments, dentures with swing lock connectors, partial overdentures and dentures and bridgework related to implants are provided.

9. Expenses covered under another group plan's extension of benefits provision.
10. Accidental dental injury expenses for treatment performed more than 12 months after the accident, denture repair or replacement, or any orthodontic services.
11. Expenses private plans are not permitted to cover by law.
12. Services and supplies the person is entitled to without charge by law or for which a charge is made only because the person has insurance coverage.
13. Services and supplies that do not represent reasonable treatment.
14. Treatment performed for cosmetic purposes only.
15. Congenital defects or developmental malformations in people 19 years of age or over.
16. Temporomandibular joint disorders, vertical dimension correction or myofacial pain.
17. Expenses arising from war, insurrection, or voluntary participation in a riot.
18. Orthodontia services.

If your insurance terminates due to termination of the Dentalcare benefit, any benefits payable under this plan for accidental injuries to natural ~~teeth~~ will continue after termination as long as the accident occurred while the Dentalcare benefit was still in force.

NOTE. Refer to “General Information” for other conditions that may affect this coverage.

### **How to Make a Claim**

Obtain Dental claim form M445D from your employer. Have your dentist complete the form and return it to the benefit payable office as soon as possible, but no later than 15 months after the dental treatment.

# VISIONCARE

Visioncare Insurance covers services and supplies rendered or prescribed by an ophthalmologist or an optometrist. Visioncare Insurance covers only those expenses which are considered reasonable and customary for the service provided in the area where the expenses are incurred.

## COVERED EXPENSES

There is no deductible for covered Visioncare expenses.

The Plan pays 100% of the following covered expenses up to the maximums specified in the **Schedule of Benefits**.

Eyeglass frames and lenses (or contact lenses selected in place of lenses and frames) when required for an initial lens prescription or a change in a lens prescription. Benefits for these expenses **are** limited to any 24 month period, up to the maximum shown in the **Schedule of Benefits**.

## SERVICES NOT PAID FOR BY VISIONCARE INSURANCE

In addition to the limitations outlined in the General Limitations section at the back of this booklet, no benefits are paid for the following:

- eye tests or examinations required by **an** employer, school or government for screening purposes,
- artificial eyes, sunglasses or safety glasses.

# TERMINATION/CONTINUATION GUIDE-Employee

Occurrence	Life Insurance	Accidental Death and Dismemberment	Weekly Indemnity and Long Term Disability	Hospital/Healthcare, Dentalcare and Visioncare Benefits
Laid Off Quit Termination Leave of Absence Suspended Discharged Retirement	Terminates at the end of the month in which you last worked.	Terminates at the end of the month in which you last worked.	Terminates on the last day worked.	Terminates at the end of the month in which you last worked.
Maternity or Parental Leave	See NOTE.	Terminates at the end of the month in which you last worked.	Terminates on the last day worked.	See NOTE.
Occupational or Non-Occupational Disability	Terminates at the end of month in which you last worked.	Terminates at the end of the month in which you last worked.	Terminates on last day worked. If disability continues beyond 26 weeks see Long Term Disability Section.	Terminates at the end of disability or 12 months from the date of disability, whichever occurs first.

**NOTE:** In the case of maternity or parental leave, Company-paid coverages will be continued as required by federal or provincial legislation.

## TERMINATION/CONTINUATION GUIDE - DEPENDENTS

Hospital, Healthcare, Dentalcare and Visioncare coverage for your dependent will terminate under the following circumstances:

- your coverage terminates
- your dependent no longer qualifies as a dependent under the Plan
- any covered dependent child becomes eligible for benefits as an employee
- ninety days following the date of your death

**Conversion Privilege** - Life insurance and Long-Term Disability insurance are the only coverages that may be converted to a personal policy. You must apply for conversion within 31 days following termination of coverage. Conversion applications are available from the plant manager.

**Hospital and Healthcare**- If your insurance terminates while you or one of your dependents is totally disabled, your benefit payments for that disability will be continued until the earliest of the following:

- the date the disability ends
- the date you have received maximum benefits
- 90 days from the date the group policy terminates
- the date you have received benefits for a period equal in length to the period for which you were insured
- the end of the calendar year following the calendar year in which you or your dependent's insurance terminates.

If your Healthcare Insurance terminates due to termination of the Healthcare benefit, any benefits payable under this plan for accidental injuries to natural teeth will continue after termination **as** long as the accident occurred while the Healthcare benefit was still in force.

If your insurance terminates due to termination of the Dentalcare benefit, any benefits payable under this plan for accidental injuries to natural teeth will continue after termination **as** long as the accident occurred while the Dental care benefit was still in force.

**Weekly Indemnity Insurance** - If your insurance terminates while you are disabled for reasons other than a voluntary termination of employment, you will continue to receive Weekly Indemnity benefits during that period of disability, up to the maximum noted in the Weekly Indemnity benefit description.

# GENERAL INFORMATION

## CO-ORDINATION OF BENEFITS

- If you or a dependent is entitled to benefits for the same expenses under another group or government plan or **as** both an employee and dependent under this plan or as a dependent of both parents under this plan, benefits will be coordinated so that the total benefits **from** all plans will not exceed expenses.
- You and your spouse should first submit your own claims through your own group plan. Claims for dependent children should be submitted to the plan of the parent who **has** the earlier birth date in the calendar year (the year of birth is not considered). If you are separated or divorced, the plan which will pay benefits for your children will be determined in the following order:
  1. the plan of the parent with custody of the child;
  2. the plan of the spouse of the parent with custody of the child;
  3. the plan of the parent without custody of the child;
  4. the plan of the spouse of the parent without custody of the child

You may submit a claim to the plan of the other spouse for any amount which is not paid by the first plan.

- If any claims are eligible for reimbursement from any government or automobile insurance plan, claims should first be submitted to that plan. The balance of the claim may be submitted to this plan **as** described above.

## GENERAL LIMITATIONS

Your health insurance does **not** cover Hospital, Healthcare, Dentalcare and **Visioncare** services and supplies in the following situations:

1. **Injury** sustained while working for pay or profit
2. Illness for which you or your dependents are covered under Workers' Compensation or similar program
3. Services received for confinement which is primarily for chronic or custodial care
4. Services received in a government hospital unless you are required to pay for such services

5. Services to which the patient is entitled without charges, or for which there would be no charge if there were no insurance
6. Services or portion thereof provided under any government sponsored hospital or medical care program
7. Aesthetic surgery (cosmetic surgery for beautification purposes)
8. Services furnished without charge or paid for directly or indirectly by any government or for which a government prohibits payment of benefits
9. Services received from a dental or medical department maintained by the employer, a mutual benefit association, labor union, trustee or similar type of group
10. Service, including part-time or temporary service, in the armed forces of any country
11. Services required due to war (declared or undeclared), insurrection, or participation in a not
12. Services required due to any intentional self-inflicted injury or disease, while sane or insane.

## **BENEFICIARY**

If there is no named beneficiary living at the time of your death, the life insurance will be paid in a lump sum to the survivors in the first surviving class of those that follow: your (a) spouse; (b) children; (c) parents; or (d) brothers and sisters. If none survives, that part will be paid in a lump sum to your estate.

If your life insurance under this Group Policy replaces another group policy, the beneficiary named under the replaced policy will be in effect until you: (a) name a beneficiary under this Group Policy; or (b) change your beneficiary as explained above.

If a minor has no legal guardian, that minor's share of your life benefits may be paid to the adult or adults who, in Great-West's opinion, have assumed the custody and support of the minor.

If you die after having applied to convert your Group Life Insurance to Individual Life Insurance, the beneficiary named under the Individual Policy or in the application for it, will receive any benefits payable under the Group Policy.



# HOW TO MAKE YOUR CLAIMS

## LIFE INSURANCE

- If you die, your employer will contact your beneficiary to explain what is required before payment of the insurance money can be made.

## WEEKLY INDEMNITY INSURANCE

- Obtain claim form **M163/CMHIA - 1** from your employer. Complete the employee portion of the form and have your doctor complete the portion titled "Attending Physician's Statement". Return the completed form to your Location Manager for processing.
- From time to time other forms may be forwarded **to** you. Have your doctor complete these forms and return them to your Location Manager.

## HOSPITAL INSURANCE

- Have the hospital complete a standard "Hospitalization Claim Form". Send the completed form to The Great-West Life Assurance Co., Toronto Benefit Payment Office, P.O. Box 4083, Station "A", Toronto, Ontario, M5W 1M8.

## HEALTHCARE INSURANCE

- Obtain form **M635D** from your employer. complete this form, making sure it shows:
  1. Patient's name
  2. Type of service
  3. Date of service
  4. Complete itemization of charges
  5. Prescription numbers and drug names for drug expenses
- Attach your receipts to the claim form and send to The Great-West Life Assurance Co., Toronto Benefit Payment Office, P.O. Box 4083, Station "A", Toronto, Ontario, M5W 1M8.

## DENTALCARE

- Ask your employer for form **M445D**. Have your dentist complete this form. Return the completed form to The Great-West Life Assurance Co., Toronto Benefit Payment Office, P.O. Box 4083, Station "A", Toronto, Ontario, M5W 1M8.

# VISIONCARE

- Ask **your** employer for form M1214D. Have **your doctor** or optometrist complete **this** form. Return the completed form **to** The Great-West Life Assurance Co., Toronto Benefit Payment **Office**, P.O. Box 4083, Station "A", **Toronto**, Ontario, **M5W 1M8**.

## PLEASE NOTE

- All claims must be submitted **as soon as** possible. No benefits **are** payable for **expenses** incurred **more** than 15 months before the claim is submitted.
- Out-of-Province claims must be submitted **to your** provincial Healthcare **Plan first**. After you receive the Provincial Healthcare payment, submit the claims to Great-West Life along **with** proof **of** the payment made **by your** Provincial **Healthcare Plan**.

## LONG TERM DISABILITY

- **All** claim forms **are** available **and obtained** from your **Location** Manager.
- Claims should be submitted **to** your Location Manager within the first **5 months** of total **disability** or **as soon as** reasonably possible.
- **Medical Examinations**

The **Great-West Life** Assurance Company **may** at **any time** have **the right** to require the claimant to **be** medically examined **during** the continuation **of** insurance or **the** pendency **of** a claim.

**THIS BOOKLET CONTAINS IMPORTANT INSURANCE INFORMATION AND SHOULD BE KEPT IN A SAFE PLACE KNOWN TO YOU AND YOUR FAMILY**

This booklet **is** a **summary** of the principal features of the plan, however, the Group Insurance Policies (a) Great-West Policy #133233 issued to your employer are the governing documents. In the event of any variation between the information in this summary and the provisions of the policy(ies), the latter will prevail. You *can* contact your plan administrator if you require any additional information.

These Life, Accidental Death and Dismemberment, Weekly Indemnity, Long-Term Disability Plan and Health benefits are underwritten by

**THE GREAT-WEST LIFE ASSURANCE COMPANY**

**100-10-91**

# Canada

## Port Colborne

Your Summary Plan Description

# ADM Pension Plan

## for Hourly Wage Employees

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**THE KEY TO YOUR FINANCIAL SECURITY**

Effective August 1, 2004

Appendix 018

SUMMARY OF THE ADM  
PENSION PLAN **FOR HOURLY EMPLOYEES**  
-CANADA-

Appendix No. 18 – Port Colborne Plant

**HIGHLIGHTS**

Membership:	You become a member after one year of service.
Benefit Level:	\$28 effective August 1, 2004; \$29 effective November 30, 2004; \$30 effective November 30, 2005
Credited Service:	Based on compensated hours. A year of Credited Service equals 1800 or more compensated hours during a calendar year. Partial credit for less than 1800 hours. See Question #5.
Monthly Pension Formula:	Benefit Level times years of Credited Service. See Question #8.
Vested Pension	100% vested after 2 years of service as a Member. See Question #13.
Normal Retirement:	Age 65 and 2 or more years of service as a Member. See Question #11.
Early Retirement:	Age 55 and 2 or more years of service as a Member. Reduced ½ of 1% for each month before age 65. See Question #11.
Forms of Pension Payment:	Available forms: (1) Life Annuity, (2) Joint and 60% Survivor Annuity, and (3) Joint and 100% Survivor Annuity. See Question #12.

The following pages of this booklet describe the Plan in greater detail. Please read this booklet carefully,

<p><b>Note:</b> Special rules apply if you were employed at this location prior to April 1, 1999. (See Supplement section of this booklet for details.)</p>
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## SUMMARY

This booklet summarizes the ADM Pension Plan for Hourly Employees - Canada (the "Plan") as it applies to hourly-paid employees of ADM Agri-Industries Ltd. (the "Company") at its plant in Port Colborne, Ontario (the "Plant"), who are represented by the United Food and Commercial Workers Local 175 (the "Union").

This summary describes the Plan as it applies to eligible employees who terminate employment on or after August 1, 2004.

### 1. About This Booklet

To help you understand how the Plan works, the following formula illustrates how your pension is calculated:

$$\begin{array}{rcccl} \text{Monthly} & & \text{Years of} & & \text{Monthly} \\ \text{Benefit} & \times & \text{Credited} & = & \text{Pension} \\ \text{Level} & & \text{Service} & & \text{At Age 65} \end{array}$$

The pension is reduced if your benefit payments begin before you reach age 65. If you **are** married, a Joint and Survivor Annuity benefit is available to provide death benefits for your spouse.

The remainder of this booklet describes the special rules that apply to the various types of benefits.

We have tried to include in this booklet the information necessary to understand how the Plan works. However, it is important to remember that this booklet is only intended to be a summary of the Plan and provides only general information. If this booklet is inconsistent with the Plan document in any way, the Plan document will control. The Plan document is available for your review at the office of your location manager. If you have questions about the Plan after reading this booklet, you should contact your location manager for assistance.

### 2. Who Is Eligible for Membership in This Plan?

If you are an hourly paid employee of the Company at the Plant and you are a member of the bargaining unit represented by the Union, you will become a member after you complete one year of Continuous Service.

### 3. How Long Must I Work to Get a Pension?

To be entitled to a pension, you must complete two or more years of Continuous Service as an employee of the Company after you become a member. In other words, you will be “vested”. The two years of service required for vesting are in addition to the one year period required to become a member.

### 4. What Is “Continuous Service”?

“Continuous Service” is used to determine if you are vested (and also when you become a member in the Plan). Your Continuous Service generally will equal your total years of uninterrupted employment with the Company. For this purpose, your employment includes any period during which you receive benefits under any disability program sponsored by the Company. It also includes paid absences for vacation or statutory holiday, leaves of absence authorized in writing by your location manager, and other leaves that do not result in termination of employment.

### 5. What Is “Credited Service”?

“Credited Service” is used to calculate the amount of your pension. Your Credited Service is based on your Compensated Hours as a member during each calendar year, according to the following table:

<u>Compensated Hours</u>	<u>Credited Service</u>
1800 or more	1.0 Year
1600 - 1799	.9
1400 - 1599	.8
1200 - 1399	.7
1000 - 1199	.6
800 - 999	.5
600 - 799	.4
400 - 599	.3
200 - 399	.2
Less than 200	.0

Service during the one year waiting period before you become a member is not included in Credited Service.

“Compensated Hours” includes hours for which you are paid for the performance of duties. It also includes paid hours of absence from work for vacation or holiday, except that Compensated Hours does not include hours attributable to accrued vacation periods for which payment is made in lieu of actual time off from work.

You will receive 40 Compensated Hours (or your normal number of hours, if less) for each week you receive a benefit under any disability program sponsored by the Company, including short-term and long-term disability programs. However, to receive credit for any period of absence for disability, you must provide the Company with a written certification from a medical doctor that you were incapable of working due to the disability.

**6. What Is the Current Monthly Benefit Level?**

The monthly benefit level used to calculate your pension is determined from the following table:

<b><u>Last Day of Service As a Member</u></b>	<b><u>Monthly Benefit Level</u></b>
On or after August 1, 2004 and prior to November 30, 2004	<b>\$28.00</b>
On or after November 30, 2004 and prior to November 30, 2005	\$29.00
On or after November 30, 2005	<b>\$30.00</b>

**7. When Will My Pension Payments Begin?**

Normally, your pension payments begin the first day of the month following your 65th birthday. You may elect to receive reduced monthly pension payments as early as age 55.

Your pension payments generally may not begin prior to your actual termination of employment. This means that if you continue working beyond age 65, your pension will not begin until you actually retire. However, your pension payments must begin by the end of the year in which you reach age 69, even if you are still working for the Company.

**8. How Much Will I Receive When I Retire?**

This depends on:

- How long you work for the Company.
- The monthly benefit level when you terminate employment.
- Your age when your pension begins.



For example, if you terminate employment after November 30, 2005, the monthly benefit payable at age 65 will be \$30 multiplied by your years of “Credited Service” (defined in Question #5).

#### 9. When Can I Start to Receive a Pension?

- (a) If you terminate employment at age 65 or later, and you are vested, your pension will begin the month following termination (or December 1 of the year in which you reach age 69, even if you are still working).
- (b) If YOU terminate employment between age 55 and 65, and you are vested, you may elect to begin your pension as of the first day of any month after your employment ends. If you elect to begin your pension before age 65, the monthly amount will be reduced because your pension is being paid over a longer period of time. The reduction is  $\frac{1}{2}$  of 1% for each month the pension starting date precedes age 65. For example, if your pension begins at age 62, 36 months before age 65, the monthly amount will be reduced by 18% (36 months x  $\frac{1}{2}$  of 1% per month = 18%).
- (c) If you terminate employment before age 55, and YOU are vested, you may elect to have your pension begin any month after you attain age 55. You also have the transfer options described in Question #13. If you elect to begin your pension before age 65, the monthly amount will be reduced because your pension is being paid over a longer period of time. Your pension will be the actuarial equivalent of the pension otherwise payable to you at age 65.
- (d) If YOU terminate employment before YOU are vested, you are not eligible for a pension.

If you are married when your pension begins, it must be paid as a “Joint and 60% Survivor Annuity” unless you and your spouse elect a different form of payment. The Joint and 60% Survivor Annuity will provide a monthly income to your surviving spouse. However, the monthly amount payable to you will be reduced somewhat, and your surviving spouse’s monthly benefit will be 60% of the reduced amount. (See Question #12 for further details.)

#### 10. Will I ~~Earn~~ Credited Service if I Continue Working After I Attain Age 65?

Yes. Service after attaining age 65 is included on the same basis as service before that age.

## 11. What Types of Retirement Are Available Under the Plan?

The Plan provides for two different types of retirement - Normal Retirement and Early Retirement:

Normal Retirement means termination of employment at or after Normal Retirement Age with at least two years of membership service. "Normal Retirement Age" is age 65.

### Example - Normal Retirement Benefit

Al has decided to retire at age 65 (Normal Retirement). Al has 35 years of Credited Service (defined in Question #5) and the benefit level in effect when he retires is \$30. Al's monthly pension is calculated as follows:

Benefit Level		\$ 30
	<b>times</b>	
Credited Service	X	<u>35</u>
Total Monthly Pension	=	<u>\$ 1050</u>

**If Al** is married when his pension payments begin (and he and his spouse do not elect a different form of payment), his benefit will be reduced somewhat because it must be paid in the form of a Joint and Survivor Annuity. This provides benefits for Al's spouse after **his** death. See Question #12 for details.

Early Retirement means termination of employment between age 55 and 65 with at least two years of membership service. **You** may either start your pension immediately or leave it in the Plan for payment at any time at or before attainment of age 65. Benefits beginning before age 65 will be reduced by ½ of 1% for each month (6% per year) by which the pension starting date precedes age 65. The reduced amount reflects the longer period of payment.

### Example - Early Retirement

Betty turned age 62 and decided to take Early Retirement. She **has** 35 years of Credited Service and the benefit level in effect when she retires is \$30.

#### (1) Calculation of Monthly Pension Payable at Age 65

Benefit Level		\$ 30
	<b>times</b>	
Credited Service	X	<u>35</u>

Total Monthly Pension = \$ 1050

(2) Reduction Because Payments Start Before Age 65

The **\$1050** benefit which Betty would have received at age **65** is reduced by **18%** ( $1/2$  of **1%** for each of the **36** months her benefit payments begin before age **65**). Therefore, her monthly benefit payable at age **62** is **82%** of **\$1050** or **\$861**.

The amount of Betty's monthly payment of **\$861** will be reduced if it is paid in the form of a Joint and Survivor Annuity. See Question #12 for details.

If you terminate employment before age **55** and are vested, see Question #13.

12. In What Form Will My Pension Benefit be Paid?

Single Participants - Life Annuity

If you are single when your pension starts, it will automatically be paid in the form of a "Life Annuity." A Life Annuity is a monthly pension to you for as long as you live.

Married Participants - Joint and Survivor Annuity

If you are married when your pension starts, you may elect to receive it in any one of the following forms:

- Joint and 60% Survivor Annuity — This is a reduced monthly pension paid to you for life, with payments continuing after your death to your surviving spouse in an amount equal to 60% of the monthly amount paid to you.

Your monthly payment will equal the amount you would receive under a Life Annuity multiplied by a "reduction factor" to reflect that your pension is paid over two lives instead of one. The reduction factor is 89% increased at the rate of  $1/2$  of 1% for each year in excess of 5 that your spouse is older than you or decreased at the rate of  $1/2$  of 1% for each year in excess of 5 that your spouse is younger than you.

- Joint and 100% Survivor Annuity — This is a reduced monthly pension paid to you for life, with payments continuing after your death to your surviving spouse in an amount equal to 100% of the monthly amount paid to you.

Your monthly payment will equal the amount you would receive under a Life Annuity multiplied by a "reduction factor" to reflect that your pension is paid over two lives instead of one. The reduction factor is 84% increased at the rate of  $1/2$  of 1% for each year in excess of 5 that your spouse is older than you

or decreased at the rate of ½ of 1% for each year in excess of **5** that your spouse is younger than you.

- Life Annuity — This is a monthly pension paid to you only for as long as you live. After you die, no benefits are paid to anyone.

**Your pension will automatically be paid as a Joint and 60% Survivor Annuity unless you elect a different payment form. The election of a Life Annuity will be effective only if your spouse gives written consent on the retirement application form. Your spouse's signature must be notarized.**

Remember, your pension under any Joint and Survivor Annuity option is reduced to reflect the value of the possible payments after your death. The following table illustrates the reductions, expressed as a percentage of the amount that would be paid as a Life Annuity, assuming your spouse is older than you, the same age as you, or younger than you.

<u>Age of Your Spouse</u>	<u>Joint and 60% Annuity</u>	<u>Joint and 100% Annuity</u>
6 Years Older	<b>89.5%</b>	<b>84.5%</b>
<b>5</b> Years Older	<b>89%</b>	<b>84%</b>
Same Age as You	<b>89%</b>	<b>84%</b>
<b>5 Years Younger</b>	<b>89%</b>	<b>84%</b>
6 Years Younger	<b>88.5%</b>	<b>83.5%</b>

No Change in Form of Payment. Once your pension payments begin, you may not change the way in which they are paid. For example, if you are receiving your pension payments as a Joint **and** 60% Survivor Annuity and your spouse dies before you do, you cannot change to a Life Annuity. Or, if you marry after you begin to receive benefits as a Life Annuity, you cannot change to a Joint and Survivor Annuity.

Payment of Small Amounts. The Company will provide for a one-time payment of benefits that would otherwise be payable in small monthly amounts for life, in accordance with applicable legislation. The amount to be paid will be equal in value (on an actuarial basis) to the monthly payments that you would otherwise receive starting at your Normal Retirement Age.

### 13. What Benefits Are Payable if I Leave the Company Before Age **55**?

If you terminate employment before age **55**, and you are vested when you terminate employment, you will be entitled to a vested pension. (See Question #3 for a description of when you are vested.) At termination of employment, you will have an opportunity to choose one of four options, as follows:

- (a) transfer the value of your Normal Retirement Age pension to a locked-in registered retirement savings plan (RRSP) or other portability vehicle available in Ontario;
- (b) transfer the value of your Normal Retirement Age pension to a new employer's pension plan, if the new employer will accept it;
- (c) transfer the value of your Normal Retirement Age pension to an insurance company to purchase a deferred annuity; or
- (d) leave the pension in the Plan and receive a monthly benefit at any time after age 55. Benefits beginning before you attain age 65 will be reduced to reflect the longer period of payment. Your pension will be the actuarial equivalent of the pension otherwise payable to you at age 65.

You must make your election within 90 days after your employment ends. If you do not make an election within 90 days after your employment ends, you will be treated as if you had elected (d) above. Any election you make is irrevocable.

You should also be aware that if the funds in the Plan are insufficient to cover the benefits of all employees, the amount which could be transferred may be limited. If the initial transfer under (a) or (b) is less than the full value, the remainder will be transferred later.

#### 14. What Happens if I Die Before I Am Eligible for Retirement?

If you die before you reach age 55, and you were vested immediately prior to your death, your surviving spouse, if any, will be eligible to receive a monthly pension for his or her lifetime that has a value equal on an actuarial basis to the value of your pension. Your spouse can instead elect to have the lump-sum value of that benefit transferred to a locked-in RRSP or other acceptable plan. See Question # 13.

#### 15. What Happens if I Die After I Have Become Eligible for Retirement but Before My Pension Starts?

If you die after you reach age 55, but before your pension starts, your surviving spouse, if any, will receive a monthly pension for his or her lifetime. The monthly pension will be equal to the survivor pension that your spouse would have received if you had elected to retire and start your pension in the Joint and 60% Survivor Annuity form.

16. What Benefits Are Payable if I Become Disabled?

While you are receiving benefits under any disability program sponsored by the Company, you will receive Credited Service as if you were actively employed. You can start your pension only after your disability benefits have stopped, your employment has terminated, and you have reached age 55.

17. What if I Transfer to a Different Job Within the Company?

In general, your Credited Service is based on membership service as an hourly paid employee at the Plant.

If you transfer to an hourly paid job with ADM at another location or to a salaried position, you will no longer accrue Credited Service under the terms described in this summary. Your benefits normally will remain in the Plan until you retire, terminate or die, and will be based on the benefit rate in effect when you last served as an hourly employee at the Plant. However, if you transfer to a position where you are covered under another registered pension plan maintained by the Company, your benefit may be transferred to that plan.

18. How Will My Benefit Be Determined if I Terminate Employment and Later Am Rehired?

If you terminate employment and are later rehired, the amount of your benefit and your vesting service will be calculated separately for each period of employment according to the benefit level, vesting requirement, and other Plan provisions in effect during the particular period of employment. No benefit will be paid for a particular period of employment unless your service during that period meets the vesting requirements in effect during that period. If you earned a benefit and left it in the Plan, it will be added to any additional benefit you earn during reemployment.

19. If I **Am** Reemployed, Can I Count My Prior Period of Employment Toward Eligibility for Membership and Vesting?

No. Your service will be calculated separately for each period of employment for membership and vesting.

20. How Do I Claim a Benefit Under the Plan?

When you leave the Company, you will be advised of the benefits that you are entitled to receive, and the manner in which they may be paid.

If you believe that you are entitled to a benefit, or a larger benefit than the Company says you are eligible for, you must file a written claim.

## 21. Who Pays for the Plan?

The Company pays for the Plan. Employees are not required to contribute. Company contributions are determined by the Plan's actuary and are at least equal to the minimum required by Canadian law. Company contributions are held in a fund currently managed by Canada Life Assurance Company.

## 22. Can the Plan Be Amended or Terminated?

The Company may amend the Plan from time to time to comply with changes in applicable law or for any other reason. The Company also may terminate the Plan at some point in the future, subject to the provisions of applicable law. In the event termination occurs while you are employed with ADM or an ADM affiliate, you will have a fully vested right to your accrued pension at termination. There will be no additional accruals after the termination of the Plan, and your pension will be limited to the amount you previously accrued. Any assets remaining after all benefits have been paid upon termination of the Plan will be returned to the Company.

## 23. What Information Am I Entitled to Receive?

Under the provisions of the Pension Benefits Standards Act, 1985, each member in the Plan is entitled to:

- (a) receive an employee booklet upon joining the Plan;
- (b) receive a written explanation or new employee booklet reflecting any amendments to the Plan within **six** months after the amendment is made;
- (c) receive an annual personalized pension statement within six months of the close of the plan year indicating, among other things, your normal retirement date, when you will become vested, and how much pension you have earned to date;
- (d) examine upon request, or obtain upon request at a reasonable charge, once in each year, at the office of **your** location manager, the documents and amendments that created or support the Plan;
- (e) receive a written statement within 30 days of retirement, termination of employment, or death outlining your accrued pension benefit and pension options;

- (f) receive such other information as is expressly required by law.

## 24. What Government Retirement Benefits Will I Receive?

In addition to the benefits provided by the Plan, there are government-sponsored retirement benefits from the Canada/Quebec Pension Plan (C/QPP) and Old Age Security (OAS) program; for which you may be eligible.

Both of these government-sponsored programs pay you benefits when you reach age 65. You and the Company share in the cost of Canada/Quebec Pension Plan benefits; your contribution comes out of your paycheque regularly. Old Age Security is financed through general tax revenues.

The amount of pension you receive from C/QPP depends on your earnings up to a maximum ceiling. The OAS benefit does not relate to your earnings and is adjusted every three months according to inflation.

Government-sponsored retirement benefits do not begin automatically. You must apply for them at your local C/QPP office and your local OAS office, several months before you are eligible for benefits.

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## SUPPLEMENT TO SUMMARY PLAN DESCRIPTION

### Appendix No. 18 – Port Colborne Plant

#### Special Rules for Employees at this Location Prior to April 1, 1999 (for former employees)

The Company acquired the Port Colborne Plant from Maple Leaf Mills, Inc. on February 28, 1997. In connection with that acquisition, the Company assumed sponsorship of the Pension Plan for Hourly Employees of Maple Leaf Mills Inc. Located at Port Colborne Office, Port Colborne Plant and Calgary Flour (the “Maple Leaf Plan”). The Maple Leaf Plan was merged into this Plan on March 1, 1997. However, until April 1, 1999, former participants in the Maple Leaf Plan continued to accrue benefits under this Plan under the same terms and conditions that were in effect under the Maple Leaf Plan. Effective April 1, 1999, participants started to accrue benefits under the terms negotiated with the collective bargaining unit and set forth in the Summary.

The following special rules apply to you if you were employed at the Port Colborne Plant prior to April 1, 1999.

#### Your Vesting Service

Your Continuous Service under this Plan includes service recognized as Continuous Service under the Maple Leaf Plan as of February 28, 1997.

#### Your Required Contributions

You are not required or permitted to contribute to the Plan after April 1, 1999.

Your required and additional voluntary contributions prior to April 1, 1999 (including contributions made under the Maple Leaf Plan) will continue to be credited with interest each year at the rate set by the Office of the Superintendent of Financial Institutions.

Your required contributions, plus interest, will be applied to fund your pension benefit (subject to limits established under law with respect to contributions made and benefits accrued after January 1, 1987). If you die before commencement of your pension, and you are married, your required contributions, plus interest, will be applied to fund the survivor benefits payable to your spouse. If you are not married, the contributions, plus interest, will be paid to your beneficiary. Also, special payment options are available to you with respect to required contributions made under the Maple Leaf Plan (or its predecessor) prior to January 1, 1987.

Your additional voluntary contributions, plus interest, can be applied to purchase an additional pension benefit at retirement or can be refunded to you in a lump-sum after your employment terminates. If you die before payment of your

additional voluntary contributions, such contributions, plus interest, will be paid to your beneficiary.

### Your Accrued Pension Benefit

Your pension benefit at retirement or termination will be the sum of items A and B below:

- A. **Preserved Benefit.** Your Preserved Benefit consists of two components:
- **Basic Benefit:** This is your pension benefit for service prior to April 1, 1999. It is calculated as if you terminated employment on March 31, 1999 (or your actual termination, if earlier), and had never become a participant under the terms of that became effective April 1, 1999;
- plus**
- **Supplemental Benefit:** Your Supplemental Benefit is determined in the manner described below.

The Preserved Benefit is expressed as a Life with 5-Year Term Certain Annuity. In order to combine your Preserved Benefit and ADM Benefit (Add-on), your Preserved Benefit is converted on an actuarially equivalent basis to a Life Annuity (this normally results in a slight increase in the monthly payment amount).

- B. **ADM Benefit (Add-on).** This is your pension benefit for service on and after April 1, 1999. It is calculated under the ADM Benefit Formula described in the Summary (in applying the formula, your Credited Service is calculated based solely on your service on and after April 1, 1999).

### Form of Your Preserved Benefit

Your Preserved Benefit can be paid as a Normal Retirement, Early Retirement or Vested Termination Benefit, which will be calculated and paid in the same manner and form as your ADM Benefit (Add-on). The rules regarding the timing and form of payment are described in the Summary.

You also will qualify for special early retirement rules on your Preserved Benefit if you satisfy the "Rule of 85" as of April 1, 1999. You satisfy the Rule of 85 if your age as of April 1, 1999, plus your years of Continuous Service as of April 1, 1999, total 85 or more.

If you satisfy the Rule of 85 as of April 1, 1999, **and** you terminate employment at or after age 50, you may either start your Preserved Benefit immediately or you may leave it in the Plan for payment at any time at or before attainment of age 65. A Preserved Benefit beginning at age 60 or later will not be reduced for early commencement. A Preserved Benefit beginning before age 60 will be reduced by 1/4

of 1% for each month (3% per year) by which the pension starting date precedes age 60.

These special rules will not apply to your ADM Benefit (Add-on).

pl Benefit

The Plan provides a Supplemental Benefit that **is** part of your Preserved Benefit. It applies only to members prior to April 1, 1999 – if you were not a member prior to April 1, 1999 (and thus do not have a Preserved Benefit), you do not have a Supplemental Benefit.

Your Supplemental Benefit is determined under the formula set forth in the appropriate table below.

- Use the following table if you were a participant in the Maple Leaf Plan prior to December 31, 1992:

<u>If your termination occurred:</u>	<u>Your supplemental benefit will be:</u>
On or after May 29, 1992, and prior to December 31, 1992	\$16 multiplied by the number of full years of Continuous Service you had as of your termination of employment, minus one year
On or after December 31, 1992, and prior to December 1, 1995	\$17 multiplied by the number of full years of Continuous Service you had as of December 31, 1992, minus one year
On or after December 1, 1995, and prior to December 1, 1996	\$17 multiplied by the number of full years of Continuous Service you had as of December 31, 1992, minus one year  <b>plus</b>  \$1 multiplied by the number of full years of Continuous Service you had as of termination of employment
On or after December 1, 1996, and prior to April 1, 1999	\$17 multiplied by the number of full years of Continuous Service you had as of December 31, 1992, minus one year  <b>plus</b>

**\$2** multiplied by the number of full years of Continuous Service you had as of termination of employment

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On or after  
April 1, **1999**

**\$17** multiplied by the number of full years of Continuous Service you had as of December **31, 1992**, minus one year

**plus**

**\$2** multiplied by the number of full years of Continuous Service you had as of March **31, 1999**

- Use the following table if you were not a participant in the Maple Leaf Plan prior to December 31, 1992:

If your termination  
occurred:

Your supplemental  
benefit will be:

On or after  
December **31, 1992**,  
and prior to  
December 1, **1995**

No supplemental benefit

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On or after  
December **1, 1995**,  
and prior to  
December 1, **1996**

**\$1** multiplied by the number of full years of Continuous Service you had as of termination of employment

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On or after  
December **1, 1996**,  
and prior to  
April 1, **1999**

**\$2** multiplied by the number of full years of Continuous Service you **had** as of termination of employment

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On or after  
April 1, **1999**,

**\$2** multiplied by the number of full years of Continuous Service you had as of March **31, 1999**

For example, if you were a participant in the Maple Leaf Plan and had 10 years of Continuous Service as of December 31, 1992, and you terminated employment on March 31, 1999, your Supplemental Benefit is determined as follows:

- $\$17.00 \times 9$  (your full years of Continuous Service as of December 31, 1992 minus one year)  
  
= \$163.00
- $\$2.00 \times 16$  (your full years of Continuous Service as of March 31, 1999)

$$= \$32.00$$

- $\$163.00 + \$32.00 = \underline{\$195.00}$

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