

Collective Agreement

April 12, 1999 to April 12, 2002

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ADM Milling Co. Strathroy Flour Mill



00465(06)

COLLECTIVE AGREEMENT

Strathroy

Between

ADM MILLING CO.
Strathroy, Ontario

And

BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL(AFL-CIO-CLC),
Local Union 242

TERM: April 12, 1999 to April 12, 2002

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THIS AGREEMENT, made and entered into this 12th day of April, 1999, by and between ADM MILLING CO. hereinafter referred to as the "Company" and the BAKERY. CONFECTIONERY, TOBACCO WORKERS AND GRAIN MILLERS INTERNATIONAL (AFL-CIO-CLC), Local Union 242, affiliated with the Canadian Labour Congress, hereinafter referred to as the "Union."

In consideration of the mutual agreements herein contained. and the terms and conditions as hereinafter set out, the parties hereto 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 and maintenance employees employed at its Strathroy, Ontario, flour mill located at 62 Albert Street, save and except supervisors, technical employees, laboratory employees, administration, sales, guards, and all other employees.

Section 1.02 Union Membership

A - All present employees who are members of the Union at the date of execution of this Agreement shall remain members in good standing during the life of this Agreement, as a condition of continued employment.

B - All employees hired after the execution of this Agreement shall become members of the Union on the 61st working day following the beginning of their employment and shall remain members of the Union in good standing for the life hereto, as a condition of employment.

Section 1.03 Checkoff

A - The Company will deduct the monthly Union membership dues from the employee's wages on the first full pay period of each month. Deductions will be made within the framework of the Company's dues deduction program. The monthly dues shall be a single, uniform fixed amount for all employees. Such deductions must be specified to the Company in writing by the Union. Such deductions will be promptly remitted to the Union.

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 action 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 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 seniority 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 control absenteeism; 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 maintenance and construction work, 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 grievances shall be considered where the circumstances giving rise to it occurred or originated more than 5 working days before the filing of the grievance. An employee or the Union may 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 Plant Supervisor. The Company will give its answer within 5 working days.

Step 2

Between the aggrieved employee, the Union Steward, the Plant Supervisor and the Plant Superintendent. The Plant Superintendent will give his answer in writing to the Union within 5 working days.

Note 1: Disciplines with time off shall commence at Step 2.

Note 2: The Union must notify the Company of their intent to advance a grievance to the 3rd Step within 10 working days of receiving the Company's 2nd Step answer or the grievance will be considered waived.

Step 3

Between the Union Steward, a representative(s) of the International, the Plant Superintendent, the Plant Manager or his representative, and a representative of the President of the Company. The Company representative will give the Union the Company's written decision within 30 calendar days following the Step 3 meeting.

Section 3.02 Arbitration Procedure

A - In the event arbitration is to be invoked, the request must be made in writing to the other party within 7 working days or such further period, as is mutually agreed upon by the Company and the Union. At this time, both parties will attempt to come to agreement of selecting a single arbitrator.

B - In the event the parties are unable to agree on a single arbitrator, the Minister of Labour of the Government of Canada shall be asked to appoint an arbitrator. The Arbitrator shall meet as soon as possible with both parties to hear evidence and receive representations.

C - The Arbitrator shall not have jurisdiction to alter or change the provisions of this Agreement or to substitute new provisions in lieu thereof, nor to give a decision inconsistent with the terms or provisions of this Agreement. He shall however, have authority to alter or amend a disciplinary penalty. The decision of the Arbitrator shall be final and binding upon the Company, the Union and the employees.

D - No person may be appointed as an Arbitrator who has been involved in an attempt to negotiate or settle a grievance.

Section 3.03 Expenses

Each party shall bear its own expenses. Expenses and fees of the Arbitrator shall be equally divided between the Company and the Union.

Section 3.04 Prompt Processing and Time Limits

Time limits may be extended by mutual written agreement of both parties.

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 Classifications</u> | <u>Hourly Rates Effective</u> | | |
|----------------------------|-------------------------------|----------------|----------------|
| | <u>4-12-99</u> | <u>4-12-00</u> | <u>4-12-01</u> |
| Miller | \$16.76 | \$17.01 | \$17.21 |
| Utility A | 15.41 | 15.66 | 15.86 |
| Utility B | 14.29 | 14.54 | 14.74 |
| Maintenance A | 17.06 | 17.31 | 17.51 |
| Maintenance B | 16.19 | 16.44 | 16.64 |
| Maintenance C | 15.83 | 16.08 | 16.28 |
| Maintenance D | 15.69 | 15.94 | 16.14 |

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 the Canada Labour Code. 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.

Section 4.02

Leadman Rates

In the event the Company selects an hourly-paid employee to act as a working Leadman in addition to his regular duties, his hourly rate of pay shall be 80¢ higher than his classified rate. The Leadman rate shall be paid only for those hours during which the employee performs the Leadman function. He may simultaneously perform both his regular duties and his Leadman duties.

Section 4.03

Shift Differentials

A • 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 50¢ per hour. The 3rd shift differential is 60¢ per hour.

Note 1A: 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 2A: 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.

B - Two Rotating 12-Hour 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 of 2 rotating 12-hour shifts. Such shift differential is 45¢ per hour.

Section 4.04

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.

B • If an employee is temporarily transferred by the Company to a higher-rated job classification, he will receive the higher rate of pay for all hours worked that day provided he works on the upgraded job for 4 hours or more. This provision applies only when the employee is specifically assigned to fill a temporary vacancy created by the absence of an employee from work. 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 4.05

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 4.06 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 by temporary transfer or through the overtime provisions of this collective Agreement.

Section 4.07 Creation Of New Job Classification

A - If the Company creates a new job classification, the Company will establish a rate for such classification and, if requested by the Union, shall after no more than 120 days of job experience, negotiate with the Union a permanent rate for such classification. If a new job classification is created, the Company will notify the International Union Representative in writing of such creation.

B - 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. In the event of such impasse, the rate negotiation will be deferred to the next regular negotiation of the contract and the provision of retroactivity shall be as provided in this Section.

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 7 AM one day to 7 AM the following day. The workweek begins at 7 AM Monday and ends at 7 AM the following Monday. The workday and workweek may be different for some individuals or shifts in the interest of efficient or less costly operations.

Section 5.03 Starting Times, Shifts And Schedules

A - The Company may vary shift schedules, starting times and quitting times for different areas or operations of the mill or for individual employees.

B - The normal workweek contains 5 workdays. However, 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 operations. Employees may be scheduled to eat-on-the-job or have a 30-minute unpaid lunch period. Any area of the mill 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 with 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 hours worked in excess of 40 straight time hours in any one workweek or 8 straight time hours in any one workday shall be compensated for at the rate of 1 1/2 times the employee's straight time hourly rate.

Note 1: An employee who works continuously beyond his regularly scheduled shift and continues working into the next day, or his scheduled day off, or into a new workweek shall receive 1 1/2 times his straight time hourly rate (or double time if applicable) for such hours he works beyond the start of a new day. Such hours shall not be used to create overtime or premium payments during the employee's regular scheduled shift.

Note 2: 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) Union committee members who miss scheduled work as a result of attending contract negotiations with the Company.

Note 3: If running a 12-hour schedule, all hours worked in excess of 40 straight time hours in any one workweek or 12 straight time hours in any one workday shall be compensated for at the rate of 1 1/2 times the employee's straight time hourly rate.

Section 5.05

7th Consecutive Day Of Work Premium

During periods when the mill is scheduled on a 1-, 2- or 3-shift operation (or any combination thereof), an employee will be paid 2 times his regular rate of pay for work performed on his 7th consecutive day of work in the workweek provided he has worked 40 straight time hours during the workweek and 8 hours in the 6th consecutive weekday.

Section 5.06 Reporting Pay Minimum

When an employee reports for work as scheduled without being notified to the contrary, and is assigned less than 4 hours of work, he shall be paid at least 4 hours at the applicable rate.

Section 5.07 Call-In Pay

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 his 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 5.08 Overtime

The Company shall have the right to schedule overtime when it is required to the extent the law provides. Employees, based on skill, ability and qualifications, will perform the required work and will cooperate fully in working necessary overtime.

ARTICLE VI SENIORITY AND FILING PERMANENT VACANCIES

Section 6.01 Seniority

A • Employees' seniority as covered in this Agreement shall apply only to employment at the Company's Strathroy milling operation, Strathroy, Ontario, and shall not apply elsewhere.

B • The Company will post an updated seniority list every 12 months listing all employees covered by this Agreement.

Section 6.02 Consideration Of Qualifications

The application of the seniority provisions of this Agreement may be governed by considerations of whether the employee is qualified to perform the job required. Terms referring to "qualified" or "qualifications" when used in this Agreement means qualified to competently perform the job, without further training in a safe, efficient and productive manner. If the employee is not so qualified, the applicable seniority provisions 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.

Section 6.03 Probationary Employees

All new employees will be hired as probationary employees for the first 60 working days of employment after which the employee shall be placed on the seniority list dating back to his date of hire. 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 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. The termination of a Temporary Employee is not subject to the Grievance and Arbitration Procedure.

Note: Temporary employees will be paid the rate of the job they are performing if they are qualified and are replacing a regular employee. Other temporary employees will be paid \$10.77 per hour.

Section 6.05 Filling Permanent Vacancies

A - Job vacancies may be posted to determine who is interested in them. Such jobs may be filled by assignment by the Company or may be filled by hiring from the outside.

B - Qualifications - The decision regarding an employee's ability and qualification to perform the job shall be the **sole** decision of the Company.

C - Trial Period - **An** employee permanently assigned a different job classification will have, in the Company's opinion, a fair trial and training on such job. If after the trial period the employee is considered qualified and capable of performing the job, he will be assigned to the job. If however, the employee is considered, in the Company's opinion, to be unqualified and incapable of performing the job, he will return to the classification from which he came.

Section Note: For entry into Maintenance, see Section 6.06 - Filling Permanent Vacancies (Maintenance).

Section 6.06 Filling Permanent Vacancies (Maintenance)

A - Entry into the Maintenance job classifications 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 Companydesignated test battery to measure maintenance aptitude, interest and other skills and characteristics.
2. Physicallyable to perform all **types** of plant maintenancework.
3. Willing and able to perform highwork.
4. Willing and able to continually work overtime and emergency call-in or call-backwork subjectto applicablelaw.
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 productiveemployeein previousjobs performed in the plant.

B - An employee in training must advance through 3 training grades and into the Maintenance A classification or be disqualified. Time spent in each training grade will be approximatelyas follows:

Training Grade 3 (Maintenance B) -- 24 Months
 Training Grade 2 (Maintenance C) -- 18 Months
 Training Grade 1 (Maintenance D) -- 12 Months

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

D - An employee in training will be requiredto take formal trade school courses applicable to the plantwork. Such courses must be approved by Managementprior to enrollment. The Companywill pay for tuition, books and supplies, but not for time spent at such course.

E - The Training Program shall not restrictthe Company from hiring qualifiedemployeesfrom outside.

Note: The Company will post a notice when a 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.

Section 6.07

Layoffs

Layoffs from the plantwill be made on a plant seniority basis provided the employees remaining are qualified and capable of performing the operations without further training. It is recognized that exceptionsto seniority can be made where specialized skills and experience require that exception **be** made to insure efficient and continuous plant

Employees in the Maintenance classification will be exempt from bumping by other employees affected by a layoff. Notice of such layoffs will be in accordance with the Canada Labour Code.

1. An employee who is retained according to plant seniority shall remain in his assigned job classification so long as his job operates.

Note: Employees in the Maintenance classification may not be bumped and may be retained or recalled out of seniority order to work in their classification.

Section 6.08

Recalls

Recalls to the plant will be made on a plant seniority basis, provided the employees recalled are capable of performing the operations without further training. When recalled, an employee must reply promptly after notification and make satisfactory arrangements for reporting to work.

1. No new employees will be hired until all available, qualified, regular employees on the plant's seniority list have been offered an opportunity to return to work, except if in management's opinion the occasion requires the services of especially qualified persons for jobs which cannot be filled from among the employees of the plant.
2. Employees in the Maintenance classification may be recalled out of seniority order to work in their job classifications.
3. An employee who is laid off must keep the Company advised of his address and where he can be reached by telephone if he desires to be recalled. Failure to do so will result in a forfeit of the employee's rights to be recalled.

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 or resigns his employment or retires.
2. Is absent from work for 3 consecutive scheduled working days without good cause or fails to notify the Company of his absence.
3. Fails to report to work at the expiration of a leave of absence without having obtained an extension of his leave of absence for a definite period of time from the Company.
4. Fails to report for work after a recall from layoff and does not notify the Company within 48 hours that he is intending to return to work, and unless he returns to work as soon as possible after receiving notice, and in any event

within 7 calendar days after the mailing of the registered letter or telegram to his last known address left with the Company.

5. He is discharged for just cause and such discharge is not reversed under the Grievance and Arbitration Procedure.
6. Has been on layoff or off work for any other reason for a period of 12 consecutive months, subject to the provisions of the applicable Federal Laws of Canada.

ARTICLE VII HOLIDAYS

Section 7.01 Recognized Holidays

For purposes of the Agreement, the following 13 days will be observed as holidays on the days on which they occur:

| | |
|----------------------------------|-------------------------------------|
| New Year Day - Jan. 1 | Thanksgiving Day - 2nd Mon. in Oct. |
| Good Friday | Remembrance Day - Nov. 11 |
| Victoria Day | Christmas Eve Day - Dec. 24 |
| Canada Day - July 1 | Christmas Day - Dec. 25 |
| Civic Holiday - 1st Mon. in Aug. | Boxing Day - Dec. 26 |
| Labour Day - 1st Mon. in Sept. | 2 Personal Holidays |

Note 1: Personal Holidays: (1) the timing shall be subject to management's approval based on the need for efficient operations, (2) does not apply to a new employee until he has completed 12 months of continuous service, (3) granted each year, (4) the employee must be in an active work status to receive a Personal Holiday.

Note 2: If Canada Day or Remembrance Day fall on a Saturday or Sunday, the holiday will be observed on either the preceding Friday or the Monday immediately following the holiday, subject to the scheduling requirements of the Company. If the facility is operating on a 7-day schedule, the holiday will be observed on the day it falls.

Note 3: Effective January 1, 2001, the Civic Holiday will be removed from the above list, reducing the holidays to 12.

Section 7.02 Pay For Holidays Worked

When an employee works on the 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 on at least 15 days during the 30 calendar days immediately preceding the recognized holiday.
2. Such employees who were unable to work 15 of the 30 days immediately preceding the holiday will receive 1/20th of the wages he has earned during the 30 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 reasonable cause, he will not qualify for holiday pay as provided in paragraph A of this Section.

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 on a scheduled day off which the employee works.

ARTICLE VIII VACATIONS

Section 8.01 Vacation Eligibility

A - Vacations will be earned on January 1 each year to be taken between January 1 and December 31 and will be based on the completed years of continuous Service by the employee as of January 1, according to the following schedule:

| <u>Years of Continuous Service</u> | <u>Weeks of Vacation Time</u> | <u>Vacation Pay</u> |
|--|--|---------------------|
| Less than 1 | One day for each month of service up to a maximum of 10 days | 4% |
| 1 thru 5 | 2 weeks | 4% |
| 6 thru 10 | 3 weeks | 6% |
| 11 thru 18 | 4 weeks | 8% |
| 19 or more | 5 weeks | 10% |

Note 1A: Percentage is calculated on the basis of the previous calendar year's earnings subject to the provisions of the Federal Canada Labour Code.

B - An employee shall be eligible for the additional week of vacation or vacation pay, when he has worked past his 6th, 11 and 19th anniversary date of employment.

C - The amount of vacation time off will be reduced by **1/52** for each 41 straight time hours of absence for any reason (except personal illness or compensable work-related illness or injury up to 30 days annually) during the previous calendar year. In the application of this provision, an employee with **1 thru 5** years of continuous service will not have his vacation time reduced to less than 2 weeks. Employees with 6 or more years of continuous service will not have his vacation time reduced to less than 3 weeks.

D - 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 in the calendar 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 March 1 and April 30 subject to the operational requirements of the business. After April 30, vacations will be scheduled on a first-come, first-serve basis, subject to the operational requirements of the business.

B - Vacations cannot 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. Employees may take up to 5 days of vacation per year one day at a time, with the approval of Management.

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 or part days when he is not required on jury duty or as a witness in a court of law.

Section 9.02

Bereavement Pay

A • Should a death occur in the immediate family of an employee, he may request bereavement leave for up to 3 days for the purpose of making arrangements for the funeral and/or attendance at the funeral. "Immediate family" shall mean spouse, son, daughter, brother, sister, mother, and father.

B • In the case of the death of an employee's mother-in-law, father-in-law, brother-in-law and/or sister-in-law, grandmother, grandfather, and grandchildren, pay with time off is limited to 1 shift.

Section Note: This will not include pay for days on which the employee is scheduled to work.

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 Strathroy flour mill is a separate document whose term will run concurrently with the term of this Agreement.

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 type or amount of work at any time.

Section 11.03 Union Stewards

The name of the Union Steward 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. Permission to leave work during working hours for such purposes shall first be obtained from the supervisor. Time spent in arbitrations will not be paid for by the Company.

Section 11.04 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.

ion 11.05

Union Steward - Disciplinary Meetings

A Union Steward shall be present at meetings, if one is available on Company property, between management and employees when disciplinary measures are to be presented by management to such employees.

Section 11.06

Notice Board

A notice board shall be supplied by the Company, large enough to accommodate Union notices, in the lunchroom. Notices relevant to Union activities may be posted if properly signed by authorized Union personnel and approved for posting by the Plant Manager, or his representative.

Section 11.07

Safety

A - The Company agrees to continue its policy of protecting by all reasonable means the safety and health of employees on the Company premises.

B - The Company will recognize a Safety Committee consisting of 2 Company officials and 2 representatives of the Union membership with one year of seniority or more for the purpose of investigating, discussing and making recommendations concerning plant safety matters. The Union Safety Representative will be permitted to leave his regular duties, after receiving permission from his immediate Management Representative, for a reasonable period of time to perform the duties outlined in this Section. He will be paid his regular rate of pay for all time spent on such duties during his regular scheduled shift hours of work.

C - 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.

Section Note: The Company will recognize safety committee requirements established by Canadian Federal Law.

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 April 12, 1999, to 7 AM April 12, 2002.

Section 13.02 **Separability**

All provisions of this Agreement shall be subject to the laws of Canada and that of the Province of Ontario. 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 Agreement dated April 12, 1999 (whose term runs concurrently with this collective Agreement between the parties), 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.

BAKERY, CONFECTIONERY, TOBACCO **ADM MILLING CO.**
WORKERS AND GRAIN MILLERS
INTERNATIONAL (AFL-CIO-CLC),
Local Union 242

/s/ Micheal Konesko
International Representative

/s/ George H. Oliver
Plant Manager

/s/ Mervin Wayner
President, Local 242

/s/ Robert L. Creviston, Jr.
Employee Relations Department

/s/ Robert Topping
Plant Chairman

/s/ Martin Reed
ADM Vice President - Employee Relations

APPENDIX A

SENIORITYLIST

January 15, 1969

October 14, 1975

March 7, 1977

May 24, 1977

August 12, 1981

January 8, 1986

August 27, 1990

May 1, 1998

LETTER OF AGREEMENT

April 12, 1999

Between

ADM MILLING CO., for its Strathroy, Ontario, flour mill and the BAKERY, CONFECTIONERY, TOBACCO WORKERS AND GRAIN MILLERS INTERNATIONAL (AFL-CIO-CLC), Local Union 242.

The parties agree to the following items which shall remain in effect during the term of the current labour Agreement between the parties dated April 12, 1999 to April 12, 2002.

I. SECTION 8.01 - VACATION ELIGIBILITY

Employees receiving 6 weeks of vacation as of February 3, 1995, will continue to receive 6 weeks of vacation with the 6th week being pay only. All other vacations will be earned under the vacation schedule as described in Section 8.01.

II. REIMBURSEMENT FOR WORK BOOTS

The Company will agree to contribute \$70 each calendar year so the employee may purchase work boots as required by the Company. The employee may be required to provide proof of purchase prior to being reimbursed.

The parties have executed this Letter of Agreement on this 12th day of April, 1999.

BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL (AFL-CIO-CLC),
Local Union 242

ADM MILLING CO.

/s/ Micheal Konesko
International Representative

/s/ George H. Oliver
Plant Manager

/s/ Mervin Wayner
President, Local 242

/s/ Robert L. Creviston, Jr.
Employee Relations Department

/s/ Robert Topping
Plant Chairman

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