

AGREEMENT

Between

**Imperial Tobacco Canada
Limited**

and

**Bakery, Confectionery, Tobacco
Workers and Grain Millers
International Union
Local 323T**

Effective on the 24th day of February, 2000

00702 (07)

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THIS AGREEMENT entered into on the 24th day of February, 2000

BETWEEN:

IMPERIAL TOBACCO CANADA LIMITED
(hereinafter called the "Company")

OF THE FIRST PART

- a n d -

BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, Local 323T,

affiliated with the American Federation of
Labour - Congress of Industrial Organizations
and the Canadian Labour Congress, a volun-
tary association, acting on behalf of the
employees of Imperial Tobacco Canada
Limited, in the plant at Woodlawn Road,
Guelph, Ontario,

(hereinafter called the "Union")

OF THE SECOND PART

RECOGNIZING the common dependence of the
Company and of its employees upon the welfare
of the business as a whole; recognizing further that
maintenance of goodwill and mutual respect
between employers and employees can contribute

greatly to the maintenance of and increase in that welfare, the parties to this contract have joined together in the following Agreement.

1. “EMPLOYEES” DEFINED

1.01 The term “employees” as used in this agreement refers to all employees of the Company below the rank of supervisor working in the plant at Woodlawn Road, Guelph, Ontario, but does not refer to office staff, Health Centre staff, laboratory technicians, security guards, stationary engineers and students.

1.02 The Company recognizes the Union as the exclusive bargaining agent for the employees in the bargaining unit as defined in section 1.01 of this clause.

1.03 All references to employees in this agreement include both male and female and wherever the male gender is used, it shall be construed to include male and female employees.

1.04 Supervisors or employees above the rank of supervisor will not perform work which is normally done by “employees” as defined in paragraph 1.01 of this clause except:

- (a) In cases of emergency when a qualified employee is not available;

- (b) When engaged in training;
- (c) When working on experimental machinery along with a tradesperson;
- (d) That qualified supervisor will continue to adjust machines in a supervisory manner along with a tradesperson.

1.05 Any violation of the Collective Agreement arising out of work practices in a team, will be subject to the grievance process.

2. HOURS OF WORK

2.01 The normal work-week shall be as follows:

(A) DAY WORKERS

On shift hours

1st shift:

36 hours-4 shifts of 8 hours, Monday to Thursday inclusive, from 7:30 A.M. to 3:30 P.M. daily, including a 20 minute paid lunch period during each shift, and 1 shift of 4 hours on Friday, from 7:30 A.M. to 11:30 A.M.

2nd shift:

36 hours-4 shifts of 8 hours, Monday to Thursday inclusive, from 3:30 P.M. to 11:30 P.M., including a 20 minute paid lunch period during each shift, and 1 shift of 4 hours on Friday, from 11:30 A.M. to 3:30 PM.

Night shift:

32 hours paid on the basis of 36 hours-4 shifts of 8 hours, including a 20 minute paid lunch period during each shift.

The hours of work for the “night shift” are based on a continuous operation and will start at 11:30 P.M. Monday and end at 7:30 A.M. Friday.

(B) NIGHT CLEANERS

36 hours - 4 nights of 9 hours including a 20 minute paid lunch period each night.

2.02 If it becomes necessary to change the hours fixed for lunch periods, starting -and/or finishing times for departments or floors, the Union will be advised as soon as possible prior to such change going into effect and the reasons for the change will be explained to the Union.

2.03 REST PERIODS

- (a) Each employee shall be granted two (2) rest periods during their normal daily hours of work, one (1) in each half of the shift.
- (b) If an employee works three (3) consecutive hours or more of overtime, they shall be granted a rest period.

2.04 REPORT IN

Employees who report for work at their scheduled starting time and for whom no work is available, shall be paid for time worked or a minimum of three (3) hours at the applicable rate, whichever is greater, unless previously notified not to so report.

3. OVERTIME

3.01 (A) The following shall be considered over-time:

- (i) Time worked in excess of the number of scheduled daily hours.
- (ii) Time worked on holidays as specified in Article 4 of this agreement. For employees working on the night shift or night maintenance, time worked on a holiday as specified in Article 4 of this agreement shall be considered overtime if it does not form part of the regularly scheduled daily hours.
- (iii) Time worked on Saturdays or Sundays. For employees working on night maintenance time worked on Saturdays or Sundays shall be considered overtime if it does not form part of the regularly scheduled hours.

(B) Overtime as defined in 3.01 (A) will be paid for at the rate of time and one-half except that:

- (i) All overtime in excess of two (2) consecutive overtime hours on Monday to Saturday inclusive,
- (ii) Overtime worked on a holiday or on Sunday, will be paid for at double time.

3.02 (A) When an employee is called in to work, at other than their regularly scheduled hours, they shall be paid for a minimum of three (3) hours at double time, unless this work forms a continuous period with the employee's regularly scheduled working hours, in which case no minimum shall apply, and their regularly scheduled finishing time shall not be advanced to avoid payment of overtime, if such change is for one (1) day only.

(B) EMERGENCY CALL-IN

When an employee is called in to work for purposes of an emergency, at other than their regularly scheduled hours, they shall be paid for a minimum of three (3) hours at double time.

For the purpose of this clause, emergency shall be defined to mean any unforeseen event which requires immediate action to prevent the possibility of injury, loss of life or damage to buildings, property or material. It shall not be construed to mean situations such as a call-in resulting from shortage of people or absenteeism.

3.03 Overtime shall be on a voluntary basis, however it is recognized that marketing requirements are paramount and it is understood and agreed that there shall be no concerted effort by the Union, employees, or groups of employees to refuse overtime.

3.04 The Company will distribute overtime hours equitably among those employees who normally perform the work in accordance with overtime rules.

4. HOLIDAYS

4.01 During the first year of this Agreement, holidays shall be:

Victoria Day (May 24, 1999)

Canada Day (June 28, 1999)

August Civic Holiday (August 2, 1999)

Labour Day (September 6, 1999)

Thanksgiving Day (October 11, 1999)

Christmas Shutdown (December 20, 1999 to December 31, 1999) (see Appendix "E" page 69)

February 14, 2000

During the second year of this Agreement, holidays shall be:

Easter Holiday (April 21, 2000) (see Appendix "E" page 69)

Victoria Day (May 22, 2000)

Canada Day (July 3, 2000)
August Civic Holiday (August 7, 2000)
Labour Day (September 4, 2000)
Thanksgiving Day (October 9, 2000)
Christmas Shutdown (December 25, 2000 to
January 5, 2001) (see Appendix “E” page 69)
February 12, 2001
Easter Holiday (April 13, 2001) (see Appendix
“E” page 69).

During the third year of this Agreement, holidays shall be:

Victoria Day (May 21, 2001)
Canada Day (July 2, 2001)
August Civic Holiday (August 6, 2001)
Labour Day (September 3, 2001)
Thanksgiving Day (October 8, 2001)
Christmas Shutdown (December 24, 2001 to
January 4, 2002) (see Appendix “E” page 69)
February 11, 2002
Easter Holiday (March 29, 2002) (see Appendix
“E” page 69).

During the fourth year of this Agreement, holidays shall be:

Victoria Day (May 20, 2002)
Canada Day (July 1, 2002)
August Civic Holiday (August 5, 2002)
Labour Day (September 2, 2002)

4.05 For employees who would have been scheduled to work hours for which they would normally have received a shift premium or night allowance, such premium shall be included when calculating holiday pay.

4.06 Should a paid holiday occur during a period of leave when the employee is receiving Weekly Indemnity Benefits or Workers' Safety Insurance Benefits, the employee will be paid the difference between the amount received under these benefits and the amount they would have received under Clause 4.02. Any employee on a Pregnancy/Parental Leave of Absence will be paid the difference between the amount received from employment insurance and the amount they would have received under clause 4.02, upon return to work.

5. GRIEVANCE PROCEDURE

5.01 Any grievance arising out of employer/employee relationship shall be handled in the following manner by the designated Grievance Committee:

- (i) Employee accompanied by a Steward or a member of the Grievance Committee, or Steward with the Supervisor.
- (ii) Employee accompanied by a Steward or a member of the Grievance Committee, or Steward with the Supervisor and Senior Coordinator.

(iii) Grievance Committee with Plant Manager and designated staff.

(iv) Board of Arbitration.

5.02 The Company will give a decision to the employee and the Union within three (3) working days at stage (I) and within five (5) working days at stage (II). At stage (III), the Company will give a decision within ten (10) working days, but this period may be extended for a further thirty (30) working days, if both parties indicate their acceptance.

5.03 After the Supervisor has given a decision at stage (I) and it is desired that the grievance be processed to stage (II), it shall be submitted in writing to the Supervisor within seven (7) working days after the Supervisor has given a decision at stage (I).

5.04 After the Supervisor and Senior Coordinator have given their decision in writing at stage (II) and it is desired that the grievance be processed to stage (III), it shall be submitted to the Senior Coordinator within ten (10) working days after the Supervisor and Senior Coordinator have given their decision at stage (II).

5.05 (A) No grievance may be initiated as such under the Grievance Procedure if more than forty-five (45) working days have elapsed from the date the cause of the grievance originated.

(B) This time limitation, in cases involving the classification of new or changed occupation, shall be in accordance with the time limitation set out in Clause 14.

(C) No time limitation shall apply when a wage payment is alleged to be inconsistent with the rate to which an employee is entitled.

(D) Days referred to in any part of this clause start on the first working day after the submission of the grievance at any stage.

5.06 The Grievance Committee shall consist of employees appointed by the Union to investigate grievances referred to it in accordance with the procedure set out above.

5.07 Notwithstanding the foregoing, the Company or the Union may file a grievance which arises out of Company/Union relations, and which involves the interpretation, application or alleged violation of the agreement. Such grievances shall be submitted to stage (III) of the Grievance Procedure.

5.08 No member of the Grievance Committee shall leave their job to investigate a grievance except with the permission of their Supervisor, which shall not be unnecessarily withheld or delayed without valid reason.

5.09 Nothing contained herein shall be deemed to prevent any individual employee from discussing any matter affecting them with their

Supervisor, Senior Coordinator, Department Manager or the Manager of the Plant Human Resources Department, or to prevent the grieving employee from accompanying the Grievance Committee at any stage of the Grievance Procedure.

6. ARBITRATION

6.01 The Board of Arbitration, to which shall be referred such grievances as may properly be referred to it in accordance with the Grievance Procedure or any question arising out of the interpretation of this Agreement or any question as to whether a matter is arbitrable, shall be constituted and governed by the following procedure:

6.02 The party wishing to submit the matter to arbitration shall, within thirty (30) days following the failure to reach a settlement at stage (III) outlined in Clause 5, notify the other party, in writing, of its intention to submit the matter to arbitration, setting out the issues to be arbitrated and informing the other party of its nominee to the Board of Arbitration.

6.03 Within ten (10) days of receipt of this notice, the other party shall appoint its nominee to the Board of Arbitration.

6.04 In the event of failure of one of the parties to appoint its nominee within the time limits described above, the other party may request the

Minister of Labour for the Province of Ontario to appoint a nominee.

6.05 The Chairperson shall be agreed upon by the Company and the Union nominees appointed to the Board within ten (10) days of their appointment. In the event that these persons cannot agree upon a third member within ten (10) days, the Minister of Labour of the Province of Ontario shall be requested to appoint a third member to act as Chairperson.

6.06 The decision of the Board shall be final and binding on the parties hereto and shall be rendered within sixty (60) days after the appointment of the Chairperson.

6.07 The decision of the Board shall be determined by majority vote. If there is no majority, the decision of the Chairperson shall prevail.

6.08 The Board of Arbitration shall not have any jurisdiction to alter or change this Agreement, or to give any decision inconsistent with the terms and provisions hereof, and shall be limited in its decision to the issues involved in the dispute as set out in accordance with paragraph 6.02 of this clause.

6.09 The expenses of the Chairperson of the Board shall be borne equally by the Company and the Union.

7. DISCIPLINARY PROCEDURE

7.01 Any grievance arising as a result of a disciplinary measure may be dealt with through the Grievance Procedure.

7.02 When an employee is suspended or discharged as a disciplinary measure, the Union will be advised before the employee leaves the premises and, upon request, the Company will make available to the Union the facts of the case as they are known to the Company. The Union, if in possession of additional or other facts, will likewise make such facts available to the Company. An employee will not be denied the right to have a Union representative present when they are to be suspended or discharged.

7.03 In any case of suspension, discharge, demotion or denial of a promotion as a disciplinary measure before a Board of Arbitration, the Company shall endeavour to establish before the Board that such suspension, discharge, demotion or denial of a promotion as a disciplinary measure was made for just cause, and the Union will endeavour to establish that the suspension, discharge, demotion or denial of a promotion as a disciplinary measure was not for just cause or was too severe.

7.04 In the event that any employee covered by this agreement is suspended, discharged, demoted

or denied a promotion as a disciplinary measure, and a Board of Arbitration, as provided in Clause 6, finds that the employee has been unfairly suspended, discharged, demoted or denied a promotion, the employee will be restored to service with seniority rights unimpaired and shall be paid the wages and granted the advantages of which they may have been deprived in the manner and to the extent indicated by the Board.

7.05 An entry made on an Employee's Personnel File shall not be used as evidence in taking disciplinary action two (2) years from the date of such entry, provided that there has been no recurrence of the same misconduct for a period of one (1) year.

7.06 Prior to an entry being placed in an employee's Personnel File, it must be initialed by the employee or in the case of refusal by a Union representative.

7.07 Within 5 working days of the Company and the Union making all facts of the case available to each other, the employee and the Union will be advised of the discipline.

7.08 Any employee absent from work must notify the Company. Failure to do so, without justification, may result in disciplinary action.

8. PREGNANCY/PARENTAL LEAVE

8.01 Pregnant employees, in the interest of their health and safety in the workplace, are encouraged to notify the Health Centre as soon as possible.

8.02 Details and application of the leave of absence will be administered by the Human Resources Department.

8.03 The conditions of such a Pregnancy/Parental or Parental Leave of Absence shall be in accordance with the Employment Standards Act of Ontario.

8.04 In all cases employees must notify the Human Resources Department at least two weeks prior to the leave of absence commencing.

9. TRANSFERS

9.01 (A) PROMOTION

When an employee begins to perform a higher rated job, they will immediately be paid the rate of the job to which they are transferred.

(B) DEMOTION

- (i) When an employee begins to perform a lower rated job, they will immediately be paid the rate of the job to which they are transferred.
- (ii) Demotion shall be made for the following reasons: inefficiency, at the employee's own

request or lay-off. However, in cases of lay-off, the employee's rate will only be adjusted to the rate for their new job eighty-five (85) working days after such lay-off.

- (iii) In the event of a lay-off, displaced employees may exercise their seniority within the same or a lower group.
- (iv) In the event of a demotion resulting from a change in production requirements, the employee will maintain their rate for a period not to exceed eighty-five (85) working days commencing from the date the employee is no longer required on their job. After this period, the employee will become red-circled in accordance with the provisions of Clause 9.01 (C) (i).

(C) RED CIRCLE

- (i) When an employee begins to perform a lower-rated job due to the introduction of new machinery, modification to existing machinery or change in production methods, the employee will continue to be paid their rate until the employee refuses a promotion on the same shift to a job which is not higher than the job from which the employee was originally demoted. If the employee refuses such a transfer, their rate shall be reduced immediately upon such refusal unless such refusal is due

to physical impairment, or the employee is within ten (10) years of the normal retirement age. If several employees carrying a red circle rate are considered for a promotion, they shall be offered the job by order of seniority in accordance with Clause 11.05 but, in case of refusal, only the rate of the most junior eligible red circle employee shall be reduced.

- (ii) Night Cleaners and Day Workers who are demoted to a lower-rated job due to the introduction of new machinery, modification to existing machinery or change in production methods, will, if there is no vacancy on their shift, be given a choice of shifts where vacancies are available and thereafter shall be treated in accordance with 9.01 (C) (i).

9.02 TEMPORARY TRANSFERS

Temporary transfer is a transfer of an employee to another job for reasons such as sickness, vacation, leave of absence or training. A temporary transfer shall not exceed twenty (20) working days. These periods may be extended if both parties indicate their acceptance.

(A) TEMPORARY DEMOTION

When an employee performs a lower-rated job on a temporary basis, their rate shall not be decreased.

(B) TEMPORARY PROMOTION

- (i) When an employee begins to perform a higher rated job on a temporary basis, for a period of one (1) continuous hour or more, they will be paid the rate of the job to which they are transferred for each hour spent in such higher job.
- (ii) When the employee subsequently begins to perform their former job, they will immediately reassume the proper rate for that job.

(C) Temporary transfers will not be considered subject to the provisions of Clause 11. However, when temporary transfers are for a period in excess of five (5) working days, the Company will endeavour to apply the provisions of Clause 11 and in cases where the provisions of Clause 11 have not been applied when it exceeds five (5) working days, the reasons will be given to the Union.

(D) Experience gained on a job through temporary transfers will not be used to circumvent the provisions of Clause 11.05.

9.03 TRANSFER FOR TRAINING

(A) When an employee is being trained on a job in a higher rate of pay for one (1) continuous hour or more, they will be paid a rate which is immediately below the rate of the job for which they are

being trained, during the training period. An employee demoting or moving laterally will retain their previous rate until completion of training, at which time they will assume the job rate.

(B) However, when the employee has been trained and is performing for production purposes, they shall be paid the rate for the job provided they are performing this job for one (1) continuous hour or more.

9.04 PROCEDURES REGARDING REQUEST FOR DEMOTION

(A) A request for demotion will be forwarded to the Human Resources Department in writing. Such requests will be handled in the order in which they are received.

(B) Eligible employees working in lower wage groups than the opening may apply for the job. Seniority will govern in the selection of applicants provided they have approximately equal ability or efficiency. The employee requesting the demotion will then exchange jobs with the selected applicant after adequate training can be arranged.

(C) If there are no applicants for the job, the employee requesting the demotion will remain on their job and may have their job posted again three (3) months from the date of the first posting.

(D) It is recognized that production must be maintained and adequate training given to the employees concerned before putting the demotion into effect. Accordingly, the employee requesting the demotion will remain on their job until the necessary training is completed.

(E) Demotions for medical reasons will be excluded from the foregoing. Job vacancies created by an employee being taken off a job for medical reasons will be posted and filled in the manner provided for under Clause 11.

10. UNION EXECUTIVE OFFICERS, SHOP STEWARDS AND COMMITTEE MEMBERS

10.01 It is recognized that Executive Officers of the Union and Members of the Apprenticeship, Classification, Welfare and Trades Committees may require time to attend to matters related to Union/Company relations and the administration of the Collective Agreement. It is understood, however, that no Officer or Committee Member shall leave their job to attend to such matters except with the permission of the Supervisor which shall not be unnecessarily withheld or delayed without valid reason.

10.02 One (1) Steward may be elected or appointed from the employees for each department and one (1) Chief Steward may be elected or appointed from the employees for each shift. The Steward or

member of the Grievance Committee may investigate, as provided in this Agreement, any grievance arising in the department or shift which they represent. No Steward or member of the Grievance Committee shall leave their job to investigate a grievance except with the permission of the Supervisor, which shall not be unnecessarily withheld or delayed without valid reason.

10.03 A list of all elected or appointed Executive Officers, Committee Members and Stewards and any change caused by a subsequent election or appointment or by an interim appointment when a regularly elected or appointed Officer, Committee Member or Steward becomes unable to perform their duties, shall be submitted to the Company prior to such persons commencing such duties.

11. SENIORITY

11.01 In laying off employees not classified as Tradespersons, plant seniority shall govern and the last of these employees hired shall be the first laid off.

11.02 In laying off employees classified as Tradespersons, seniority shall govern and the last employee hired shall be the first laid off within the specific trade in which the employees are classified and in which the employee-force is being reduced. These employees shall have the right of exercising their plant seniority before being laid off.

11.03 (A) When increasing the work force in jobs not classified in Trades, seniority shall govern and the last of these employees laid off shall be the first recalled.

(B) When increasing the work force in jobs classified in Trades, seniority shall govern and the last of these employees laid off shall be the first recalled within the specific trade in which the employee was classified and in which the work force is being increased.

(C) It shall be the laid-off employees' responsibility to notify the Company of any change of address.

11.04 Employees recalled will be allowed a reasonable time to report for work.

11.05 In making transfers, except to occupations excluded by Clause 1 of this Agreement, seniority shall govern, provided the eligible employees have approximately equal ability or efficiency.

11.06 Seniority rules shall not apply to making transfers to occupations excluded by Clause 1.

11.07 Any employees who are transferred or promoted to an occupation excluded by Clause 1 of this Agreement shall continue to accumulate seniority for a period of six **(6)** months and retain that seniority. However, it is agreed that no employee so transferred, upon their return to the

bargaining unit, shall displace or cause any lay-off of an employee in the bargaining unit. Notwithstanding the above, seniority shall not be recognized for any employees transferred or promoted to an occupation excluded by Clause 1 of this Agreement after July 14, 1972 and who are returned to the bargaining unit more than six (6) months after having been transferred or promoted to an occupation excluded by Clause 1 of this Agreement. It is understood, however, that service shall be recognized.

11.08 Any employees (not in excess of two (2)) who leave the employment of the Company to become officers of the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, or of its Locals, shall retain and accumulate seniority. Upon their return, they shall be entitled to a rate of pay commensurate with the group rate of the job they held at time of departure.

11.09 Notwithstanding anything to the contrary contained in this Agreement, all employees are hired on probation and, during the probationary period, they are to be considered probationary employees only and, as such, during this period, these employees shall have no seniority rights except for the purpose of posted job vacancies and may be subject to discharge at the sole discretion of the Company without any recourse to the Grievance Procedure. Upon completion of three

(3) months service, they shall, if retained, be entitled to seniority dating from date of original employment.

11.10 Seniority dates from the employee's original date of employment.

11.11 A voluntary quit or discharge for just cause breaks seniority.

11.12 Absence from work on account of an accident, disease, illness or leave of absence does not break seniority.

11.13 The plant seniority list which is posted shall be revised by the Company every three (3) months. The names of employees commencing employment on the same day shall be entered on such list in alphabetical order.

11.14 Seniority shall not be affected by a legally recognized change of name.

11.15 In the event that a lay-off is required, the Company will advise the Union and discuss the reasons prior to the lay-off taking place and prior to the employees being advised. The Company will endeavour to make lay-offs on a Friday.

11.16 Employees who are laid off, in accordance with paragraphs 11.01 or 11.02 of this clause, shall be given a minimum of one (1) week's notice, unless otherwise required by the Employment Standards Act of Ontario.

11.17 LAY-OFF AND SEVERANCE PAY

Employees who are laid off, in addition to the notice given under paragraph 11.16 shall receive two (2) weeks severance pay for each full year of service and a proportional amount for any remaining part year, paid at their current rate. One (1) week's severance pay shall be based on current hourly rate for number of normal weekly hours.

11.18 When an employee who has received severance pay under this clause is later recalled, (or when an employee who has received severance pay under a similar clause from any other plant of the Company is hired from another plant of the Company under the provisions of Clause 25 of this Agreement), within a time interval "shorter than the number of weeks" for which severance pay was granted, the amount of excess severance pay paid to the employee shall be considered as an advance in pay by the Company and shall be repayable by payroll deduction.

11.19 The above sections 11.16, 11.17 and 11.18 shall be waived and not binding upon the Company if the lay-off is caused by power failure, fire, flood or work stoppage in any plant of the Company.

JOB VACANCIES AND POSTING PROCEDURE

11.20 When there is a vacancy among occupations other than those excluded in Clause 1 of this Agreement, such a vacancy will be posted on the plant notice boards for two (2) working days for each shift, to provide employees with an opportunity to apply for such a vacancy.

11.21 Where a job vacancy occurs, an employee working within the same group may use their seniority to claim that job on a lateral transfer, or an employee in a higher job classification may use their seniority to claim that job as a demotion. However, no employee shall be permitted more than two (2) lateral transfers and two (2) demotions per year.

11.22 An employee who has been advised in writing that their performance is below standard and who has been demoted will not be eligible to apply for the same job for two (2) months. A copy of the advice will be given to the Union Steward of the department.

11.23 Employees returning to work after an absence due to sickness, accident, vacation, bereavement leave, leave of absence, or pregnancy/parental leave will be permitted to exercise their seniority for permanent job openings which may have occurred during their absence for a period of six (6) weeks immediately before returning to work. Employees must indicate their choice within three (3) days of their return to work.

11.24 Job vacancies of a temporary nature will be marked “temporary” on the posting and the reasons for the temporary nature will be explained to the applicant. Employees on temporary jobs are eligible to apply for any permanent job vacancy.

11.25 Successful temporary job applicants will be frozen upon commencement of training on, or transfer to, any job within the chain. Employees frozen on a temporary job will be paid any subsequent promotion in rate upon completion of a forty (40) working day period.

11.26 If it becomes necessary to correct an inequality in occupations between shifts, seniority will apply.

12. VACATIONS

12.01 The Company will grant vacations to all employees who are in the employment of the Company in the current year in accordance with the following:

12.02 Eligibility for Vacation with Pay based on accumulated service with the Company:

- (a) All employees employed between June 1 of the preceding year and May 31 of the current year, shall be granted one (1) day for each full calendar month of service up to May 31 of the current year, (not to exceed a maximum of two (2) calendar weeks).

- (b) All hourly-paid employees with one (1) year on or before May 31 of the current year, shall be granted two (2) weeks.
- (c) All employees with the following service on or before December 31 of the current year, shall be granted vacation as set out below:

- 3 years - 3 weeks
- 10 years - 4 weeks
- 15 years - 5 weeks
- 20 years - 6 weeks
- 25 years - 7 weeks

12.03 Payment of Vacation

- (a) Employees employed after May 31 of the preceding year: 4% of wages earned between June 1 of the preceding year and May 31 of the current year.
- (b) Employees employed before June 1 of the preceding year: 4% of wages earned between June 1 of the preceding year and May 31 of the current year, or:

Hourly basis

Current hourly rate for number of normal weekly or daily hours during each week or day of vacation,

whichever is greater.

- (c) When calculating vacation pay, night allowance or shift premium will be included if the employee would have been entitled to such allowance or premium had they been working.

12.04 Scheduling of Vacation

- (a) Vacation, in excess of three (3) weeks, will be granted in the current year in such a manner and extent as to maintain maximum production. Seniority will be given consideration, but must not affect production. Such vacation to be granted not necessarily immediately before or after the vacations provided in 12.02 (a) and (b) of this clause.
- (b) Any employee receiving benefits under the Weekly Indemnity Plan, Workers' Safety Insurance or who is on Pregnancy/Parental Leave at the end of the current calendar year, and who has vacation outstanding, shall be granted such vacation immediately upon return to work.

12.05 Vacation Indemnity:

(a) **Indemnity Table:**

A vacation indemnity is based upon wages earned and accumulated service with the Company, and paid according to the following table:

- 4%, if less than three (3) years of accumulated service;
- 6%, if three (3) years but less than ten (10) years of accumulated service;
- 8%, if ten (10) years but less than fifteen (15) years of accumulated service;
- 10%, if fifteen (15) years but less than twenty (20) years of accumulated service;
- 12%, if twenty (20) years but less than twenty-five (25) years of accumulated service;
- 14%, if twenty-five (25) years or more of accumulated service.

(b) Eligibility and Payment of Vacation Indemnity:

(i) Lay-off or separations except retirements:

Employee shall receive a vacation indemnity based upon their wages earned since June 1 preceding the date of their last vacation or since their most recent date of recall, whichever is the later, according to the Vacation Indemnity Table.

(ii) Recalled employee before June 1 of the current year:

Employee shall be granted vacation and shall receive as vacation pay a vacation indemnity

based upon their wages earned between June 1 of the preceding year, or their most recent date of recall, whichever is the later, and May 31 of the current year, according to the Vacation Indemnity Table.

(iii) **Recalled employee on or after June 1 of the current year:**

Recalled employee on or after June 1 of the current year will not receive paid vacation during the current year.

12.06 Employees Retiring on Pension:

In lieu of vacation, employees retiring on pension shall receive payment at their current rate for the number of weeks or days of vacation they are entitled to, based on their service with the Company, less any amount paid for vacation taken since January 1 of the retirement year.

For employees retiring on pension between June 1 and December 31, they shall, in addition, be entitled to a vacation indemnity according to the Vacation Indemnity Table and based upon wages earned between June 1 of the retirement year and the date of retirement.

12.07 The date of the annual plant shutdown will be posted on the Plant Notice Boards by December 1st of the preceding year.

13. WAGES

13.01 The Company agrees to pay and the Union agrees to accept, during the term of this Agreement, the wage rates shown in the Wage Schedule and Classification as Appendix "A" and which are made part of this Agreement and are signed for identification by the parties hereto.

13.02 Nothing stated herein shall be deemed to deprive the Company of its legal right to adjust the wage rates of individual employees within the limits of the basic scale of wage rates existing from time to time.

13.03 Nothing in this Agreement shall be construed to mean that the Company may not pay any employee or employees more than the job rate which may be payable from time to time under this Agreement.

13.04 SHIFT PREMIUM

- (a) All employees designated as "Day Workers on Shift Hours", as noted in Clause 2 - Hours of Work in the Collective Agreement, working on the second shift, as defined in Clause 2, will be paid a premium of 55¢ per hour for each hour worked, including overtime hours, but no overtime premium will be paid on this 55¢ per hour for overtime hours worked.

- (b) All employees designated as “Day Workers on Shift Hours”, as noted in Clause 2 - Hours of Work in the Collective Agreement, working on the night shift, as defined in Clause 2, will be paid a premium of 90¢ per hour for each hour worked, including overtime hours, but no overtime premium will be paid on this 90¢ per hour for overtime hours worked.
- (c) These premiums will be included when calculating Holiday Pay, Vacation Pay and Bereavement Leave Pay, in accordance with Clauses 4, 12 and 21 of the Collective Agreement.

13.05 NIGHTALLOWANCE FOR NIGHT CLEANERS

- (a) All employees designated as “Night Cleaners” as noted in Clause 2 - Hours of Work in the Collective Agreement will be paid a “Night Allowance” of 11% of their regular hourly rate for each hour worked, including overtime hours, but no overtime premium will be paid on this 11% for overtime hours worked.
- (b) “Night Allowance” will be included when calculating Holiday Pay, Vacation Pay and Bereavement Leave Pay in accordance with Clauses 4, 12 and 21 of the Collective Agreement.

14. JOB EVALUATION

14.01 The job classification is shown in the Wage Schedule and Classification as Appendix “A” which is made part of this Collective Agreement and is signed for identification by the parties hereto.

14.02 All jobs are described in such a manner as to identify the duties of the job which will affect the evaluation. In a job opening the job description shall be used to describe the duties of the job.

14.03 A copy of each job description will be provided to the Union within one (1) month.

14.04 A job description is not a job assignment and employees may be required to do other duties which are not specified in their job description; however, any change in duties which becomes part of a job on a regular basis will be included in the job description, and the job description will be provided to the Union within one (1) month.

14.05 Any new or changed jobs will be evaluated under the Job Evaluation Plan and classified. The Company shall advise the Union of all such evaluations. Such evaluation will be effective on the date the new or changed job was first performed and a copy of the job description will be given to the Union within one (1) month.

If as a result of such evaluation the rate of the job is reduced and the employee continues to perform this changed job, they will continue to be paid the former rate and will not be forced off the job because of this higher rate. Once the employee begins to perform another job, their rate will be determined in accordance with the other provisions of the collective agreement.

14.06 A review Committee of two (2) employees will be appointed by the Union to discuss job descriptions and evaluations with the Company. If the Company and the Union are unable to agree on the description or evaluation for a new or changed job, the matter may be referred to Stage (III) of the Grievance Procedure.

14.07 No grievance may be initiated if more than forty-five (45) working days have elapsed from the time the Union was provided with a copy of the Company's job description and evaluation and such description and evaluation has been discussed at a meeting between the Company and the Union provided that this meeting is held within three (3) months after the Union has been provided with a copy of the Company's job description and evaluation.

14.08 The provisions of 14.02, 14.03, 14.04, 14.05, 14.06 and 14.07 shall not apply to those jobs classified as trades jobs.

15. UNION NOTICES

15.01 Union notices will be posted on the Union notice boards.

16. MANAGEMENT

16.01 The management and operation of the business, the employment, discharging, direction and promotion of employees shall be vested exclusively in the Company; however, the Company can only exercise these rights insofar as they do not conflict with the rights and privileges of the employees which have been acquired under this Collective Labour Agreement or the Law.

17. NO STRIKES OR LOCK-OUTS

17.01 There shall be no strikes, slowdowns or lock-outs, either complete or partial, during the term of this Agreement.

18. MEMBERSHIP IN UNION

18.01 All employees who are members of the Union or hereafter become members shall remain members during the term of this Agreement as a condition of employment.

18.02 All new employees hereafter employed, upon completion of a two (2) month probationary

period, shall become members and remain members during the term of this Agreement as a condition of employment.

19. CHECK-OFF OF UNION DUES

19.01 The Company, upon receipt of written authorization from any of its employees, in the form agreed to between the Company and the Union, will deduct, and continue to deduct until the termination of this Agreement, from such employees' pay earned for each week, as a condition of employment, the sum authorized by the employees for payment of Union dues.

19.02 A cheque in favour of Local 323T, Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, for the amount of dues so collected will be forwarded to the Financial Secretary of Local 323T on or before the end of the month in which the deductions are made.

20. VALIDITY OF AGREEMENT

20.01 Any provision in this Agreement which is contrary to law or regulation in force from time to time shall have no force or effect, but this Agreement shall not be invalid by reason of any such provision.

21. BEREAVEMENT LEAVE
(see Bereavement Letter of Intent)

21.01 In the event of the death of an employee's father (step), mother (step), spouse or child (step) and the employee furnishes reasonable proof of such death to the Human Resources Department, such employee will be granted a reasonable leave of absence, with pay at their current rate not to exceed one (1) normal work week.

21.02 In the event of the death of an employee's mother-in-law, father-in-law, brother or sister and the employee furnishes reasonable proof of such death to the Human Resources Department, such employee shall be granted a reasonable leave of absence, with pay at their current rate not to exceed three (3) normal working days.

21.03 In the event of the death of an employee's grandparents, son-in-law, daughter-in-law, grandchildren, brother-in-law or sister-in-law, and the employee furnishes reasonable proof of such death to the Human Resources Department, they shall be granted a reasonable leave of absence, with pay, not to exceed two (2) normal working days.

21.04 Should a paid holiday occur during a period of leave with pay granted under this clause, the employee shall not receive pay for such holiday under Clause 4 of this Agreement.

21.05 When calculating pay for bereavement leave, “Night Allowance” or “Shift Premium” will be included if the employee would have been entitled to such night allowance or shift premium had they been working.

21.06 Employees who are away on vacation in accordance with Article 12 of this Agreement, in a week during which a bereavement occurs as defined in this Article, will, provided they advise the Company, continue their vacation for a period of time equivalent to the number of days taken as bereavement leave during such vacation.

22. EMPLOYEE TRAINING PROGRAMME

22.01 The Company recognizes the importance of providing training opportunities for all employees so that they can handle technological changes and/or improve their skills and advance to jobs of greater responsibility and higher pay.

22.02 Because of changing conditions and in particular technological changes, new approaches to and expansion of employee training are required.

22.03 This being recognized, the Company undertakes to continue a training programme in the following areas:

1. Apprenticeship for skilled trades;
2. Training for technological changes;

3. Training for up-grading;
4. Educational assistance to increase formal education.

22.04 The purpose of this training programme is to meet the training needs and, as these needs change, the programme may have to be modified.

23. CONTRACTING OUT

23.01 The Company intends to maintain its policy of not using outside contractors to replace bargaining unit employees unless it would be deemed essential by the Company to do so. However, it is recognized by the Union and the employees that the Company must continue its present practice of having outside contractors to perform certain work. The Company undertakes to keep the Union informed about this work being performed by outside contractors.

If it is deemed essential by the Company to have outside contractors to perform work which is now performed by bargaining unit employees, or is of a type that has not been done before, or if the present practice is materially increased and it would result in bargaining unit employees being displaced, the Union will be advised prior to such decision being implemented and will be consulted in determining how to minimize the effects on the employees. The Union will be given a minimum of five (5) working days to comment on the pro-

posed decision and the Company undertakes to give appropriate weight to those comments prior to implementing the decision.

Nevertheless, employees will not be laid off as a result of this practice.

24. BENEFIT PLAN

24.01 The Company agrees to continue in effect, during the term of this Agreement, the following benefit plans:

- (a) Medical Assistance Plan,
- (b) Group Life Insurance Plan,
- (c) Weekly Indemnity Plan,
- (d) Dental Plan,
- (e) Long Term Disability Insurance Plan,
- (f) Supplemental Workers' Safety Insurance Allowance.

While the Imasco Pension Plan also forms part of the collective agreement, it is understood and agreed that it shall not be subject to the grievance procedure.

In the absence of government regulations necessitating changes in any or all of such plans, there will be no benefit reductions or contribution increases under these plans for the eligible employees during the term of this Agreement.

24.02 In the event that the Government of Ontario would revert to the system of premium payment for funding of its Health Insurance Plan, the Company agrees to pay the Ontario Health Insurance Plan (O.H.I.P.) premiums on behalf of the employees. However, this subsidy will be decreased if the O.H.I.P. premium is decreased, and the resulting savings will not be passed on to the employees in any form.

25. HIRING PREFERENCE IN OTHER PLANTS OF THE COMPANY

25.01 In the event that employees are laid off at one of the Company plants and apply to another plant for employment in the event they hire new employees, preference shall be given to these employees provided they meet the hiring qualifications of the employing plant. The regular age and educational requirements shall be waived in cases of this nature.

Seniority shall not be recognized at the new plant; however, service shall be recognized.

If an employee is hired at another plant, their name shall be maintained on the recall list of the plant from which the employee has been laid off, until such time as recalled to their former plant. If such recall is refused, their name shall be removed from the recall list.

25.02 If the Company opens a new plant in Ontario for the purpose of manufacturing tobacco products, qualified employees in the Guelph Plant will be offered employment by seniority, before new employees are hired from outside and their seniority in the new plant shall be their seniority date in the Guelph Plant. Service with the Company shall be recognized at the new location.

26. TECHNOLOGICAL CHANGE

The purpose of this clause is to provide procedures for dealing with the effects of technological changes on the employees. It is understood, however, that this clause is not intended to replace or supersede any clause under the present Agreement.

DEFINITION

For the purpose of this clause, “technological changes” means the introduction of machinery or techniques which result in greater output per employee-hour.

JOINT COMMITTEE

In order to study the most appropriate way to cushion the effects of technological changes on the employees, it is agreed to establish a Joint Committee consisting of representatives from Head Office and Plant Management as well as representatives from the International and the Local Union. There is nothing, however, to prevent the

Committee from consulting with outside experts who are specialists on the particular subject under discussion or to call upon any employees of the Company for more information.

Because technological changes can affect employees in many different ways depending upon, among other factors, the number involved, length of service, skills, education, age and market requirements, each instance will require to be studied on its own merits by the Joint Committee and each may require a different combination of measures to ensure that the welfare of the employees and of the Company is adequately protected.

PROCEDURES

The Company will not lay off employees as a result of the introduction of technological changes and in the event that the introduction of technological changes would generate a surplus of employees in excess of plant requirements, the Joint Committee shall consider, among other alternatives,

- (a) Retraining;
- (b) Transfer on a voluntary basis to other jobs within the Company;
- (c) Attrition;
- (d) Voluntary termination of employment with an indemnity which will be based on the best formula agreed to between the Company and the

Union, taking into consideration the characteristics of the group of employees affected as well as the settlements negotiated in the Tobacco Industry;

as a means to accommodate the number of employees affected.

This Committee will go into action when advised by the Local Union or Plant Management that a problem exists as a result of a decision to introduce technological changes and will make recommendations as are agreed upon to the Company and inform the Local Union.

There is nothing, however, to prevent the Committee from discussing the overall effects of technological changes on employees so that the Committee can make recommendations that will be helpful in dealing with specific problems as they arise.

In the event that the Company decides to close the Guelph Plant, it is agreed that the Joint Committee will meet in order to study the most appropriate ways to cushion the effects on the employees and to discuss the terms and provisions related to the termination of employment, possibility of other employment within the Company, severance pay and other related benefits which shall be comparable to settlements already established in the Tobacco Industry.

PRIOR NOTICE

The Company will endeavour to advise the Local Union of major technological changes affecting employees at least six (6) months prior to their introduction, but in any event the Local Union shall be advised of any technological changes affecting employees not less than thirty (30) days before their introduction.

27. TRADES

27.01 Trades for the purpose of this Agreement shall cover all employees employed as Tradespersons or who have successfully completed the Apprenticeship Programme within the Guelph Plant.

27.02 The Company agrees to recognize representatives from the Tradespersons to be designated from time to time by the Union for the purpose of discussions with the Company relating to matters affecting the Tradespersons and coming under the provisions of this Collective Agreement.

27.03 There shall be a Grievance Committee for Trades consisting of two (2) Tradespersons appointed by the Union to investigate grievances referred to it in accordance with the procedure set out in Article 5.

27.04 JOB EVALUATION

- (i) All jobs are described in such a manner as to identify the duties of the job which will affect the evaluation. In a job opening the job description shall be used to describe the duties of the job.
- (ii) A copy of each job description will be provided to the Union within one (1) month.
- (iii) A job description is not a job assignment and employees may be required to do other duties which are not specified in their job description; however, any change in duties which becomes part of a job on a regular basis will be included in the job description, and the job description will be provided to the Union within one (1) month.
- (iv) A Review Committee of up to four (4) Tradespersons, each representing a different trade, will be appointed by the Union to discuss new or changed trades' job descriptions and evaluations with the Company. If the Company and the Union are unable to agree on the description or evaluation for a new or changed job, the matter may be referred to Stage (III) of the Grievance Procedure.
- (v) No grievance may be initiated if more than forty-five (45) working days have elapsed from the time the Union was provided with a

copy of the Company's job description and evaluation and such description and evaluation have been discussed at a meeting between the Company and the Union provided that this meeting is held within three (3) months after the Union has been provided with a copy of the Company's job description and evaluation.

27.05 Trades seniority shall date from original date of employment as a Tradesperson or upon successful completion of an Apprenticeship Programme in the Guelph Plant.

Notwithstanding the above, upon successful completion of an Apprenticeship Programme in the Guelph Plant, Trades Seniority shall date from:

- (a) The date the employee started on an Apprenticeship Programme, for all employees starting on an Apprenticeship Programme after July 15, 1974.
- (b) (i) July 15, 1974, for all employees who started on an Apprenticeship Programme in 1971.
- (ii) July 16, 1974, for all employees who started on an Apprenticeship Programme in 1972.
- (iii) July 17, 1974, for all employees who started on an Apprenticeship Programme in 1973.

27.06 In laying off employees classified as Tradespersons, seniority shall govern and the last employee hired shall be the first laid off within the specific trade in which the employees are classified and in which the employee force is being reduced. These employees shall have the right of exercising their plant seniority before being laid off.

27.07 When increasing the work force in jobs classified in Trades, seniority shall govern and the last of these employees laid off shall be the first recalled within the specific trade in which the employee was classified and in which the work force is being increased.

27.08 The Tradespersons seniority list will be posted and revised by the Company every three (3) months.

27.09 The representatives of the Tradespersons will be informed on matters relating to the Apprenticeship Programme.

27.10 If it becomes necessary to correct an inequality in occupations between shifts, seniority shall apply. However, in the event of an opening in an occupation on 'C' Shift, the opening will be posted. If there are no applicants, the junior employee in the category will be obligated to accept the transfer.

27.11 Except in special medical circumstances, those employees working in occupations classified as “Trades” under Appendix “A” of this Collective Agreement may not apply for job vacancies which occur in “non-trades occupations”.

27.12 In the event of a lay-off, the provisions of 9.01 (B) (iii) shall not apply to employees classified as Tradespersons and the junior employee within the specific trade shall be the one displaced.

27.13 TRANSFER FOR TRAINING

- (a) When an employee is being trained on a job in a higher rate of pay for one (1) continuous hour or more, they will be paid an additional rate equivalent to 75% of the difference of the higher rate and the rate of their previous job, during the training period.
- (b) However, when the employee has been trained and is performing for production purposes, they shall be paid the rate for the job provided they are performing this job for one (1) continuous hour or more.

28. JURY DUTY

28.01 When an employee is summoned to serve as a juror or witness in legal proceedings, they will be granted a leave of absence and upon presentation of a statement from the Court showing

the amount received from the Court, they will be paid the difference between the regular wages they would have earned had they been working and the amount received from the Court.

29. MEMORANDUM OF AGREEMENT

29.01 The Memorandums of Agreement identified as Appendix "B", "C", "D", "E", "F", and "G", and which are signed for identification by the parties hereto, form part of the Collective Agreement.

30. UNION PRESIDENT

30.01 In addition to maintaining the regular wages of the Union President while in the plant, the President will also have regular wages maintained for meetings outside the Company on matters directly related to the administration of the Collective Agreement.

31. DURATION OF AGREEMENT

31.01 This Agreement shall be in force and effect from the time that it is executed up to and including April 14, 2004, and, unless written notice to the contrary is given by either party to the other within a period of time which shall not be more than ninety (90) days prior to the termination hereof, this Agreement shall continue thereafter from year to year.

32. OCCUPATIONAL HEALTH & SAFETY

32.01 The Company recognizes its obligation to provide a healthy and safe working environment for all employees and the Union recognizes its obligation to cooperate in maintaining and improving a healthy and safe working environment. The parties agree to use their best efforts jointly to achieve these objectives.

32.02 The Company and Union agree to have an Occupational Health and Safety Committee made up of six (6) regular members, three (3) of whom represent the Company and three (3) of whom represent the Union, as well as up to six (6) temporary members, three (3) of whom represent the Company and three (3) of whom represent the Union.

32.03 The Safety Committee should meet at least once a month, or more often if necessary, to review health and safety conditions within the plant and to make recommendations as are deemed necessary or desirable.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the 24th day of February, 2000.

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

**BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T**

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX “B”

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the 24th of February, 2000 and expiring on April 14, 2004.

**MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY,
TOBACCO WORKERS AND GRAIN
MILLERS
INTERNATIONAL UNION
LOCAL 323T**

SUMMER STUDENTS

It is understood and agreed that students are hired on a temporary basis and that at the end of their work term their employment with the Company will be terminated.

It is further understood and agreed that students will be paid at a rate of 75% of Group 4 and that students may be utilized to assist employees by performing any duties that are part of, but not a whole job as defined by the job description system.

Notwithstanding Article 1 of the Collective Agreement, the Company hereby confirms its intent of applying the following articles of the

Collective Agreement to students: Hours of Work, Overtime, Holidays, and Wage Schedule and Classification.

Notwithstanding Articles 18 and 19 of the Collective Agreement, the Company, upon receipt of written authorization in the form agreed to between the Company and Union, will deduct from the pay earned each week by students an amount equal to the Union Dues, which will be forwarded to the Financial Secretary of Local 323T:

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX “C”

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the 24th of February, 2000 and expiring on April 14, 2004.

**MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIALTOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY,
TOBACCO WORKERS AND GRAIN
MILLERS
INTERNATIONAL UNION
LOCAL 323T

IMPERIALTOBACCO
JOINT INDUSTRIAL RELATIONS
COUNCIL**

PURPOSE:

Recognizing the common dependence of the Company and of its employees upon the welfare of the business as a whole; recognizing further that maintenance of goodwill and mutual respect between employers and employees can contribute greatly to the maintenance of an increase in that welfare, the parties to this contract have agreed to form the Imperial Tobacco Joint Industrial

Relations Council for the purpose of maintaining an ongoing viable dialogue on matters of mutual interest and concern.

It is understood, however, that this Memorandum of Agreement is not intended to replace or supersede any clause under the present Agreement.

COUNCIL MEMBERS:

The council is composed of the following members:

Union Representatives:

The Presidents and Vice-Presidents of each Imperial Tobacco local and representatives from the International Union.

Company Representatives:

The Plant Managers and Plant Human Resources Managers from each plant, representatives from the Industrial Relations Division and the Vice-Presidents of Human Resources and Operations.

Sub-Committees:

The council may, from time to time, at its discretion, establish sub-committees from among its members to examine various issues which are in keeping with its overall purpose. These sub-committees, upon completion of their assignments, will be expected to report their findings and recommendations, if any, to the council as a whole.

MEETINGS:

(1) Frequency:

It is agreed that the council will meet once a year. Additional meetings may be scheduled by mutual consent, if deemed necessary.

(2) Location:

The meetings will be held in Montreal.

(3) Expenses:

The normal expenses incurred by members as a result of council meetings will be paid by the Company.

(4) Agendas:

It is agreed that the council will limit its discussions to items in keeping with the overall purpose and which are of common interest and concern to all locations. It is further agreed that, at least two weeks prior to a council meeting, the parties will endeavour to apprise one and another of topics which they will wish to discuss.

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

**BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T**

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX “D”

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the 24th of February, 2000 and expiring on April 14, 2004.

**MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY,
TOBACCO WORKERS AND GRAIN
MILLERS
INTERNATIONAL UNION
LOCAL 323T

GUELPH PLANT
INDUSTRIAL RELATIONS COMMITTEE**

PURPOSE:

Recognizing the common dependence of the Company and of its employees upon the welfare of the business as a whole; recognizing further that maintenance of goodwill and mutual respect between employers and employees can contribute greatly to the maintenance of and increase in that welfare, the parties to this contract have agreed to form the Guelph Plant Industrial Relations Committee for the purpose of discussing matters of mutual interest and concern regarding the Guelph Plant.

It is understood, however, that this Memorandum of Agreement is not intended to replace or supersede any clause under the present agreement.

COMMITTEE MEMBERS:

The committee is composed of the following members:

Union Representatives:

The local Union executive or members thereof, as determined from time to time by the President.

Company Representatives:

The Plant Manager, Plant Human Resources Manager and other senior plant officials, as determined from time to time by the Plant Manager.

MEETINGS:

1. Frequency:

The committee will meet three times per year. The number of meetings may be changed if it is deemed necessary by the parties.

2. Agenda:

The parties agree that they will endeavour to advise one and another of the topics which they wish to discuss prior to the meeting, in order to provide sufficient time for preparation.

IN THE PRESENCE OF:

IMPERIALTOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

**BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T**

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX “E”

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the 24th of February, 2000 and expiring on April 14, 2004.

**MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY,
TOBACCO WORKERS AND GRAIN
MILLERS
INTERNATIONAL UNION
LOCAL 323T**

EASTER HOLIDAY

This is to confirm that the parties agree to displace Easter Monday (April 24, 2000 in the second year of the Collective Agreement, and April 16, 2001 in the second year of the Collective Agreement, and April 1, 2002 in the third year, and April 21, 2003 in the fifth year of the Collective Agreement), to the preceding week, commencing on Thursday, at 11:30 A.M. for employees working on the first shift and at 3:30 P.M. for employees working on the second shift. For employees working on the night shift or Night Cleaner shift, the holiday shall

be displaced to the last regular shift worked the week preceding Easter Monday.

For those employees who do not fall in any of the above categories, Easter Monday will be displaced to the preceding week in accordance with the principle described above.

NOTE: Notwithstanding the above, and in accordance with the agreement reached in the 1992 negotiations, in order to provide a 2-week shutdown at Christmas, the regular work day for the day and afternoon shifts will be as follows on the Thursday preceding the Good Friday:

1st shift - 7:30 A.M. to 3:30 P.M.

2nd shift - 3:30 P.M. to 11:30 PM.

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

**BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T**

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX “F”

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the 24th of February, 2000 and expiring on April 14, 2004.

**MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY,
TOBACCO WORKERS AND GRAIN
MILLERS
INTERNATIONAL UNION
LOCAL 323T**

**EMPLOYEES ON L.T.D. & WORKERS’
SAFETY INSURANCE
DECLARED CAPABLE OF WORKING**

This will serve to confirm the understanding reached during negotiations regarding persons on Long Term Disability and Workers’ Safety Insurance.

Employees in the employment of the Company on October 20, 1984 who receive benefits from the Long Term Disability Plan and employees in the employment of the Company on September 8, 1990 who receive benefits from Workers’ Safety

Insurance and are subsequently determined, on the basis of medical information, to be capable of working will be provided with a job at Imperial Tobacco.

The above paragraph will also apply to all new employees upon completion of five (5) years service who subsequently become eligible for Long Term Disability or Workers' Safety Insurance.

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

**BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T**

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX “G”

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the 24th of February, 2000 and expiring on April 14, 2004.

**MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY,
TOBACCO WORKERS AND GRAIN
MILLERS
INTERNATIONAL UNION
LOCAL 323T**

L.T.D. BENEFITS

This will serve to confirm the understanding between the Company and the Union that employees receiving benefits under the Long Term Disability Plan, introduced in July of 1977, will have their benefit level maintained at 70% of the current wage schedule, effective January 1, 2000.

The attached document is an explanation of how the “final average remuneration” would be established for an employee who is a member of the Imasco Pension Plan and who has received benefits from the Long Term Disability Plan during the five years immediately prior to attaining age 65.

F.A.R. AT TERMINATION OF L.T.D.

Traditionally an employee has been assumed to earn normal base wage or salary while on Long Term Disability. Therefore after five full years on Long Term Disability F.A.R. would be equal to the base wage or salary the employee was earning at the date of becoming disabled.

Under the new arrangement each time an augmentation is granted to pensioners the earnings of an individual on Long Term Disability will be deemed to have been augmented at the same time and by the same percentage as the pension augmentation. Earnings of an individual on L.T.D. will therefore be deemed to increase on the same date.

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

**BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T**

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX "A"
WAGE SCHEDULE AND CLASSIFICATION

Hourly Basis	36 Hour Week Rate	
	15/04 1999	15/04 2000
Group 1	\$ 26.20	\$ 26.99
Group 2	26.50	27.30
New Employee Start Rate	Making & Packing	
Group 3	26.92	27.73
Group 4	27.22	28.04
Group 5	27.59	28.42
Group 6	27.91	28.75
Cleaner	Maintenance	
Cleaner – Days	Maintenance	
General Help/Waste Table	Making & Packing	
Group 7	28.30	29.15
Group 8	28.65	29.51
Group 9	29.09	29.96
Project Monitor	Human Resources	
Group 10	29.36	30.24
Dilution/Sample Collector	Quality Assurance	

WAGE SCHEDULE AND CLASSIFICATION (Cont'd)

	15/04 1999	15/04 2000
Group 11	\$ 29.82	\$ 30.71
Inspector-Cigarettes & Packages	Quality Services	
Coal Retention Tester	Quality Services	
Group 12	30.20	31.11
Cleaner – Air Conditioning	Maintenance	
Group 13	30.62	31.54
Night Cleaner Class 1	Night Cleaning	
Infestation/House- keeping Monitor	Quality Services	
Operator C.T.S. Input	Primary	
Group 14	30.96	31.89
Quality Service Utility Primary	Primary	
Group 15	31.35	32.29
Operator- Ripping Machine	Primary	
Making & Packing Material Support	Making & Packing	
Separator Operator/ Dust Collector	Primary	
Quality Service Utility Secondary	Quality Services	
Group 16	31.72	32.67
Making & Packing Process Support	Making & Packing	

WAGE SCHEDULE AND CLASSIFICATION (Cont'd)

	15/04	15/04
	1999	2000
Group 17	\$ 32.07	\$ 33.03
Quality Service		
Material Inspector	Quality Service	
Adhesive Attendant	Wrapping Stock	
Chauffeur	Mechanical Stores	
 Group 18	 32.42	 33.39
Operator- Fork Lift		
Truck-CTS	Primary	
Tender-High Speed		
Rod Maker KDF2	Rod Room	
Operator-Pneumatic		
Feed System	Primary	
General Help	Maintenance	
Operator-Case		
Sealer/Coder	Rod Room	
Operator-FLT &		
Tobacco Feeder	Primary	
 Group 19	 32.89	 33.88
Stores Attendant	Mechanical Stores	
Operator-FLT-Train/		
Tugger	Primary	
Operator Case		
Palletizing System	Shipping	
 Group 20	 33.32	 34.32
Porter Rework	Making & Packing	
Filter Process		
Operator	Rod Room	

WAGE SCHEDULE AND CLASSIFICATION (Cont'd)

	15/04 1999	15/04 2000
Group 21	\$ 33.79	\$ 34.80
Stock Attendant-Tobacco		
Warehouse	Primary	
Wrapping Material		
Attendant	Wrapping Stock	
Stock Attendant	Shipping	
Stock Handler		
Wrapping Material	Wrapping Stock	
Replacement Worker-		
Shipping, Wrapping		
& Cut Tobacco		
Storage	Primary	
Rework Porter/Case		
Sealer-Coder Relief	Rod Room	
 Group 22	 34.12	 35.14
Operator-Menthol		
Machine	Wrapping Stock	
Tender-Module (Mark		
IX-Oscar Focke S&S		
Packer)	Making & Packing	
Stores Attendant &		
Receiver	Mechanical Stores	
Lubricator & P.M.		
Services	Maintenance	
 Group 22SP	 35.14	 36.19
Making & Packing		
Process Operator	Making & Packing	
 Group 23	 34.54	 35.58
Utility Person-Shipping	Shipping & Wrapping	
& Wrapping Material	Stock	

WAGE SCHEDULE AND CLASSIFICATION (Cont'd)

	15/04 1999	15/04 2000
Group 24	\$ 34.97	\$ 36.02
Utility & Relief Worker		
Storeskeeper	Primary Mechanical Stores	
Group 24SP	35.99	37.07
Instructor	Training	

APPENDIX "A"
WAGE SCHEDULE AND CLASSIFICATION

Hourly Basis	36 Hour Week Rate	
	15/04	15/04
	1999	2000

TRADES

Band 'A'

Start	\$ 39.38	\$ 40.56
One Year Rate	40.87	42.10
Two Year Rate	42.34	43.61

Building Maintenance-Carpenter
Welder-Metal Worker
Pipefitter-Plumber
Millwright Mechanic

Band 'B'

Start	40.20	41.41
One Year Rate	41.72	42.97
Two Year Rate	43.22	44.52

Feeder Group-Machine Shop
Making & Packing Mechanical Support
KDF/CS Mechanical Support
PM Service Mechanic

Band 'C'

Start	40.28	41.49
One Year Rate	41.80	43.05
Two Year Rate	43.32	44.62

Electrical-General
Electrical-Secondary

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

**BAKERY, CONFECTIONERY, TOBACCO
WORKERS AND GRAIN MILLERS
INTERNATIONAL UNION, LOCAL 323T**

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

APPENDIX "A"

WAGE SCHEDULE AND CLASSIFICATION (cont'd.).

3rd Year

Effective April 15, 2001 3% or C.P.I. (February 2001)
whichever is greater, maximum
5%

4th Year

Effective April 15, 2002 3% or C.P.I. (February 2002)
whichever is greater, maximum
5%

5th Year

Effective April 15, 2003 3% or C.P.I. (February 2003)
whichever is greater, maximum
5%

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

Sandy Wiseman

By: R. Robitaille
Edward Creighton
D. Veige
Lee Herbert

BAKERY, CONFECTIONERY, TOBACCO WORKERS AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL 323T

Sean Kelly

By: Philip Freeman
Bruce Starkey
Mike Hasler
Allan G. Bentley
Eddie Dewing
Thomas Belbeck
T. King

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

This letter will serve to confirm the discussions between the Company and Union regarding the scheduling of vacations for employees who are entitled to less than three (3) weeks vacation and who are required to work for a period of time during the summer shutdown period.

The Company will make every reasonable effort to schedule such vacations in consecutive weeks and/or days as the case may be.

In the unlikely event that there is a problem with the scheduling of these vacations the Company will meet with the Union to discuss the problem prior to finalizing the decision.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Bereavement

This letter will serve to confirm the understanding reached between the Company and the Union regarding the definition of parental/same sex relationships.

Father	
Mother	
Step Father	
Step Mother	
Mother-in-law	Current spouse's father's wife
Father-in-law	Current spouse's mother's husband
Spouse	Current spouse
Child	Natural/Adopted
Step Child	Current spouse's children
Brother	Natural/Adopted/Step
Sister	Natural/Adopted/Step
Son-in-law	Natural/Adopted/Step/daughter's husband
	Current spouse's Natural/Adopted/Step/daughter's husband

Daughter-in-law	Natural/Adopted/Step/son's wife Current spouse's Natural/Adopted/ Step/son's wife
Grandparents	Your father's parents Your mother's parents
Grandchildren	Natural/Adopted children of son or daughter
Brother-in-law	Current spouse's brother Current spouse's sister's husband
Sister-in-law	Sister's current spouse Current spouse's sister Current spouse's brother's wife Brother's current spouse

Yours truly,

R. Robitaille

Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery,
Tobacco Workers and Grain Millers
International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Apprenticeship Training Programme

This letter will serve to confirm the discussion held on May 6th, 1982 regarding the Apprenticeship Training Programme where the Company reconfirmed its commitment to apprenticeship training in the Guelph plant.

The purpose of the programme is to provide an opportunity to some of the employees to become qualified Tradespersons while at the same time to provide an additional source of skilled Tradespersons to meet the Company's manpower requirements. The training of skilled Tradespersons through the Apprenticeship Programme and the hiring of Tradespersons from outside will continue to ensure the availability of a highly qualified workforce able to meet the technological requirements at Imperial Tobacco.

Manpower planning for future need is done annually, and in recent years the forecasted need for apprenticeship training has been based solely on the numbers of Tradespersons retiring at age sixty-five. The Company agreed at this meeting, that in the future it will also take into consideration other factors such as promotion to other occupations

within the Company when determining the need for apprenticeship training. This will, in some years, provide additional apprenticeship opportunities. It was also agreed that one Apprenticeship Committee Meeting each year would be reserved for the purpose of reviewing the apprenticeship needs for the upcoming year.

The Company acknowledged the importance of the Apprenticeship Committee. It was agreed that the committee would play a more active role and would meet on a regular basis in the future. The role should include the selection of apprentices, review of the progress of apprentices while on the programme and the monitoring of the various programmes to ensure that they continue to meet government standards and current skill requirements.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Subsequent to discussions held between the Company and the Union during the 1980 negotiations with respect to supervisors or employees above the rank of supervisor performing bargaining unit work, this is to confirm that it is not the Company's intention to have these people perform bargaining unit work except as expressly provided for in Clause 1.04 of this Collective Agreement.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

This letter will serve to confirm the understanding reached in negotiations that in the event it should become necessary to lay off employees as a result of a change in production requirements, the Company and Union will meet to explore ways and means of minimizing the impact on those employees affected.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Re: Non-Trades Classification System

This letter will serve to confirm the understanding reached during the 1999 negotiations regarding the development of a new Non-Trades base classification system.

- The Company and the Union commit to jointly develop a pay band classification system based on criteria agreed to through a Union/Management Committee. This system will be developed within six months of ratification of the Collective Agreement.
- Review of new or changed jobs within the classification system will take place at predetermined intervals as set by the Union/Management committee.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Re: Continuous Operations / Summer Period

This letter will serve to confirm the agreement reached in negotiations on Continuous Operations. Specifically, for all employees:

- The Summer Period will be defined as a 10 week consecutive period. The specific dates will be posted in November of the preceding year.
- For the purposes of vacation booking the period will be broken down into five blocks of two weeks and every employee will be guaranteed and required to choose one block according to the plant vacation procedure. Each block will allow a maximum of 20% of employees per job, per shift, to take vacation.

A standardized process for vacation selection will be created and this new common procedure for all employees established in the Guelph Plant Procedures Manual.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Re: Banking

This letter will serve to confirm the understanding reached in negotiations that a formal system of vacation banking be introduced commencing with the year 2000 and running for ten (10) consecutive years. This system includes the following:

- Employees with vacation entitlement over and above three weeks are eligible for the banking programme.
- Employees may bank up to three weeks of their vacation over and above their first three weeks of entitlement.
- Employees are entitled to bank the two guaranteed weeks during the 10 week Summer Period. An employee who has banked those weeks will then be entitled to bank one week outside the 10 week period.
- Employees can bank a maximum 26 weeks during the period from 2000 to 2009.

- Eligible employees will be provided an opportunity to bank eligible entitlement. A standardized process for banking will be established and added to the Guelph Plant Procedures Manual.
- Employees will receive a guaranteed return of 10% on the principal balance as of December 31 of each year. This principal will include banked weeks from the current vacation year.
- This return will be credited in additional time in the bank.
- Total balance will be the total weeks banked by the employee plus the interest accumulated.
- Balance is only refundable upon termination or the formal notification of retirement and is only refundable by taking the time accumulated in the account. Time will be paid at the rate earned at the time of redemption and will continue to accumulate pensionable service during this redemption period.
- Employees are eligible for full benefits during the redemption period.

The Company will provide to employees on an annual basis a summary of their banked weeks and accumulated interest on that amount.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Re: Retiring Allowance

This letter will serve to confirm the understanding reached during the 1999 negotiations between the Company and the Union that for service accrued after December 31, 1998, an amount of \$2,000 per year for each active employee on December 31 of each year, will be:

- contributed to a “Retirement Compensation Arrangement” to be administered by the Union or designate

or

- paid at time of termination as a “retiring allowance”.

It was agreed that once the Union has had an opportunity to examine both alternatives, they will advise the Company of their decision.

Yours truly,

R. Robitaille
Plant Manager

February 24, 2000

Mr. Philip Freeman,
President, Local 323T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Mr. Freeman:

Procedures Manual

This letter will serve to confirm the understanding reached between the Company and the Union regarding a Master Procedures Manual divided into General, Non-Trades, Trades and Office sections. It's purpose being to:

1. Document procedures that relate to Guelph Plant policies or the Collective Agreement.
2. Develop a recognized method for jointly introducing, modifying and deleting procedures.

Further, it is understood that the Company intends to progress towards the removal of procedural language from the Collective Agreement to this Procedures Manual. Any movement of such language must be mutually agreed to.

Yours truly,

R. Robitaille
Plant Manager

REFERENCE CALENDAR FOR 1999

JANUARY							FEBRUARY							MARCH								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
					1	2			1	2	3	4	5	6			1	2	3	4	5	6
3	4	5	6	7	8	9	7	8	9	10	11	12	13	7	8	9	10	11	12	13		
10	11	12	13	14	15	16	14	15	16	17	18	19	20	14	15	16	17	18	19	20		
17	18	19	20	21	22	23	21	22	23	24	25	26	27	21	22	23	24	25	26	27		
24	25	26	27	28	29	30	26							28	29	30	31					
31																						
APRIL							MAY							JUNE								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
				1	2	3							1		1		2	3	4	5		
4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12		
11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	16	19		
18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26		
25	26	27	28	29	30		23	24	25	26	27	28	29	27	28	29	30					
							30	31														
JULY							AUGUST							SEPTEMBER								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
				1	2	3	1	2	3	4	5	6	7				1	2	3	4		
4	5	6	7	8	9	10	8	9	10	11	12	13	14	5	6	7	8	9	10	11		
11	12	13	14	15	16	17	15	16	17	18	19	20	21	12	13	14	15	16	17	16		
18	19	20	21	22	23	24	22	23	24	25	26	27	28	19	20	21	22	23	24	25		
25	26	27	28	29	30	31	29	30	31					26	27	28	29	30				
OCTOBER							NOVEMBER							DECEMBER								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
				1	2			1	2	3	4	5	6				1	2	3	4		
3	4	5	6	7	6	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11		
10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18		
17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25		
24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31			
31																						

REFERENCE CALENDAR FOR 2000

JANUARY							FEBRUARY							MARCH										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
							1	2	3	4	5													
2	3	4	5	6	7	8	6	7	8	9	10	11	12	5	6	7	8	9	10	11				
9	10	11	12	13	14	15	13	14	15	16	17	18	19	12	13	14	15	16	17	18				
16	17	18	19	20	21	22	20	21	22	23	24	25	26	19	20	21	22	23	24	25				
23	24	25	26	27	28	29	27	28	29					26	27	28	29	30	31					
30	31																							
APRIL							MAY							JUNE										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
							1	2	3	4	5	6												
2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10				
9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17				
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24				
23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30					
30																								
JULY							AUGUST							SEPTEMBER										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
						1																		
2	3	4	5	6	7	8	6	7	8	9	10	11	12	3	4	5	6	7	8	9				
9	10	11	12	13	14	15	13	14	15	16	17	18	19	10	11	12	13	14	15	16				
16	17	18	19	20	21	22	20	21	22	23	24	25	26	17	18	19	20	21	22	23				
23	24	25	26	27	28	29	27	28	29	30	31			24	25	26	27	28	29	30				
30	31																							
OCTOBER							NOVEMBER							DECEMBER										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
1	2	3	4	5	6	7																		
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9				
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16				
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23				
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30				
														31										

REFERENCE CALENDAR FOR 2001

JANUARY							FEBRUARY							MARCH								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
	1	2	3	4	5	6				1	2	3					1	2	3			
7	8	9	10	11	12	13	4	5	6	7	8	9	10	4	5	6	7	8	9	10		
14	15	16	17	18	19	20	11	12	13	14	15	16	17	11	12	13	14	15	16	17		
21	22	23	24	25	26	27	18	19	20	21	22	23	24	18	19	20	21	22	23	24		
28	29	30	31				25	26	27	28				25	26	27	28	29	30	31		
APRIL							MAY							JUNE								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
1	2	3	4	5	6	7				1	2	3	4	5							1	2
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9		
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16		
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23		
29	30						27	28	29	30	31			24	25	26	27	28	29	30		
JULY							AUGUST							SEPTEMBER								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
1	2	3	4	5	6	7					1	2	3	4							1	
8	9	10	11	12	13	14	5	6	7	8	9	10	11	2	3	4	5	6	7	8		
15	16	17	18	19	20	21	12	13	14	15	16	17	18	9	10	11	12	13	14	15		
22	23	24	25	26	27	28	19	20	21	22	23	24	25	16	17	18	19	20	21	22		
29	30	31					26	27	28	29	30	31		23	24	25	26	27	28	29		
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OCTOBER							NOVEMBER							DECEMBER								
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S		
	1	2	3	4	5	6					1	2	3							1		
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8		
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15		
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22		
28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29		
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REFERENCE CALENDAR FOR 2002

<p>JANUARY</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31</p>	<p>FEBRUARY</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28</p>	<p>MARCH</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31</p>
<p>APRIL</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30</p>	<p>MAY</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31</p>	<p>JUNE</p> <p><u>S M T W T F S</u></p> <p>2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30</p>
<p>JULY</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31</p>	<p>AUGUST</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31</p>	<p>SEPTEMBER</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30</p>
<p>OCTOBER</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31</p>	<p>NOVEMBER</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30</p>	<p>DECEMBER</p> <p><u>S M T W T F S</u></p> <p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31</p>

REFERENCE CALENDAR FOR 2003

JANUARY							FEBRUARY							MARCH										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
			1	2	3	4							1							1				
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8				
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15				
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22				
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APRIL							MAY							JUNE										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
			1	2	3	4	5					1	2	3				1	2	3	4	5	6	7
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14				
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21				
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28				
27	28	29	30				25	26	27	28	29	30	31	29	30									
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S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
			1	2	3	4	5						1	2	1	2	3	4	5	6				
6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13				
13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20				
20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27				
27	28	29	30	31			24	25	26	27	28	29	30	28	29	30								
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OCTOBER							NOVEMBER							DECEMBER										
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S				
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REFERENCE CALENDAR FOR 2004

<p>JANUARY</p> <p>S M T W T F S</p> <p>1 2 3</p> <p>4 5 6 7 8 9 10</p> <p>11 12 13 14 15 16 17</p> <p>18 19 20 21 22 23 24</p> <p>25 26 27 28 29 30 31</p>	<p>FEBRUARY</p> <p>S M T W T F S</p> <p>1 2 3 4 5 6 7</p> <p>8 9 10 11 12 13 14</p> <p>15 16 17 18 19 20 21</p> <p>22 23 24 25 26 27 28</p> <p>29</p>	<p>MARCH</p> <p>S M T W T F S</p> <p>1 2 3 4 5 6</p> <p>7 8 9 10 11 12 13</p> <p>14 15 16 17 18 19 20</p> <p>21 22 23 24 25 26 27</p> <p>28 29 30 31</p>
<p>APRIL</p> <p>S M T W T F S</p> <p>1 2 3</p> <p>4 5 6 7 8 9 10</p> <p>11 12 13 14 15 16 17</p> <p>18 19 20 21 22 23 24</p> <p>25 26 27 28 29 30</p>	<p>MAY</p> <p>S M T W T F S</p> <p>2 3 4 5 6 7 8</p> <p>9 10 11 12 13 14 15</p> <p>16 17 18 19 20 21 22</p> <p>23 24 25 26 27 28 29</p> <p>30 31</p>	<p>JUNE</p> <p>S M T W T F S</p> <p>1 2 3 4 5</p> <p>6 7 8 9 10 11 12</p> <p>13 14 15 16 17 18 19</p> <p>20 21 22 23 24 25 26</p> <p>27 28 29 30</p>
<p>JULY</p> <p>S M T W T F S</p> <p>1 2 3</p> <p>4 5 6 7 8 9 10</p> <p>11 12 13 14 15 16 17</p> <p>18 19 20 21 22 23 24</p> <p>25 26 27 28 29 30 31</p>	<p>AUGUST</p> <p>S M T W T F S</p> <p>1 2 3 4 5 6 7</p> <p>8 9 10 11 12 13 14</p> <p>15 16 17 18 19 20 21</p> <p>22 23 24 25 26 27 28</p> <p>29 30 31</p>	<p>SEPTEMBER</p> <p>S M T W T F S</p> <p>1 2 3 4</p> <p>5 6 7 8 9 10 11</p> <p>12 13 14 15 16 17 18</p> <p>19 20 21 22 23 24 25</p> <p>26 27 28 29 30</p>
<p>OCTOBER</p> <p>S M T W T F S</p> <p>1 2</p> <p>3 4 5 6 7 8 9</p> <p>10 11 12 13 14 15 16</p> <p>17 18 19 20 21 22 23</p> <p>24 25 26 27 28 29 30</p> <p>31</p>	<p>NOVEMBER</p> <p>S M T W T F S</p> <p>1 2 3 4 5 6</p> <p>7 8 9 10 11 12 13</p> <p>14 15 16 17 18 19 20</p> <p>21 22 23 24 25 26 27</p> <p>28 29 30</p>	<p>DECEMBER</p> <p>S M T W T F S</p> <p>1 2 3 4</p> <p>5 6 7 8 9 10 11</p> <p>12 13 14 15 16 17 18</p> <p>19 20 21 22 23 24 25</p> <p>26 27 28 29 30 31</p>

BENEFIT PLANS

This document contains a brief summary of the various Benefit Plans which have been agreed to between the Company and the Union.

The purpose of the document is to provide general information relating to these plans, and if you wish additional information, particularly as related to a specific problem, it is suggested that you contact the Plant Human Resources Department.

PENSION PLAN

General

Plan membership is a condition of employment and takes effect on date of hire.

Employees contribute 4% of pensionable earnings up to a maximum of \$3,444.44. The maximum pensionable earnings for 1999 is \$87,500. Contributions cease upon attainment of 35 years credited service.

The Final Average Remuneration will not be affected by the medical demotion of an employee age 55 or older. However, if an employee below the age of 55 is required to take a demotion as a result of a permanent partial disability, they will also be able to avoid a reduction in their pensionable earnings. This can be done by contributing on the basis of their former group rate and shift allowance prior to their demotion, both of which will be adjusted by negotiated increases.

Normal pensionable age is 65. Retirement may however be elected upon attainment of age 55 with at least two years of service with the Company.

Vesting of pension benefits is a right upon completion of two years of service with the Company. A member who leaves the Company and is not eligible or rejects the right to vest may withdraw their entitlement or make a transfer to a RRSP within constraints of applicable legislation.

Elements used to compute a pension:

Final Average Remuneration (F.A.R.) - average of the last three years' salary (base pay plus shift allowance) or the best three calendar years in the last ten. However this average cannot exceed the average established over five years by more than 7%.

Credited Service - years and months of plan membership (maximum 35 years).

Previous Credited Service - credited service accrued up to December 31, 1996.

New Credited Service - credited service accrued from January 1, 1997.

01/01/97: Continuous service - years and months representing the most recent period of uninterrupted employment with the Company.

Points - age plus continuous service at retirement.

Pension Factor - based upon age at retirement

AGE	%	WITH POINTS	%
55	1.5	80 +	2.0
56	1.6	80 +	2.0
57	1.7	80 +	2.0
58	1.8	80 +	2.0
59	1.9	80 +	2.0
60 +	2.0	-	-

Note: Pension factor is interpolated to the nearest month.

Government pension - maximum Canada Pension Plan benefit (C.P.P.) on date of retirement.

Integration amount: - $1/35$ of the government pension per year of previous credited service.

Bridge: Equal to the integration amount and payable up to age 65.

Pension Entitlement as 01/01/97

Your retirement income under the plan is the total of two formulas:

A) (F.A.R. x Pension Factor x Previous Credited Service) - (Integration amount)

PLUS

B) (F.A.R. x Pension Factor x New Credited Service)

In cases of early retirement, the bridge is payable up to age 65, regardless of the start payment date of the Canada Pension Plan benefit.

Post-Retirement Augmentations

(Note: This is not part of the pension by-laws)

Starting in 1988, a new approach to pension adjustments was introduced. To finance these increases, the Company has established a hypothetical reserve of \$25 million external to the pension fund. All

pensions will be increased annually so long as the reserve reflects a positive balance. The reserve will be deemed to earn a return or suffer a loss consistent with the performance of invested assets of the society each calendar year. It will also be increased each year end by an amount calculated to recognize new retirees throughout the previous year.

- The annual augmentation will be 50% of the year over year increase in inflation for the previous calendar year to a maximum of a 10% inflation (5% augmentation).
- All retirees are eligible for a pension adjustment in the year following retirement on a pro rata basis (number of months since retirement).
- For retirees below age 65, the bridge and the life portion of the pension will be increased. At age 65, the payment of the bridge will stop as well as any adjustment that it has attracted.
- Once an increase is declared, payment will continue regardless of any future deficiency in the reserve.

(An Overview - By-laws, related documentation and sample calculations are available in Human Resources Department)

DEATH BENEFIT - PENSION PLAN

The pension plan contains provisions for payments under various circumstances in the event of death before and after retirement.

Upon the death of an active participant:

- Providing that there is a surviving spouse, a continuing pension will be paid for life equal to the greater of:
 - (a) 50% of accrued pension at date of death; or
 - (b) the lesser of 25% of Final Average Remuneration, or 50% of a pension calculated including all credited service attainable had the participant worked to age 65.
- In the absence of a surviving spouse, a continuing pension would be paid to any dependent children in equal shares until attainment of age 21.
- In the absence of a surviving spouse or dependent children, a payment to the estate equal to the participant's contributions made before January 1, 1987 and interest plus the value of your pension accumulated since that date.

Upon death following retirement:

- The standard option provides a lifetime pension to a surviving spouse who was the spouse at date of retirement. The amount of the pension is 60% of

the retiree's pension at date of death, exclusive of payment or repayment of any elected options.

- The above option is payable to any dependent children in equal shares until attainment of age 21 in the absence of a surviving spouse, provided no alternate option was elected at retirement.
- Upon retirement, in the absence of a surviving spouse or dependent children, or if a retiree does not wish to provide a continuing pension, then an option may be elected guaranteeing that if the retiree dies prior to receiving sixty monthly pension payments, the balance of the remaining sixty payments will be paid to the estate.

(An overview - By-laws, related documentation and sample calculations are available in Human Resources Department)

DENTAL PLAN

The Company dental plan covers regular full-time employees and eligible dependents after two months at work.

Expense incurred for necessary dental care as detailed in the contract with the plan Administrator is reimbursable subject to limitations and conditions of the agreement. There is no restriction concerning the province or country where the service may be performed.

TERMS OF COVERAGE

- Plan is 100% paid by the Company.
- Dependents:
 - Spouse
 - Fully dependent children to age 21, or if attending college or university full-time, to age 26
 - Disabled children regardless of age if disabled prior to 21
- Coverage of employee and dependents ceases at earliest of date of termination of employment or attainment of age 65.
- Services must be performed by an accredited dentist or denture therapist.
- Examinations, consultations and preventive services performed are not reimbursable at intervals of less than six months.

INSURED SERVICES

The following is a general list of insured services. Specific items reimbursable within these services are specified in the plan document.

BASIC SERVICES

Reimbursement of 100% of insured services.

- Natural Teeth:
- . Examinations
 - . Consultations
 - . Specific diagnostic procedures
 - . Diagnostic x-rays
 - . Scaling and polishing
 - . Fluoride treatments
 - . Fillings
 - . Extractions
 - . Anaesthesia Services
 - . Periodontal Services (treatment of gum diseases)
 - . Endodontic Services (root canal treatment)
 - . Specific surgical services
- Prosthetic Care:
- . Denture repairs and relines

MAJOR RESTORATIVE SERVICES (CROWNS AND BRIDGES)

Reimbursement of 50% of insured services.

ORTHODONTIC SERVICES

Reimbursement of 50% of insured services.

DENTURES

Reimbursement of 50% of insured services, limited to \$1,000 per 5-year period per individual. New or replacement of partial or complete dentures are covered once every 5 years.

NOTE:

- Reimbursement of insured services is limited to the specified Dental Association Fee Schedule of province of residence. Eligible expenses will be reimbursed according to the previous year's Fee Schedule.
- Reimbursement is restricted to expenses not claimable under other plans.
- Eligible dependents of an early retiree must have been dependent at date of retirement.

This is an overview of the plan.

MEDICALASSISTANCE PLAN

The Company health services plan, along with provincial hospital and medical programmes affords excellent financial protection against most expenses incurred due to health problems.

Reimbursement of eligible expenses in all cases is limited to reasonable and customary charges incurred for items prescribed by a physician or, in the case of drugs, by a physician or a dentist, and dispensed by a registered pharmacist or physician.

Terms of Coverage

Plan is 100% paid by the Company.

- Regular full-time employees and their eligible dependents are covered after two months at work.
- Retirees and their eligible dependents are covered for the lifetime of the retiree.
- Dependents: . Spouse
 - . Fully dependent children to age 21, or if attending college or university full-time to age 26
 - . Disabled children regardless of age if disabled prior to 21

Coverage ceases upon termination prior to normal pensionable age unless early retirement is elected under terms of the Imasco Pension Plan.

Supplementary Hospital Benefits

- (a) The difference between a ward and semi-private or private hospital accommodation.
- (b) This differential includes a convalescent hospital, if confinement is for convalescence and is prescribed by a physician. Maximum coverage - 120 days.

Drug Benefit

For treatment or control of an illness or injury,

- (a) Drugs, including oral contraceptives.
- (b) Needles, syringes and diagnostic aids for the treatment of diabetes.

Examples of ineligible items: Experimental drugs, vitamins available without prescription, and products which in the opinion of the insurance company administering the plan are household remedies.

Vision Care

Reasonable and customary charges for prescribed lenses, frames and contact lenses to a maximum of \$250 per individual during a period of 24 months.

Supplementary Health Care Benefits

- (a) Services of a Registered Nurse or Registered Nursing Assistant prescribed by a physician, at home - up to \$12,000 per patient per year.

- (b) Artificial limbs or eyes.
- (c) Professional ambulance service.
- (d) Rental or purchase of wheelchairs and similar items approved by the Administrator.
- (e) Specified services provided by a dental surgeon as a result of an accident to natural teeth.
- (f) Each of the following practitioners are covered at \$40 per visit to a maximum of \$500 per patient per calendar year:
 - . Chiropractor
 - . Acupuncturist
 - . Podiatrist
 - . Osteopath

and if prescribed by a physician

- . Psychologist
 - . Physiotherapist
 - . Massage Therapist
- (g) Other miscellaneous items detailed in the contract or recommended by the Administrator of the plan.
 - (h) Expenses incurred outside province of residence in excess of provincial Medicare coverage are reimbursable provided that,
 - (i) Claimant is covered under a provincial Medicare programme;

- (ii) Expense is for emergency treatment of an illness or injury incurred while travelling;
 - (iii) Reimbursement is permitted under laws of province of residence;
- (i) An emergency and travel assistance benefit available under a 24-hour helpline number.

A survivors protection is available on a contributory basis and covers:

- Supplementary Hospital Benefits at semi-private accommodation
- Drug benefit (no direct payment card)
- Supplementary Health Care without out-of-country protection

NOTE:

- Reimbursement is restricted to expenses not claimable under other plans.
- Hospital deterrent fees and differential billing charges are not reimbursable items.
- Eligible dependents of a retiree must have been dependent at date of retirement.

This is an overview of the plan.

WEEKLY INDEMNITY PLAN (W.I.P.)

As a regular full-time employee, you are protected by this benefit after completing two months actively at work. The plan is designed to ensure that an employee receives 75% of regular base wage during qualifying periods of short-term disability in accordance with the schedule presented below.

<u>Company Service</u>	<u>Benefit Duration</u>
Less than 10 years	26 weeks
10 or more years	52 weeks

Duration of entitlement is governed by Company service on the first day away from work. Entitlement is reduced by any day for which W.I.P. was paid in the preceding 12 months.

Benefit payments are adjusted in the event of a change in base wage agreed during the absence.

Reduction of W.I.P.

The benefit will be reduced by:

- Other company or government disability payments, excluding dependent's allowances;
- The amount of a government benefit which, in the opinion of the Administrator, would be payable if applied for. If an application has been submitted

by the employee, as requested by the Administrator, no reduction of benefits will be imposed until payment is received by the employee, at which time a reduction would be imposed and the employee would reimburse the Administrator for the retroactive portion of the Government benefit received.

Waiting Period

- Benefits are payable from the first day if the disability is the direct result of an accident, provided a physician has been seen.
- Payment is made from the first day if on that day the employee is hospitalized for surgery as an out-patient, or on an overnight basis as a result of sickness.
- In the event of the re-occurrence of a disability within 14 days of return to work, the waiting period is waived.
- Where the claimant requires a series of repetitive disabling treatments that make them unable to work that day, the waiting period is waived.
- In the case of an illness, payments commence the later of the 4th day or when seen by a physician.

In the event that a physician is not available, the benefit payments for a maximum disability of 7 days may be made on proof of a telephone conversation, as long as the consultation occurred within the first three days of illness. In such cases, should the disability continue beyond 7 days, disability payments will also continue, provided that a physician is seen before the 8th day of disability.

Definition of Disability

Disability means that an employee is unable to work by reason of illness or injury.

Exclusions

- Injuries or illness sustained while engaged in employment for wage or profit other than for Imperial Tobacco will not qualify for payment of this benefit.
- Absences in excess of one week, while under the care of a dentist or oral surgeon, and not of a physician.
- A benefit is not payable for the duration of a formal Pregnancy/Parental Leave of Absence.

Special Extension of Benefits

- For employees with less than 10 years of service, if the maximum benefit period has been exhausted and the employee returns to work, a special bene-

fit is payable for a maximum period of 15 weeks in an amount equal to $66\frac{2}{3}\%$ of basic weekly wage, subject to the following conditions:

- (a) In the case of an unrelated disability, following completion of one month of work.
- (b) In the case of a related disability, following completion of three months of work.

LONG-TERM DISABILITY PLAN

Regular full-time employees qualify for coverage after completion of two months actively at work.

The benefit is payable upon expiration of Weekly Indemnity Benefit and of any accrued vacation entitlement. The Plan assures 70% (as of January 1, 2000) of salary or base wage for the duration of a recognized disability until attainment of normal retirement age (65). Furthermore, for new recipients on or after July 1977, payments are adjusted annually (since 1980) in line with negotiated wage increases and effective on the date of such increases. Payment is made on a monthly basis. Credited service for members of the pension plan accrues during periods of disability until age 65, although employees' contributions are waived.

Upon reaching age 65, the disability benefit ceases, and providing an employee is a member of the Company pension plan, pension payments commence. The pension payable is calculated according to the formula in effect at that date. Final average remuneration and the integration amount (Government pension offset) are established as outlined below.

Final Average Remuneration and Integration Amount

Pensionable earnings are not influenced by adjustments to disability payments; they are assumed to

continue at the same level as regular pensionable earnings immediately preceding the onset of the disability. An exception to this is that, commencing January 1st, 1982, whenever a pension increase is declared, the assumed earnings of LTD recipients for purposes of establishing final average remuneration, are deemed to increase by the same percentage and on the effective date of the increase.

The amount of Government pension to be used in establishing Company pension at age 65 will be the maximum Government pension at the date LTD benefits began, increased in the identical manner as pensionable earnings as described in the preceding paragraph.

Qualifications

- This benefit is payable to qualifying recipients at the end of the expiration period, providing that proof of claim satisfactory to the Administrator of the Plan has been submitted as directed.
- In order to receive this benefit, a participating employee must be judged to be totally disabled and unable to work because of illness or injury.
- There are also certain disabilities that would not qualify for benefits. These are itemized in the LTD administrative contract which is available in the Human Resources Department. One such non-qualifying situation that should be noted in

particular is a disability sustained while engaging in any occupation or employment other than for Imperial Tobacco.

Reduction of Monthly Disability Benefit

Monthly benefits will be reduced by:

- Any Government disability or Workers' Safety Insurance payment, excluding dependents allowance.
- The amount of any Government benefits which in the opinion of the Administrator would be payable if applied for, unless proof is provided that applications have been declined.
- 50% of income received from any agreed rehabilitation programme.

**This is an overview of the plan.
Access to the plan document will be available
to all employees upon request.**

GROUP LIFE INSURANCE

Basic Coverage

Basic group life insurance takes effect on the first day worked following two months regular full-time employment.

Insurance is payable to a named beneficiary, or to your estate.

The premium is paid by the Company and the level of coverage is indicated hereunder:

An active employee's coverage is \$20,000

As a retiree, you will remain insured as indicated below:

- . Your level of protection before retirement will be maintained until age 66.
- . Starting at age 66, for a period of five years, your protection will reduce each year by an amount equal to 10% of your protection at time of your retirement.

Should you leave the Company at any time before retirement, insurance ceases after 31 days. During that time, you may convert all or part of your life insurance to an individual policy at the normal rate charged by the insurance company, even if a physical impairment is detected when you apply for such coverage.

Additional Voluntary Coverage

You may purchase additional coverage upon completion of two months regular full-time employment, subject to the following terms and conditions:

- It is not necessary to pass a medical examination, provided that a signed application is completed within two months of date of employment.
- If you wish to purchase insurance after expiration of the previous conditions, you must provide satisfactory evidence to the Underwriter of your insurability.
- Insurance ceases after 31 days following termination of employment, a voluntary decision to cancel coverage, or retirement.
- The policy may be converted within 31 days of termination of employment in the same manner as outlined for basic group life insurance.

There are three separate amounts of coverage available:

- A \$20,000 coverage where the employees pay 75% of the premium cost by weekly payroll deduction.
- A \$40,000 coverage where the employees pay the full premium cost by weekly payroll deduction.

- . A \$5,000/\$2,000 spouse/dependent coverage where the employees pay the full premium cost by weekly payroll deduction.

A spouse is defined as someone to whom you are legally married or the person of the opposite sex with whom you have been living with for at least three years.

An eligible dependent is defined as an unmarried child to age 21 of a member or their spouse. A child who is physically or mentally incapable of self support and became incapable to that extent before reaching 21 is included.

ACCIDENTAL DEATH & DISMEMBERMENT (AD & D)

Regular full-time employees are covered by this insurance after completion of two months at work.

If death should occur within 365 days from injuries suffered in an accident, whether on or off the job, your beneficiary will receive an additional AD & D benefit equal to your Basic Group Life Insurance.

For example, assuming that your Basic Group Life Insurance is at the maximum of \$20,000, this policy provides additional and equal coverage.

For total and irrecoverable loss or use of the following as a direct result and within 365 days of an accident:

Loss	<u>Insurance Payable</u>
(a) both hands or feet or one of each or sight of both eyes	100% of AD & D
(b) one arm at or above elbow or one leg at or above knee	75%
(c) a hand, foot or sight of an eye	66 2/3%
(d) thumb and index finger of either hand at or above metacarpophalangeal joints	33 1/3%

Loss	<u>Insurance Payable</u>
(e) hearing or speech	50%
(f) hearing (one ear)	25%

This insurance ceases upon termination of employment or retirement.

SUPPLEMENTAL WORKERS' SAFETY
INSURANCE ALLOWANCE

Employees who have qualified to receive compensation under a Workers' Safety Insurance Act will be paid by the Company, retroactively to the first day of absence, a Supplemental Workers' Safety Insurance Allowance equal to the difference between their basic net pay and such compensation for the duration of the absence, provided it does not exceed the following periods:

- 12 weeks for those having 2 months but less than 1 year of service;
- 26 weeks for those having 1 year but less than 5 years of service;
- 52 weeks for those having 5 years but less than 10 years of service;
- 104 weeks for those having 10 years or more of service.

Note:

WORKERS' SAFETY INSURANCE

There is a provision to furnish an advance payment cheque to employees who wish to cover the period to the initial Workers' Safety Insurance cheque. This advance payment will be repaid to the Company.

PLACEMENT OF
PRODUCTION MECHANICS

The parties agree with the following procedure regarding the transfer and placement of Production Mechanics.

SECTION I

The areas requiring the services of the Production Mechanic are termed “Assignment Areas” and are as follows:

1. Wad/Case Sealer Department
2. Making & Packing Production Department
3. Preventive or Scheduled Maintenance/Machine Shop

Note: The “Machinist Mechanic” is basically a “holding” or “feeder” position for graduate apprentices or new hires.

SECTION II

- (a) Openings in the aforementioned areas will be posted and the shift indicated. Any assignment opening will be filled on the basis of trade seniority, provided the applicant has worked at least 18 months in their present assignment area, except as indicated in II (b), II (c) and II (d).

This time shall start when the applicant starts their training.

- (b) There is no time restriction for lateral moves to sign a poster. A lateral move is a move from one shift to another in the same assignment area.

- (c) When a Production Mechanic has previously completed 18 months in an assignment area and returns to that area the 18 months “lock-in” will be reduced to 6 months.
- (d) The 18 months or 6 months “lock-in” does not apply to applicants for day job or promotional postings.

SECTION III

Any tradesperson who has signed a poster or who has been “forced” into a job is allowed to sign other posters until such time that their training has started. If production requirements change resulting in reduced mechanic requirements in an assignment area, postings for that area will be retracted for individual(s) who has (have) not started training in that area.

Note: 12 months experience on the job starts at completion of formal training. Any Mechanic who has been away from their preceding area less than 4 years may be temporarily transferred to other areas.

SECTION IV

Temporary transfer will not be considered for a Mechanic who has been out of the assignment area 4 years or more.

When using temporary transfer, qualified volunteers will be canvassed from other assignment areas.

In the event there are no volunteers, the junior Mechanic will be forced.

SECTION V

Job Elimination - Production Mechanics

If a job is eliminated or there is a reduction in mechanic requirements, then trade seniority of all Tradespersons in that assignment area on all shifts shall apply.

On leaving the assignment area the Production Mechanic will be placed:

- (a) In their previous assignment areas in reverse chronological order, if an opening exists, and if trained on that type of equipment. If the opening exists on 'C' shift, the individual then has a choice at taking job on 'C' shift or going to next step (see example below).
- (b) If no opening is available, or not previously trained on that type of equipment, the Production Mechanic will be placed in the Machine Shop "Feeder Group" with no loss of rate.

Note: Machine Shop "Feeder Group" is deemed a holding area on steady days unless mutually agreed otherwise and is not considered an assignment area.

e.g. Mechanic started on job (a), moved to job (b) then moved to job (c). If job (c) is eliminated, they will move back to job (b) if an opening exists, if not, they will go to job (a) if an opening exists there: If no opening exists in previously trained area, V (b) applies.

- (c) In the event that a 'C' Mechanic is forced into the Feeder Group as a result of the job elimination procedure, they will be eligible for 'C' shift Christmas shutdown if they physically arrive in the aforementioned group on or after November 1st.

If it becomes necessary to run extra production equipment in an assignment area where Mechanics have been eliminated the matter will be subject to prior discussion between the Company and Union.

SECTION VI

When 'A' or 'B' shift postings are unsigned the most junior Mechanic in the "Feeder Group" will be forced.

SECTION VII

- (a) When 'C' shift job postings are unsigned trade seniority shall apply. i.e. The most junior Machinist in the plant who is not already on 'C' shift will be forced.

(b) **Shift Balancing 'C' to 'A' or 'B' Shift - e.g.**

'A' shift 4 Mechanics

'B' shift 5 Mechanics

'C' shift 6 Mechanics

Requirement: 5 Mechanics/shift

Poll all Mechanics on 'C' shift, by seniority.

If no Mechanic on 'C' shift wants the 'A' shift position, the most junior Mechanic in the surplus assignment area on 'C' is forced. No further moves are necessary.

If a 'C' shift Mechanic, during polling, takes the 'A' shift position their job is offered, by seniority, to 'C' shift Mechanics in the surplus assignment area. If no one wants this 'C' shift vacancy, the most junior Mechanic in the surplus assignment area is forced.

For 'C' shift Mechanics who are absent at time of polling, article 11.23 in collective agreement shall apply.

6/18 Month Freeze

The 6 or 18 month freeze is waived if a Mechanic moves to another assignment area. Otherwise, normal procedures apply as mentioned in Section II (a), (b), (c), (d).

SECTION VIII

Experimental Work

Definition: In this context “experimental work” shall be announced by the Company and may be:

1. Work which is not normally performed.
2. Work on equipment which is to be purchased, evaluated and/or modified to a major degree.
3. Work which may require special training either in-house or outside.

Openings that occur on an experimental basis will be announced and described by the Company (bulletin board) and those persons interested in filling these openings (on a temporary basis) will advise their Supervisor in writing, on forms provided, within 5 days.

Candidates will be chosen by a committee consisting of:

Human Resources Manager,
Production Manager,
Engineering Manager,

based on:

Experience (overall ability).
Attendance.
General attitude.
Ability to communicate and pass on information.
Availability.

Candidates will be advised of final decision. Upon completion of experimental work and equipment is scheduled for production, permanent jobs if required will be posted and vacancies filled as usual.

Persons who have performed “experimental work” will be eligible to sign permanent posters for the job on which they worked on an experimental basis.

SECTION IX

Production Mechanics ‘C’ Shift Relief

- (a) The programme is designed for a relief period of three (3) months.
- (b) Only ‘C’ shift Production Mechanics who have completed “on the job training” are eligible for this programme.
- (c) All ‘C’ shift Production Mechanics will be listed in order of seniority, including those designated as ‘C’ Shift Relief Mechanics.
- (d) Posting for each period will occur on the first day of the start of the previous period. Posters will be displayed for a four (4) week period. A formal withdrawal form must be submitted to nullify a signature. Once the poster is removed, successful applicants are committed to the specific time period.

- (e) Applicants will be chosen in order of seniority, on a rotational basis. Eligibility for each period will begin with the next most junior Mechanic to the most junior successful applicant on the previous posting. In the event sufficient numbers of 'C' shift Production Mechanics are not interested in moving to 'A' or 'B' shift, 'C' Shift Relief Mechanics will be required to go on a rotational basis. Shutdown vacation must be taken with the shift the Mechanic is scheduled to work during that relief period.
- (f) In the Making & Packing Production Department a maximum of four (4) Mechanics are allowed vacation in any one week during the year, except for plant shutdowns. One (1) 'C' Shift Relief Mechanic is also allowed vacation in any one week during the year, except for plant shutdowns.
- (g) If a 'C' Shift Mechanic on the relief programme on 'A' or 'B' shift has vacation scheduled for a week when the maximum four (4) Mechanics are already scheduled, this Mechanic will be replaced by a designated 'C' Shift Relief Mechanic. (For the portion of their vacation that exceeds the allowable maximum.)
- (h) Switching with other Mechanics, in the assignment area is not allowed.

- (i) Mechanics on the programme who enter training during the three (3) month period will maintain the 'A' or 'B' shift premium until the three (3) month period ends, then, the shift premium appropriate for the job they are being trained for will apply. A Mechanic on relief, who is removed for training will not be replaced by another 'C' shift Mechanic.
- (j) The existing shift exchange programme for Production Mechanics is not affected by this programme.

PRODUCTION MECHANICS SELECTION FOR OVERTIME PROCEDURES

1. Anyone on Union, Credit Union or Company/ Union business will not be charged for overtime refusals. This does not include social functions or private business.
2. When asking for overtime, the Mechanic with the lowest recorded totals of overtime hours in each assignment area will be asked first. In the case of two Mechanics having the same recorded hours of overtime, seniority will apply.

However, if it becomes necessary to run extra production equipment in an assignment area where Mechanics have been eliminated the matter will be subject to prior discussion between the Company and Union.

If the determination is made that it is necessary to work overtime to run this equipment each case will be discussed on its own merits with a view of distributing this overtime among as many qualified Mechanics as possible.

3. When requesting overtime in an assignment area for more than one day and shift the most senior Mechanic with the lowest number of hours will be given their choice of day and/or shift.
4. When a request is made for overtime 8 hours between shifts will be considered sufficient time if overtime is refused, or accepted, Mechanic will be charged.
5. No more than 8 overtime hours (15 regular hours) will be charged to a Mechanic in any 24 hour period during regularly scheduled work week.
6. In cases of last minute overtime and 8 hour (15 regular hours) difference in total overtime hours will be allowed so that a Mechanic from presently working shift can be held over.
7. A Mechanic will not be charged for refusing overtime when phoned.
8. Vacation period starts at the end of regular shift. Mechanics on vacation will only be eligible for overtime when all others in the assignment area on all shifts and those on any shift who worked

in the assignment area within the last 4 years have refused. A Mechanic on vacation will not be charged for refusal.

9. Overtime coverage will not be requested any more than one week in advance of present scheduled work week. The only exception to this is plant shutdowns.
10. Overtime cannot be switched with a Mechanic on another shift.
11. Following approval from Mechanical Facilitator, switching of equal hours of overtime can be done on your own shift on scheduled hours only, within the same week.
12. When a Mechanic refuses or accepts production overtime for their own shift and is still low in hours, they will be charged again if asked to work on another shift a maximum of 16 overtime hours (31 regular hours).
13. When a Mechanic is requested to work weekend maintenance overtime and refuses, they will be charged the least number of scheduled hours worked or no more than 8 hours.
14. When a Mechanic starts their final follow-up, the overtime hours from their previous assignment area will be transferred to their new assignment area and shift.

15. Work day start-up is 8 hours to be taken by the Mechanic with the lowest hours. (Intent same basic 'C' as 'A' and 'B').
16. Friday afternoon production replacement overtime, 11:30 A.M. - 3:30 P.M. to be handled by the shift presently working days.
17. When the spread of overtime hours (a) between shifts or (b) between Mechanics within a shift is greater than 30 hours, the low shift or Mechanic will be offered double shifts of overtime, when available, to catch up (8 hours regular, 15 hours overtime).

The Mechanic will be charged for each successive available shift until they elect to work one shift, for which they will be charged. They will not be charged for the next successive shift if they decline to work, but will be charged subsequent successive shifts until they elect to work again.

18. When asking for selective overtime, the Mechanic in the assignment area with the lowest recorded totals of overtime hours, regardless of shift will be asked first.

Mechanics with lowest recorded totals of overtime hours must work their own shift first, if available.

MECHANIC OVERTIME WITH TRAINING

IA.

Maintenance or Replacement Overtime While on Operational & Formal Training

This Mechanic's overtime will be maintained with previous shift and assignment area. This Mechanic will be eligible for overtime on any shift except the shift placed on for training, to maintain hours with group.

1B.

Production Overtime While on Operational & Formal Training

Previous assignment area. Only upon failure to obtain required amount of Mechanics (regular) all shifts. This Mechanic will do overtime that the regular Mechanics in the assignment area are not able or willing to make up the full complement required. This person will be asked prior to Mechanics in assignment area on other shift only if lowest in over-all hours.

- e.g. . Mechanic in training from 'A' shift Making & Packing Production Department
- . 'A' shift Production Mechanic Avg. 50 hours.
- . 'B' shift Production Mechanic Avg. 60 hours and overtime.
- . Scheduled Saturday and 1 Mechanic short.

- ‘C’ shift Production Mechanic Avg. 60 hours.

Mechanic in training is asked prior to Mechanics in other shifts, if absolutely the lowest in hours.

1C.

Selected Overtime

Previous assignment area. Only upon failure to obtain required amount of Mechanics (regular) all shifts.

This Mechanic will do overtime that the regular Mechanics in the assignment area are not able or willing to make up the full complement required. This Mechanic will be asked prior to Mechanics in assignment area on other shifts only if they are the lowest in overall hours.

- e.g. • Mechanic in training from ‘A’ shift Making & Packing Production Department
- ‘A’ shift Production Mechanic Avg. 50 hours.
 - ‘B’ shift Production Mechanic Avg. 60 hours and overtime.
 - Scheduled Saturday and 1 Mechanic short.
 - ‘C’ shift Production Mechanic Avg. 60 hours.

Mechanic in training is asked prior to Mechanics in other shifts, if absolutely the lowest in hours.

**2A.
Maintenance Overtime While on Follow-Up
Training**

In the new assignment area will be eligible for maintenance overtime on the machinery upon which formal training has been completed.

Will work in conjunction with regular Mechanic (conditional) upon the nature of the task.

**2B
Replacement Overtime While on Follow-Up
Training**

Not eligible.

This Mechanic is not eligible on basis of inexperience to replace in new assignment area.

This Mechanic may in case of emergency, be asked to replace a Mechanic in their previous assignment area on condition all others were exhausted or asked.

**2C
Production Overtime While on Follow-Up
Training**

New assignment area.

Will work in conjunction with regular Mechanic. This Mechanic will be asked to work in conjunction with Machinist they have been assigned to, on their own shift.

2D.

Selected Overtime

Same as 2B above.