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AGREEMENT

BETWEEN

IMPERIAL TOBACCO CANADA LIMITED

AND

BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION

LOCAL 338T

Effective on the *January 20, 2005*

FEB 08 2005
COLLECTIVE BARGAINING
INFORMATION SERVICES

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THIS AGREEMENT entered into on the *January 20, 2005*

BETWEEN: IMPERIAL TOBACCO CANADA LIMITED

(hereinafter called the "Company")

OF THE FIRST PART

- and -

BAKERY, CONFECTIONERY, TOBACCO WORKERS AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL 338T, affiliated with the American Federation of Labour - Congress of Industrial Organizations and the Canadian Labour Congress, acting on behalf of the employees of Imperial Tobacco Canada Limited, in the plant offices 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 office and clerical employees of the Company in the plant offices at Woodlawn Road, Guelph, Ontario, save and except Managers and Supervisors, persons above the rank of Manager and Supervisor, Confidential Assistant to the Plant Manager, Assistant to the Plant Human Resources Manager, Health Centre Staff, Security Guards, Stationary Engineers, Students, and persons employed on a temporary basis.

1. "EMPLOYEES" DEFINED (Cont'd)

- 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 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

34 hours - 4 days of 7 1/2 hours Monday to Thursday inclusive from 7:45 **A.M.** to 3:30 P.M. - including a 20 minute lunch period, and 1 day of 4 hours **on** Friday from 7:45 A.M. to 11:45 A.M.

(B) PRODUCTION ASSISTANT

1st shift:

35 hours - 4 shifts of 7 3/4 hours, Monday ~~to~~ Thursday inclusive, from 7:30 A.M. to 3:30 P.M. - including a 20 minute 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:

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

2. HOURS OF WORK (Cont'd)

Night shift:

31 hours paid on the basis of 35 hours - 4 shifts of 7 3/4 hours, from 11:30 P.M. Monday to 7:30 A.M. Friday, including a 20 minute lunch period during each shift.

NOTE: As the normal work week for Production Assistant is on the basis of 35 hours, and salary rates in Appendix "A" are based on a 34-hour work week, employees working as "Production Assistant" shall be paid an additional hour's pay for the hour above 34 hours.

2.02 REST PERIODS

Each employee shall be granted two (2) rest periods during their normal daily hours of work, one (1) in each half of the day,

2.03 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,

2. HOURS OF WORK (Cont'd)

2.05 If it becomes necessary to change the hours fixed for lunch periods, starting and/or finishing times for employees, 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.

3. OVERTIME

3.01 When required by the Company, the following shall be considered overtime:

- (i) Time worked in excess of the number of scheduled daily hours on Monday to Friday inclusive.
- (ii) Time worked **by** an employee on holidays specified in Article 4 of this Agreement.
- (iii) Time **worked** by an employee on Saturday or Sunday.

3.02 Overtime as defined in 3.01 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,

3. OVERTIME (Cont'd)

(ii) Overtime worked on a holiday or on Sunday,

will be paid for **at** double time,

The payment of overtime will be made in the first week following the week in which the overtime **was** performed except for overtime work performed on Friday and Saturday which will be paid in the second week.

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

3.04 (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 into 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. OVERTIME (Cont'd)

- 3.05 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.

4. HOLIDAYS

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

Victoria Day (May 24, 2004),
Canada Day (July 5, 2004),
August Civic Holiday (August 2, 2004),
Labour Day (September 6, 2004),
Thanksgiving Day (October 11, 2004),
Christmas Shutdown (December 20, 2004 to December 31, 2004),
Heritage Day (February 14, 2005),
Easter Holiday (March 25, 2005), (See Procedures Manual)

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

Victoria Day (May 23, 2005),
Canada Day (July 4, 2005),
August Civic Holiday (August 1, 2005),
Labour Day (September 5, 2005),
Thanksgiving Day (October 10, 2005),
Christmas Shutdown (December 19, 2005 to January 1, 2006),
Heritage Day (February 13, 2006),
Easter Holiday (April 14, 2006). (See Procedures Manual)

4. HOLIDAYS (Cont'd)

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

Victoria Day (May 22, 2006),
Canada Day (July 3, 2006),
August Civic Holiday (August 7, 2006),
Labour Day (September 4, 2006),
Thanksgiving Day (October 9, 2006),
Christmas Shutdown (December 25, 2006 to January 5, 2007)
Heritage Day (February 12, 2007),
Easter Holiday (April 6, 2007). (See Procedures Manual)

- 4.02 For employees who would have been scheduled to work hours for which they would normally have received a shift premium, such premium shall be included when calculating holiday pay.
- 4.03 Should a paid holiday occur during a period of leave when the employee is receiving Employee Disability Allowance 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 had they been capable of working. 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 if they had been capable of working, upon return to work.

5. GRIEVANCE PROCEDURE

- 5.01 Any grievance arising out of employer-employee relationship **shall be** handled in the following manner:
- | | |
|----------|--|
| Stage I | Employee accompanied by a member of the Grievance Committee with the immediate supervisor. |
| Stage II | Employee accompanied by a member of the Grievance Committee with the immediate supervisor and Department Manager or the Senior Coordinator concerned. |

5. GRIEVANCE PROCEDURE (Cont'd)

Stage III Grievance Committee with the Plant Manager and designated staff.

Stage IV Board of Arbitration.

Nothing contained above shall **be** deemed to prevent any individual employee from accompanying the Union at any stage of the Grievance Procedure.

- 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** immediate 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 immediate supervisor within seven (7) working days after the immediate supervisor has given a decision at stage (I).
- 5.04 After the immediate supervisor and Department Manager or the Senior Coordinator concerned 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 Department Manager or the Senior Coordinator concerned within ten (10) working days **after** the immediate supervisor and Department Manager or the Senior Coordinator concerned have given their decision at stage (II).
- 5.05 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.

5. GRIEVANCE PROCEDURE (Cont'd)

- 5.06 No time limitation shall apply when a **wage** payment ~~is~~ alleged to **be** inconsistent with the rate to which an employee is entitled,
- 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 immediate 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 immediate supervisor or the Department Manager or the Senior Coordinator concerned, or the Manager of the Plant Human Resources Department.
- 5.10 The Grievance Committee shall consist of two (2) employees appointed by the Union to investigate grievances referred to it in accordance with the procedure set out above.

The names of the members of the Grievance Committee and subsequent changes in membership of this committee shall be submitted to the Company, in writing, prior to such Grievance Committee member commencing **such** duties.

The Union President, and/or Vice-president may substitute for one or both members of the Grievance Committee at their discretion.

- 5.11 Days referred to in any part of this clause start **on the** first working day after the submission of **the** grievance at **any** stage.

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. ARBITRATION (Cont'd)

- 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 shall 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 will 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 shall 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. DISCIPLINARY PROCEDURE (Cont'd)

- 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 It is the employee's choice when to advise the Company that they are pregnant. In the interest of the health and safety of the employee in the workplace, they should advise the Health Centre.
- 8.02 Details and application of the leave of absence will be administered by the Human Resources Department.

8. PREGNANCY/PARENTAL LEAVE (Cont'd)

- 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,
- 8.05 The Company will allow two (2) paid days for parental leave (birth or adoption)

9. TRANSFERS

9.01 PROMOTIONS

- (A) When an employee begins to perform a higher classified job ~~on~~ a permanent basis, they will immediately be paid the salary rate on the progression ~~scale~~ of the new job, at the level immediately below ~~the~~ progression level they were at ~~in~~ their former job, (but in no case shall the employee's salary rate be decreased) and from then on, they ~~shall~~ continue in accordance with the progression scale indicated for the new job.
- (B) However, if an employee has already been trained and is capable of performing the job, they will immediately be paid the salary rate on the progression scale of the new job at the level on the progression scale they were at in their former job, and from then on, they shall continue in accordance with ~~the~~ progression scale indicated for the new job.

9.02 DEMOTIONS

- (A) An employee demoting through the poster process will retain the previous rate until completion of training, at which time the job rate will be assumed. ~~If~~ an employee begins to perform a lower classified job on a permanent basis, due to their request for demotion or a Company initiated demotion, such employee will immediately be paid the commencing rate for such job plus whatever scheduled increases are entitled ~~in~~ accordance with the employee's service with the Company.

9. TRANSFERS (Cont'd)

- (B) Demotion shall **be** made for the following reasons: inefficiency, at the employee's own request or lay-off, However, notwithstanding paragraph 9.02 (A), when an employee begins to perform a lower classified job **as** a result of a lay-off, the employee's salary **will** only **be** adjusted to the salary for their new job on the first day of the pay period following eighty-five (85) working days after such lay-off.
- (C) In the event of a lay-off, displaced employees may exercise their seniority within the same or a lower group, provided these employees have the necessary qualifications for the performance of the work.
- (D) In the event of a demotion resulting from a change in production requirements, the employee will maintain their salary 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 9.02 (E).

(E) Red Circle

Notwithstanding paragraph 9.02 (A), when an employee begins to perform a lower classified job due to the introduction of new machinery, modification to existing machinery, change in production methods or office methods, they will continue to be paid at the same salary rate until they refuse a promotion on the same shift to a job which **is** not higher than the job from which they were originally demoted.

If they refuse such a transfer, their salary 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.

9. TRANSFERS (Cont'd)

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 11.12, but in case of refusal, only the rate of the most junior eligible red circle employee shall be reduced.

9.03 TEMPORARY TRANSFERS

A temporary transfer is a transfer of an employee to another job for one of the following reasons only: sickness, accident, vacation, absence, training or emergency work. A temporary transfer will not exceed forty (40) working days, but this period may be extended if both parties indicate their acceptance.

- (A) When an employee performs another job on a temporary basis, their salary will not be changed except as provided in paragraph 9.03 (C).
- (B) Temporary transfers will not be subject to seniority rules. 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.
- (C) (i) When a temporary transfer is to a higher classified job for a period of one (1) continuous hour or more, the employee shall be paid the salary rate on the progression scale of this temporary job at the level they were at in their permanent job for each hour spent in such higher job and from then on, they shall continue in accordance with the progression scale indicated for the new job. However, if the employee is already at the maximum rate of their job, they will be paid the maximum salary rate of this temporary job. When they go back to their former job, they shall have their rate adjusted to their former job immediately.

9. TRANSFERS (Cont'd)

- (ii) Notwithstanding the above, if a temporary transfer to a higher classified job is for a period of one (1) continuous hour or more, the employee shall be paid the new salary rate retroactive to the beginning of the temporary transfer.
- (iii) However, in the event that it is known in advance that a temporary transfer will exceed forty (40) working days, the job will be posted as a temporary vacancy and the employee will be paid in accordance with the provisions of Article 9.01 (A) or (B) of the Collective Agreement.
- (D) Experience gained on a job through temporary transfers will not be used to circumvent the provisions of Clause 11.12.

9.04 Transfers out of Guelph Plant Offices are not on a compulsory basis.

9.05 PROCEDURES REGARDING REQUEST FOR DEMOTION

- (A) An employee requesting a demotion will have their job posted and eligible employees working in the same or a lower salary group may apply for the job.
- (B) If the employee requesting the demotion accepts the transfer of the senior applicant, the employee will exchange jobs with the applicant. It is understood, however, that the employee requesting the demotion may be required to train the successful candidate.
- (C) No employee requesting a demotion may transfer more than once a year under the provisions of this clause.
- (D) The demotion request will be cancelled if the employee requesting the demotion does not accept the job of the senior applicant.

9. TRANSFERS (Cont'd)

- (E) The employee requesting the demotion will have three working days to accept the demotion request after reviewing the job of the senior applicant.

10. UNION EXECUTIVE OFFICERS

- 10.01 It is recognized that Executive Officers of the Union 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 shall leave their job to attend to such matters except with the permission of their immediate supervisor, which shall not **be** unnecessarily withheld or delayed without valid reason.
- 10.02 A list of all elected or appointed Executive Officers **and** any change caused by a subsequent election or appointment or by an interim appointment when a regularly elected **or** appointed Officer becomes unable to perform their duties, shall be submitted to the Company prior to such persons commencing such duties.

11. SENIORITY

- 11.01 Seniority dates from the employee's original date of employment and shall not be affected by a legally recognized change of name.
- 11.02 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 of service, they shall, if retained, be entitled to seniority dating from date of original employment.

11. SENIORITY (Cont'd)

- 11.03 A voluntary quit or discharge for **just** cause breaks seniority.
- 11.04 Absence from work on account of an accident, illness, disease or leave of absence **does** not break seniority.
- 11.05 The plant offices seniority list which is posted shall be revised by the Company every three (3) months. The names of employees commencing employment on the same date shall be entered on such list in alphabetical order.
- 11.06 In the event that a lay-off becomes necessary, the Company will retain at work the employees having the greatest plant offices seniority provided that these employees have **the** necessary qualifications for the performance of the work available.
- 11.07 Employees who are laid off, in accordance with paragraph 11.06, shall be given a minimum **of** one (1) week's notice, unless otherwise required by the Employment Standards Act of Ontario.
- 11.08 **LAY-OFF AND SEVERANCE PAY**

Employees who are laid off in addition to the notice given under paragraph 11.07, 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 salary, One (1) week's severance pay shall be based on current monthly salary divided by 4.33.

11. SENIORITY (Cont'd)

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.

- 11.09** 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.
- 11.10** When increasing the work force, laid off employees shall be recalled in accordance with plant offices seniority provided they have the necessary qualifications for the performance of work available. It shall be the laid off employee's responsibility to notify the Company of any change of address.
- 11.11** Employees recalled will be allowed a reasonable time to report for work.
- 11.12** 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. SENIORITY (Cont'd)

11.13 Any employees who are transferred 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. It is understood that service shall be recognized. Any such employee returned to the bargaining unit will be required to pay the current rate of Union **dues** for the period they accumulated seniority while outside of the bargaining unit.

Any employees (not in excess of one (1)) 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.

11.14 The above sections 11.07, 11.08, and 11.09 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

11.15 (A) 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 fifteen (15) weeks immediately before returning to work. Employees must indicate their choice within three (3) days of their return to work.

11. SENIORITY (Cont'd)

(B) Employees who are absent from work **will** be eligible to apply for temporary job vacancies when they are posted, provided they will be available in time to receive minimal training to perform the job at the time the vacancy occurs.

11.16 When there **is** a vacancy among occupations other than those excluded by Clause 1 of this Agreement, such a vacancy will be posted on the notice board for two (2) working **days**, to provide employees with an opportunity to apply for such a vacancy.

11.17 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 may apply for all permanent job postings and for other temporary job postings which are a promotion in rate from their temporary job rate.

11.18 The Company **will** endeavour to **post** job vacancies within five **(5)** working days of being notified that an absence in excess of forty (40) working days **is** to occur. In the event that a **job** vacancy is not posted, the reasons will be explained to the Union.

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. VACATIONS (Cont'd)

12.02 Eligibility for vacation with pay based on accumulated service with the Company:

- (i) 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).
- (ii) All employees with one (1) year of service on or before May 31 of the current year shall be granted two (2) weeks.
- (iii) 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

- (i) Employees employed after May 31 of the preceding year - 4% of salary earned between June 1 of the preceding year and May 31 of the current year.

12. VACATIONS (Cont'd)

- (ii) Employees employed before June 1 of the preceding year - **4%** of salary earned between June 1 of the preceding year and May 31 of the current year, or full salary for the vacations provided in paragraph 12.02, whichever is greater.
- (iii) When calculating vacation pay, shift premium will be included if the employee would have been entitled to such premium had they been working.

12.04 Scheduling of Vacation:

- (A) Vacations, in excess of two (2) **weeks**, will **be** granted in the current calendar 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 paragraph 12.02.
- (B) Any employee receiving benefits under the E.D.A., 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:

The vacation indemnity *is* based upon **salary** earned and accumulated service with the Company, and paid according to the following table:

12. VACATIONS (Cont'd)

- 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 salary 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.

12. VACATIONS (Cont'd)

- (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 salary 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 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. SALARIES

- 13.01 The Company agrees to pay and the Union agrees to accept, during the term of this Agreement, the salary rates shown in the Salary Schedule and Evaluation as Appendix "A" forming part of the Agreement and 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 salary rates of individual employees within the limits of the basic scale of salary rates existing from time to time provided that the employees **do** not receive **less** than what they are entitled to under the Salary Schedule and Evaluation.
- 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 (A) Employees working on the second shift 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) Employees working on the night shift 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.

13. SALARIES (Cont'd)

(C) This premium 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 evaluation is shown in the Salary Schedule and Evaluation **as** Appendix "A", which is **made** part of the 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. JOB EVALUATION (Cont'd)

14.05 Any new or changed jobs will be evaluated (see Letter of Agreement). The Company shall advise the Union of all such evaluations. Such evaluations 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 (11) 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.

15. UNION NOTICES

15.01 Union notices are to be posted on the Union notice board.

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, slow-downs 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 the Agreement ~~as~~ a condition ~~of~~ employment.

18. MEMBERSHIP IN UNION (Cont'd)

18.02 All new employees hereafter employed, upon completion of a two **(2)** month 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 338T, Bakery, Confectionery, Tobacco Workers and Grain ~~Millers~~ International Union, for the amount of dues so collected will be forwarded to the Treasurer of Local 338T 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, at current salary 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, sister or grandchildren and the employee furnishes reasonable proof of such death to the Human Resources Department, such employee shall be granted a reasonable leave of absence, at current salary rate not to exceed three (3) normal working days.
- 21.03 In the event of the death of an employee's Son-in-Law, Daughter-in-Law, Brother-in-Law or Sister-in-Law, and the employee furnishes reasonable proof of such death to the Human Resources Department, such employee shall be granted a reasonable leave of absence, at current salary rate not to exceed **two** (2) normal working days.
- 21.04 In the event of the death of an employee's spouse's grandparents and the employee furnishes reasonable proof of such death to the Human Resources Department, such employee shall be granted a reasonable leave of absence, at current salary rate not to exceed one (1) normal working day.
- 21.05 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.
- 21.06 **When** calculating pay for Bereavement Leave, shift premium will be included if the employee **would** have been entitled to such shift premium had they been working,

21. BEREAVEMENT LEAVE (Cont'd)

21.07 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 DEVELOPMENT

22.01 The Company recognizes the importance of opportunity for personal development and growth to all employees so that they can handle changes in office systems and procedures and/or improve their **skills** and advance to **jobs of** greater responsibility and higher pay. To encourage and assist the employees' development, the Company has developed an educational assistance plan for its employees which purpose is to meet the development needs of its employees.

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.

23. CONTRACTING OUT (Cont'd)

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~~ **(5)** working **days** to comment on the proposed 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 PLANS

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) Employee Disability Allowance Plan,
- d) Dental Plan,
- e) Long Term Disability Insurance Plan,
- f) Supplemental Workers' Safety Insurance Allowance.

24. BENEFIT PLANS (Cont'd)

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 from the plant offices of the Company 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.

25. HIRING PREFERENCE IN OTHER PLANTS OF THE COMPANY (Cont'd)

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 they are recalled to their former plant. If they refuse such recall, their name shall **be** removed from the recall list.

25.02 If the Company opens a new plant in Ontario or expand its existing plant in Aylmer for the purpose of manufacturing tobacco products, qualified employees in the Guelph office will **be** offered employment in the new plant office 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.

25.03 **The** Company wishes to give assurance to the Union that in the event that a new office would be established in Ontario and that, as a result, **plant** offices **jobs** would be transferred to the new office, the incumbents affected in the plant offices at Woodlawn Road will be given hiring preference at the new office.

26. TECHNOLOGICAL CHANGE

26.01 PURPOSE

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 (such as changes in office procedures) which result in greater output per man-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.

26. TECHNOLOGICAL CHANGE (Cont'd)

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.

26. TECHNOLOGICAL CHANGE (Cont'd)

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. MEMORANDUMS OF AGREEMENT

- 27.01 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.

28. UNION PRESIDENT

28.01 The Union President will have their regular salary maintained for meetings outside the Company on matters directly related to the administration of the Collective Agreement.

29. DURATION OF AGREEMENT

29.01 This Agreement shall be in force and effect from the time that it is **executed up** to and including April 14, 2007, 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,

30. OCCUPATIONAL HEALTH & SAFETY


30.01 The Union will appoint one (1) member to attend the meetings of the Plant Occupational Health & Safety Committee.

IN WITNESS WHEREOF the parties hereto have executed **this** Agreement this January 29, 2005

IN THE PRESENCE OF:

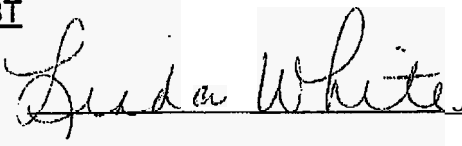
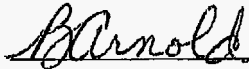


IMPERIAL TOBACCO CANADA LIMITED

By: 

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

338T

By: 


APPENDIX "B"

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the *January 20, 2005* and expiring on April 14, 2007.

MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION
LOCAL 338T
STUDENTS AND TEMPORARY EMPLOYEES

It is understood and agreed that students and temporary employees 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 (from the 323T agreement) 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 and temporary employees: Hours of Work, Overtime, Holidays, Bereavement Leave, and Salary Schedule and Evaluation.

The Company will hire students or temporary employees to fill vacancies provided that there is sufficient notice **given** to fill the vacancy and that there are qualified people available with the required **skills**. Regular employees will be given the opportunity to apply for these vacancies first and then, subsequently, this opportunity will **be** extended to temporary employees.

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 and temporary employees an amount equal to the Union **Dues**, which will **be** forwarded to the Treasurer of Local 338T.

IN THE PRESENCE OF:

IMPERIAL TOBACCO CANADA LIMITED

[Signature]

By: [Signature]

BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
338T

By: [Signature]

[Signature]

APPENDIX "C"

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the *January 29, 2005* and expiring on April 14, 2007.

MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION
LOCAL 338T

IMPERIAL TOBACCO
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 and 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, Vice-presidents and Trades Chairperson (if applicable) 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) Expenses:

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

3) 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.

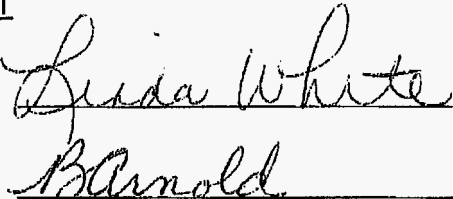
IN THE PRESENCE OF:



IMPERIAL TOBACCO CANADA LIMITED

By: 

**BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
338T**

By: 

APPENDIX "D"

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the *JANUARY 20, 2005* and expiring on April 14, 2007.

MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION
LOCAL 338T

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:

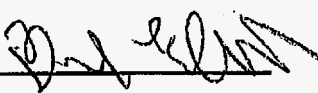
The committee will meet three (3) times per year. The number of meetings may be changed if it is deemed necessary by the parties.


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:

IMPERIAL TOBACCO CANADA LIMITED



By: 

BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
338T

By: 



APPENDIX "E"

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the *January 20, 2005* and expiring on April 14, 2007.

MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION
LOCAL 338T


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.

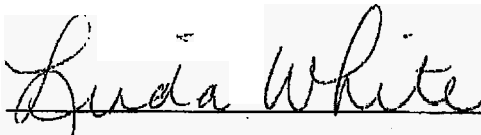
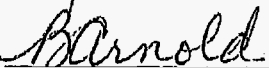
IN THE PRESENCE OF:



IMPERIAL TOBACCO CANADA LIMITED

By: 

BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
338T

By: 


APPENDIX "F"

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the *January 20, 2005* and expiring on **April 14, 2007**.

MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION
LOCAL 338T
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, starting January 1, 2000.

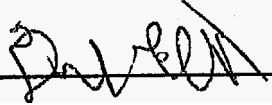
The attached document is an explanation of how the "final average remuneration" would be established for an employee who is a member of the Imasco Pension Plan and who has received benefits from the Long Term Disability Plan during the five years immediately prior to attaining age 65.

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.

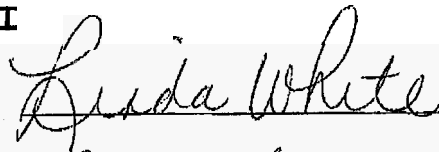

IN THE PRESENCE OF:



IMPERIAL TOBACCO CANADA LIMITED

By: 

**BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
3381**

By: 


APPENDIX "G"

This memorandum forms part of the Collective Agreement signed between the Company and the Union on the *January 20, 2005* and expiring on April 14, 2007

MEMORANDUM OF AGREEMENT
BETWEEN
IMPERIAL TOBACCO CANADA LIMITED
AND
BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION
LOCAL 338T

CALL-IN EMPLOYEES

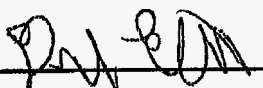
It is understood and agreed that call-in employees are normally hired on a day-to-day basis.

The Company hereby confirms its intent of applying the following articles of the collective agreement to call-in employees: Hours of Work, Salary Schedule and Evaluation and Bereavement Leave for days scheduled to work.


If the call-in employee works a continuous period of three weeks or more, the call-in employee will also be entitled to overtime on the job and holidays, (During the Christmas shutdown, eligible employees will be entitled to four paid holidays - including Christmas Day and New Year's Day.

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 by call-in employees, an amount equal to the union dues, which will be forwarded to the treasurer of Local 338T.

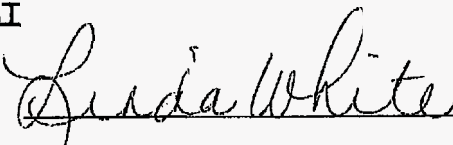

IN THE PRESENCE OF:



IMPERIAL TOBACCO CANADA LIMITED

By: 

BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
338I

By: 


APPENDIX "A"
SALARY SCHEDULE AND EVALUATION

EFFECTIVE APRIL 11, 2004

GROUP	NEW HIRE	6 MONTH	12 MONTH	24 MONTH	36 MONTH	MAXIMUM RATE	
1							
2							
3							
4							
5							
Pay Equity	4712	4882				4882	Switchboard (Call-in)
Pay Equity	4801	4974				4974	Mailperson, Temp O/T Person
6							
7							
8							
9							
10							
11							
12	5185	5381	5575			5575	Assistants
13							
14							
15	5534	5721	5934	6149		6149	Coordinators
16							
17	5882	6078	6307	6535		6535	Planners (New)
18							
19	6032	6240	6447	6691	6933	6933	Analysts
20							
21	6381	6600	6821	7077	7333	7333	Technical
22							**Grandfathered

IN THE PRESENCE OF:

[Signature]

IMPERIAL TOBACCO CANADA LIMITED

By: [Signature]

BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
338T

By: [Signature]

[Signature]

IN THE PRESENCE OF:

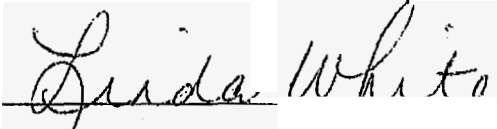
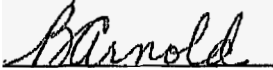


IMPERIAL TOBACCO CANADA LIMITED

By: 

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

338I

By: 


IN THE PRESENCE OF:

[Handwritten Signature]

IMPERIAL TOBACCO CANADA LIMITED

By: *[Handwritten Signature]*

BAKERY, CONFECTIONERY, TOBACCO WORKERS
AND GRAIN MILLERS INTERNATIONAL UNION, LOCAL
338I

By: *[Handwritten Signature]*
[Handwritten Signature]



IMPERIAL TOBACCO
CANADA

LETTER # 1

107 Woodlawn Road West
Guelph, Ontario N1H1B4
Canada

Tel. (519) 824-4000
Fax (519) 824-2646
www.imperialtobaccocanada.com

Ms. Linda White
President, Local 338T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Ms. White:

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



**IMPERIAL TOBACCO
CANADA**

- 2 -

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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's current spouse
Sister-in-law	Current spouse's sister Current spouse's brother's wife Brother's current spouse.
Spouse's Grandparents	Current spouse's Grandparents

Yours truly,

P. Hodgins,
Plant Manager

**IMPERIAL TOBACCO
CANADA**

LETTER # 2

107 Woodlawn Road West
Guelph, Ontario N1H 1B4
Canada

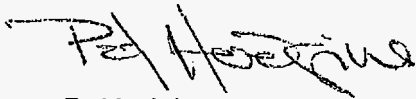
Tel. (519) 824-4000
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Ms. Linda White
President, **Local 338T**
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union
Guelph, Ontario

Dear Ms. White:

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,



P. Hodgins,
Plant Manager

January 20, 2005



**IMPERIAL TOBACCO
CANADA**

107 Woodlawn Road West
Guelph, Ontario N1H 1B4
Canada

LETTER # 3

Tel. (519) 824-4000
Fax (519) 824-2646
www.imperialtobaccocanada.com

**Ms. Linda White
President, Local 338T
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union
Guelph, Ontario**

Dear Ms. White:

The Company wishes to confirm its understanding with Local 338T that it is neither the Company's intention to eliminate jobs performed by employees in the Guelph office nor to prevent the creation of new jobs within the local by redistributing the duties among non-unionized personnel.

Yours truly,

**P. Hodgins,
Plant Manager**

January 20, 2005



**IMPERIAL TOBACCO
CANADA**

LETTER # 4

107 Woodlawn Road West
Guelph, Ontario N1H 1B4
Canada

Tel. (519) 824-4000
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www.imperialtobaccocanada.com

Ms. Linda White
President, Local 338T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Ms. White:

Re: 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. Its purpose being to:

1. Document procedures that relate to Guelph Plant policies of 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,


P. Hodgins,
Plant Manager

January 20, 2005



IMPERIAL TOBACCO
CANADA

LETTER # 5

107 Woodlawn Road West
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www.imperialtobaccocanada.com

Ms. Linda White
President, Local 338T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Ms. White:

Re: Job Evaluation

This letter will serve **to** confirm the understanding reached between **the** Company and the Union regarding further **job** evaluations. It was agreed that changes would be reviewed in accordance with Clause 14 at the following times:

- **December 2004**
- Subsequent 24 month intervals

Yours truly,


P. Hodgins,
Plant Manager

January 20, 2005



**IMPERIAL TOBACCO
CANADA**

LETTER # 6

107 Woodlawn Road West
Guelph, Ontario N1H 1B4
Canada

Tel. (519) 824-4000
Fax (519) 824-2646
www.imperialtobaccocanada.com

Ms. Linda White
President, Local 338T,
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario.

Dear Ms. White:

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 program.
- 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.



**IMPERIAL TOBACCO
CANADA**

- 2 -

- 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,

A handwritten signature in black ink, appearing to read "P. Hodgins".

P. Hodgins,
Plant Manager

January 20, 2005



**IMPERIAL TOBACCO
CANADA**

LETTER # 7

107 Woodlawn Road West
Guelph, Ontario N1H 1B4
Canada

Tel. (519) 824-4000
Fax (519) 824-2646
www.imperialtobaccocanada.com

Ms. Linda White
President, Local 338T
Bakery, Confectionery, Tobacco Workers
and Grain Millers International Union,
Guelph, Ontario

Dear Ms. White:

RE: RETIREMENT COMPENSATION ARRANGEMENT (R.C.A.)

This letter will serve to confirm the understanding reached during the 2004 negotiations between the Company and the Union that an amount of \$2,000 per year *for* each active employee on December 31 of each year, for the duration of the Collective Agreement, will be contributed to a "Retirement Compensation Arrangement" to be administered by the Union or designate.

Yours truly,

P. Hodgins,
Plant Manager

January 20, 2005

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