

# COLLECTIVE AGREEMENT

BY AND BETWEEN:

**THE CAMBRIDGE TOWEL CORPORATION**

(hereinafter designated as the "Company")

- AND -

**UNITE HERE**

**Ontario Council and its Local 1441**

(hereinafter designated as the "Union!")

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**EXPIRY DATE: OCTOBER 31, 2007**

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**THIS AGREEMENT** entered into at Cambridge, Ontario as of the 8th day of September, 2004.

**BY AND BETWEEN:**

**THE CAMBRIDGE TOWEL CORPORATION**

(hereinafter designated as the "Company")

and –

**UNITE HERE  
Ontario Council and its Local 1441**

(hereinafter designated as the "Union")

**WITNESSETH:**

## **ARTICLE 1**

### **GENERAL PURPOSE**

1.01 This Agreement is entered into by the parties hereto in order to provide for orderly collective bargaining relations between the Company and their employees. It is the desire of all these parties to co-operate in maintaining an harmonious relationship between the Company and their employees, and to amicably settle differences or grievances which may arise from time to time hereunder in the manner hereinafter set out.

## ARTICLE 2

### RECOGNITION

- 2.01 The Company recognizes the Union as the exclusive collective bargaining agency with respect to all matters arising under this Agreement for all their employees employed in or about their mill situated in Cambridge, Ontario, save and except assistant Supervisor, assistant foreladies, persons above the rank of assistant Supervisor and assistant forelady, laboratory personnel, designing and office staff, and persons regularly employed for not more than twenty-four (24) hours per week. No current bargaining unit job classifications will become a management/salary position without the approval and written consent of the Local Union Executive Committee and the union's staff regional representative.
- 2.02 **"Employee" defined**
- The word "employee" or "employees", wherever used in this Agreement, shall mean any or all of the employees in the bargaining unit as defined above except where the context otherwise provides.
- 2.03 Where the masculine pronoun is used herein it shall mean and include the feminine pronoun where the context so applies.

## ARTICLE 3

### MANAGEMENT FUNCTION

- 3.01 The Union acknowledges that it is the exclusive function of the Company to:
- (a) maintain order, discipline and efficiency;
  - (b) hire, discharge, classify, direct, transfer, promote demote and suspend or otherwise discipline employees, subject to the provisions of this Agreement, and
  - (c) generally manage the industrial enterprise in which the Company are engaged, including all matters concerning the operation of the Company's business not specifically dealt with elsewhere in this Agreement, and without restricting the generality of the foregoing, to determine the products to be manufactured, methods of manufacture, schedule of production, kinds and locations of machines and tools to

be used, process of manufacturing, the engineering and designing of their products, the control of the materials and parts to be incorporated in the products produced, the extension, limitations, curtailment, or cessation of operations.

- 3.02 The Company agrees that these functions will be subject to, and exercised in a manner consistent with the terms of this Agreement and the rights of the Union.

#### **ARTICLE 4**

#### **DISCRIMINATION AND UNION ACTIVITY**

- 4.01 There will be no discrimination, intimidation or coercion by the Company, their officers or representatives, or by the Union, its officers or members, against any employee for any reason.
- 4.02 No Union activities shall be pursued on the Company' premises except as permitted by this Agreement, or with prior approval of the Company.

#### **ARTICLE 5**

#### **STEWARDS**

- 5.01 The Company acknowledges the right of the Union to appoint or otherwise select stewards, who shall be permanent regular employees with seniority. Stewards will be chosen from different departments so that in the event of a union meeting of any kind, it will not disrupt the production flow in the plant.

The Union will supply the Company with a list of stewards. The Company will be notified in writing each time a steward resigns or is appointed and will not be required to recognize, as a steward, any employee whose name does not appear on the list.

In the event of ~~the~~ resignation of a steward, the Union will insure that the vacancy is filled within two (2) calendar weeks thereafter, and the name of the new steward delivered to the Company. The above time limit may be extended by mutual agreement.

- 5.02 **CHIEF STEWA**

In addition to the stewards, the Company will recognize a Chief Steward who may be appointed or otherwise selected to represent the plant.

### 5.03

#### **PAYMENT TO UNION EXECUTIVE MEMBERS AND STEWARDS**

The Company agrees to pay for Union Committee members, and relevant Union Stewards for all time spent in meetings with management. Such time will be paid at the rate of straight time, which shall include hours outside their regular schedule shifts.

The negotiating committee will consist of the President and members from different departments and shifts.

The Company agrees to pay the individual members of the Union committee for all lost time by them during contract negotiations for the renewal of the Collective Agreement.

It is further understood that no committee member shall lose any of their regular scheduled hours on any negotiating day, regardless of the arranged start and quit times for each day, but shall receive payment at straight time for all time, which exceeds their regular scheduled hours, including any off shift days.

It is further agreed that the union negotiating committee will not be required to report to their work duties on any negotiating days, regardless of the start and quit times during the renewal of the Collective Agreement negotiating days. Such days shall include the first day of exchanging proposals up to and including conciliation and/or mediation.

### 5.04

#### **PERMISSION TO ACT DURING WORKING HOURS**

It is understood that stewards have their regular duties to perform on behalf of the Company. If it is necessary for a steward to service a grievance during working hours, he shall not leave his department without first securing permission from his immediate supervisor.

If requested, he shall give a reasonable explanation of why he deems such action to be necessary.

When resuming his regular duties, he shall again report to his supervisor.

Should it become necessary for a steward, in the performance of his duties as a steward, to contact another employee, he will first secure the permission

of such other person's supervisor. Such permission will not be unreasonably delayed and/or unreasonably denied.

Union executive members and union stewards, who are working on a shift when a union meeting is scheduled, will be allowed two (2) hours off work, without pay, to attend such meetings. Unless otherwise arranged and agreed such employees are expected to promptly return to work following the two hour time frame.

5.05 **MEETINGS & MANAGEMENT**

Where it is necessary for Union representatives, grievors or witnesses to meet with Management representatives, permission for time off will not be unreasonably delayed and/or unreasonably denied.

5.06 **UNION COMMITTEE**

When it is necessary for the Union to confer with ~~the~~ the Company on any matter(s), a committee of four (4) seniority employees, assisted by a Union representative, shall represent the members of the bargaining unit. For purposes of this provision, the term "Union representative" shall not be restricted to regional representatives of the UNITE HERE Council, or other employees of the International Union, nor shall the provision be construed as limiting the calling of such witness as may be required.

When meetings take place between the Company and the Union for purposes other than for the renewal of the collective agreement, grievance meetings, and arbitration hearings, the Company reserves the right to limit participation by bargaining unit members to a reasonable number from each affected classification for a particular committee or subcommittee provided that in exercising this right, they refrain from making capricious and arbitrary decisions.

5.07 Leave of Absence will be granted to delegated members to attend Union conventions, conferences and schools. All requests for Leave of Absence shall be made in writing to the Human Resources Department thirty (30) days prior to date of intended leave stating the reason for the leave and requested duration thereof. Leave of Absence may be granted to delegated members to attend Union activities, as stated above, when the written request is submitted with less than thirty (30) days notice to the Company. Such Leave shall not be unreasonably withheld.



## ARTICLE 6

### **GRIEVANCE TIMELIMITATIONS**

6.01 An employee may not lodge a grievance on any subject unless he has first presented the subject as a complaint to his Supervisor within ten (10) calendar days of the occurrence or within ten (10) calendar days of the date whereon the employee could be assumed to have known of the occurrence, and further, the employee presents the written grievance to his Supervisor within ten (10) working days of the date whereon the employee received the Supervisor's answer to the original complaint.

### 6.02 **GRIEVER RESPONSIBILITY**

If an employee has a grievance, it shall be reduced to writing on forms supplied by the Union. It is agreed that pending the investigation and settlement of his grievance, the employee will not be absolved from performing the duties assigned to him, subject to the provisions of the Occupational Health and Safety Act. The grievance will then be taken up in the following manner and sequence.

### **GRIEVANCE PROCEDURE**

#### **STEP NO. 1**

Between the aggrieved employee, departmental steward and the Department Manager involved. The Grievance will be fully explained, both written and verbally, to the Department Manager and Supervisor with information such as Article number, parties involved and violation explained in detail. The Department Manager shall render his decision in writing within three (3) working days. Failing settlement, it shall be taken up within three (3) working days as follows.

#### **STEP NO. 2**

Between the aggrieved employee, departmental steward and the Plant Manager. The decision shall be given in writing within five (5) working days. Failing settlement, it shall be taken up within five (5) working days as follows.

**STEP NO. 3**

Between the grievance committee and Management Committee. A representative of the Union may be present at this stage at the request of either of the parties, and the decision shall be given in writing within five (5) working days.

**6.03 ARBITRATION**

Failing a settlement under the above procedure of any difference concerning the interpretation or administration of this Agreement, including any question as to whether a matter is arbitrable or whether an allegation is made that this agreement has been violated, the matter in dispute may be taken to arbitration as provided in Article 7, and if no written request is received within ~~thirty-one~~ (31) calendar days of the Company's reply to Step No. 3, the grievance shall be deemed to have been settled or abandoned.

**6.04 POLICY GRIEVANCE**

Any difference or grievance arising directly between the Company and the Union may be submitted in writing by either party at step No. 3.

**6.05 WITNESSES**

At any stage of the grievance procedure, including arbitration, the conferring parties may have the assistance of the employee or employees concerned and any necessary witnesses, and all reasonable arrangements will be made to permit the conferring parties to have access to the plant to view disputed operations and to confer with the necessary witnesses.

**6.06 TIME LIMIT EXTENSIONS**

Any and all time limits fixed by this Article and Article 7 may, at any time, be extended by written agreement between the Company and the Union.

**6.07 DECISIONS BINDING**

All decisions arrived at between the Company and the representatives of the Union shall be final and binding upon the Company, the Union, and the employee or employees concerned.

6.08 **PROBATIONARY RELEASE**

A new employee will be considered as a probationary employee until he has actually completed four hundred and sixty (460) hours of work for the Company in a period of six (6) consecutive months. The Union may question and/or grieve any discipline or lay-off of a probationary employee.

6.09 **NOTICE OF DISCHARGE**

In cases of discharge, the Company will have a Union Committee member present at the discharge meeting, to enable such employee his representation. Should a Union Representative not be available then the Company must inform the Union of all the facts as soon as possible.

6.10 **UNJUST DISCHARGE CLAIMS**

A claim by a permanent seniority employee that he has been unjustly discharged shall be treated as a grievance if a written, signed statement of such grievance is lodged with the Human Resources Department within five (5) working days of the discharge date, and Steps Nos. 1 and 2 of the Grievance Procedure will be omitted in such cases.

6.11 Such discharge grievances may be settled under the grievance and arbitration procedures by:

- (a) confirming the Company's action in dismissing the permanent employee;
- (b) reinstating the employee with full compensation for time lost; or
- (c) by any other arrangement which may be deemed just and equitable.

**ARTICLE 7**

**ARBITRATION**

7.01 After having completed Step No. 3 of the grievance procedure, either party may request the matter be submitted to arbitration, as herein provided, it shall make such request in writing addressed to the other party to this agreement, within thirty-one (31) calendar days, advising the other party of its intent to

proceed to arbitration. In said written notice the party shall propose its nominees to act as a sole arbitrator.

Should that Party's nominees be unacceptable, the other Party shall propose alternate names. If the parties cannot agree on the selection of an arbitrator within fifteen (15) calendar days after the date the original written notice was received, either party may request the Ontario Minister of Labour to appoint one. The decision of the arbitrator shall be final and binding on both Parties.

The time limits specified in the foregoing may be extended by mutual agreement.

- 7.02 No matter may be submitted to arbitration, which has not been properly carried through all the required steps of the grievance procedure, except as may be agreed upon at Step No. 3 of the grievance procedure.
- 7.03 No person may be appointed as an arbitrator who has been involved in an attempt to negotiate or settle the grievance.
- 7.04 The arbitrator shall not be authorized to make any decision inconsistent with the provisions of this Agreement, nor to alter, modify or amend any part of this Agreement.
- 7.05 The expenses of the arbitrator shall be shared jointly by the Company and the Union.
- 7.06 Nothing in this Article shall preclude either party from applying for arbitration under the expedited section of the Ontario Labour Relations Act (presently Section 49).

## ARTICLE 8

### STRIKES AND

- 8.01 In view of the orderly procedure for settling grievances, the Company agree that they will not cause or direct any lockout of their employees. The Union agrees that there will be no strike, slowdown or other concerted activity on the part of the employees in the bargaining unit which will stop, curtail or interfere with work or production.

## ARTICLE 9

### SENIORITY ( )

9.01 Seniority will be based on the length of the employee's continuous service with the Company.

### 9.02 PROBATIONARY PERIOD

A new employee will be considered on probation and will not be placed on the seniority list until he has actually completed four hundred and sixty (460) hours of work for the Company in a period of six (6) consecutive months and his seniority shall commence to accrue from the date he actually commenced to work for the Company as a bargaining unit employee.

The provisions of this sub-section 9.02 shall apply only to employees hired on a permanent basis. They shall not apply to employees hired on a temporary basis to replace employees on the permanent staff who may be absent due to illness, leave of absence, or for other legitimate reasons, nor will they apply to persons temporarily hired to meet some emergency. The employment of persons hired as temporary employees shall not exceed seven hundred and twenty (720) hours of work unless extended by mutual consent of the parties hereto.

Such temporary employees shall have no seniority, nor shall their probationary periods commence until such time as they are confirmed in what is considered a permanent assignment.

### 9.03 SENIORITY LISTS

Separate seniority lists shall be established for each of the following departments or groups of departments.

1. Preparation
2. Weaving
3. Maintenance
4. Shipping
5. Dyehouse
6. Fabrication
7. Fashion

Seniority lists will be provided on demand.

9.04 **TRANSFERS**

An employee transferred from one department or group of departments to another shall retain his seniority in his former group for a period of thirty (30) working days, after which time his seniority shall be credited to the department, in which he is then working, unless this period is extended by mutual agreement of the parties.

9.05 **TEMPORARY TRANSFERS**

In cases of temporary transfers for less than ~~sixty~~ (60) days, or any longer period by mutual agreement between the Company and the Union, the employee shall retain his seniority in the original group from which he was transferred. It is agreed that the Union will be provided with a copy of any such temporary transfer that is expected to exceed one hundred and twenty (120) working hours.

9.06 **NOTICE OF LAYOFF**

Except in cases of emergency, the Company will give twenty-four (24) hours notice, to all affected employees where a temporary layoff is likely to exceed one regularly scheduled working week, as defined in Schedule B. In the case of permanent layoffs, the Company will give notice in accordance with the Employment Standards Act.

9.07 **LAYOFF AND RECALL**

(a) In the event of a layoff, the most junior employee(s) in the classification and shift affected will use their seniority to exercise their bumping rights as follows:

**OPTION A** By seniority, the laid off employee may displace a junior employee in the specified group of classifications, where applicable, or;

**OPTION B** By seniority, the laid off employee may retain the classification and displace a junior employee on another shift, or;

**OPTION C** By seniority, the laid off employee may choose to retain a position on their current shift and displace the most junior employee in the department, provided they have the skills and qualifications to

perform the required work. If they are not qualified to perform this job, they may displace the most junior employee in the plant. If they fail to qualify for this job, they will be laid off.

(b) RECALL

When the **Company** decides to increase the work force in the plant, the **laid-off** employees will be recalled in order of seniority, provided that the employee is capable of performing the required work.

9.08

**JOB POSTING**

- (a) **All** vacancies except temporary vacancies will be posted on the bulletin boards for one calendar week. Only the initial vacancy and the first subsequent vacancy are required to be posted. Such **postings** shall include the job, rate of pay, the shift and any other pertinent information. Employees may apply by signing their **names** to the "Application for Job Posting" form. A summary of the posting shall be provided to the Union
- (b) The Company shall select the applicant who possesses the required qualifications, skills and abilities to **perform** the job, and is the most senior of all qualified applicants. The Company shall post the name of the successful applicant within one calendar week and place them in their position as soon as practical. If no qualified applications for a posting are received, the Company may fill the vacancy by hiring from outside the Bargaining Unit.
- (c) When new machinery displaces any employee from an existing classification, the Company may give them preference in filling the **job** created by such new machinery. The Company agrees to post notice of any remaining vacancy, which shall be filled subject to the provisions of this clause.
- (d) Successful applicants (meaning those who are awarded and stay in the position for **sixty (60)** calendar days), to a posting may not apply for further **postings** for a period of six (6) months from the date of last posting.
- (e) If a successful applicant later proves unable to perform the job successfully at any time within the first sixty (60) calendar days or if during the first fifteen (15) calendar days, he requests to be returned

to his former job, he shall be returned to his former job and shift as soon as reasonably possible. Notwithstanding the above, an employee who has successfully posted to a lower paying job classification, shall not have the right to return to his previous job under any circumstances without the approval of management.

- (9) While the Company is in the process of filling a vacancy or new job on a permanent basis. The experience, which such employee gains while performing in *such* temporary capacity, however, shall not be taken into account by the Company when selecting the most qualified applicant for this vacancy.

#### 9.09 **PROMOTIONS**

In the case of promotions, shift changes within a classification and opportunities for advancement within the bargaining unit, seniority shall be the deciding factor, provided the employees concerned have relatively equal qualifications.

#### 9.10 **UNJUST DEMOTION CLAIMS**

In the case of demotions, if an employee feels he has been treated unjustly he shall have recourse to the grievance procedure and return to his previous job if it is found he was unjustly demoted.

#### 9.11 **SUPERVISORY PROMOTIONS**

Promotions to supervisory positions shall not be subject to the provisions of this Agreement. It is clearly understood that Supervisor and assistant Supervisor will only perform jobs related to their position.

- 9.12 An employee who is transferred to a position which is not in the bargaining unit shall retain his seniority rights for six (6) months and their job rights for a period of sixty (60) calendar days.

It is understood and agreed that Company service will accumulate but that seniority shall not accumulate during this absence from the Bargaining Unit. Seniority dates shall be adjusted upon re-entry into the Bargaining Unit.



9.13

### LOSS OF SENIORITY

An employee shall lose all seniority and the employee's employment shall be deemed to be terminated under the following conditions:

- (a) voluntarily quits the employ of the Company (see Letter of Intent);
- (b) is justifiably discharged;
- (c) following a lay-off and on being notified to return, fails to advise the Company within five (5) working days of his intention to return, and fails to return within five (5) working days of receiving such notification;
- (d) is absent without proper notification to the Company for more than one (1) working day. An employee having been absent without proper notification to the Company for more than one (1) working day may be considered to have severed his employment with the Company if, having been given a reasonable opportunity (having regard to all the circumstances) he should fail to present proof of his inability to notify the Company;
- (e) has been laid off in excess of the allowable periods below:
  - (i) Employees with three to twelve months seniority; allowable break equivalent to seniority.
  - (ii) Employees with twelve months seniority or more; shall retain recall rights for a maximum of one year from the date of lay-off.

An employee may be laid off while on a leave of absence, and such employee's **lay-off** shall be considered to have started at the time of the lay-off and not at the start of the leave of absence.

9.14

### ADDRESS CHANGES

It shall be the duty of employees to notify the Company promptly of any change of address or telephone number. If an employee should fail to do this, the Company will not be responsible for failure of a notice to reach him.

9.15

An employee shall not lose any seniority because of absence due to sickness, accident or other unavoidable reasons, subject to the provisions of

9.14 above. If an employee finds that he is unable to report for work, he will notify the Human Resources Department during office hours or his own Supervisor before the start of his shift, or as soon thereafter as possible.

An employee who is receiving Worker's Compensation or Weekly Indemnity payments shall notify the Company as soon as possible when he is available to return to work and shall provide the Company with a medical Certificate. The Company shall not be required to allow such an employee to return to work unless it has been notified during the prior shift of the employee's intention to return to work.

9.16

### LEAVE OF ABSENCE

- (a) Leave of absence may be granted for legitimate reasons. It is agreed that such leave will not be unreasonably withheld. All requests for leave of absence shall be made in writing to the Human Resources Department thirty (30) days prior to date of intended leave stating the reason for the leave and the requested duration thereof. A copy of an employee's request for leave of absence shall be forwarded to the Union. The Company will reply to a written request for a leave of absence within one (1) week of the date of the said request. Where a leave of absence is denied the Company will notify the employee in writing of the reason for the denial of such leave with copy to be provided to the Union.
- (b) Leave of absence will not be granted to accept employment outside of the Company which are party to this Agreement, except to persons on medical leave. Upon commencing to work elsewhere, an employee on leave of absence other than medical leave shall be considered to have voluntarily left the Company's employ. An exception to this provision may be made to an employee wishing to accept employment with the UNITE HERE Employees.
- (c) On Remembrance Day (November 11<sup>th</sup>) the Company will grant a maximum of three (3) hours unpaid leave of absence for any employee who wishes to attend Remembrance Day services, provided the employee has so notified his supervisor no later than 4:00 P.M. on November 4<sup>th</sup>.

9.17 **PREGNANCY LEAVE**

Pregnancy and Parental Leave shall be granted in accordance with the provisions of the Employment Standards Act for Ontario.

9.18 **BEREAVEMENT LEAVE**

Should a bereavement occur in an employee's immediate family, he/she may request a bereavement leave and will be allowed reasonable leave to attend the funeral or ~~conduct related~~ business where required. He/she will be reimbursed at his average hourly earnings for the time granted on such leave provided that the total amount of ~~such~~ reimbursement shall not exceed the aggregate of twenty-four (24) hours (to be taken as 3 x 8 hour shifts).

The Company may require proof of the event, ~~facts~~ and relationship before making reimbursements as above. Should a bereavement occur in an employee's immediate family and the employee does not attend the funeral, he/she may request a bereavement leave of one day and will be paid for one lost regularly scheduled work day within the three consecutive day period following the date of death.

The term "immediate family" shall mean an employee's spouse, father or mother, brother or sister, children, child of spouse, stepchild, father-in-law or mother-in-law, sister-in-law or brother-in-law, legal guardian, grandparent or grandchild, stepfather or stepmother, stepbrother or stepsister, son-in-law or daughter-in-law, spouse's grandparent.

Applicable Federal and/or provincial legislation will be followed when defining the term spouse and/or common-law partnership.

**ARTICLE 10**

**WAGES**

10.01 The Company agrees to pay and the Union agrees to accept for the term of this Agreement, the ~~schedule~~ of wage rates for the ~~job~~ classifications in effect at the date hereof and as set out in Schedule "A", which forms part of this Agreement. The Company shall advise the Union in writing prior to any employee's rate being adjusted during the life of this Agreement.

10.02 **TEMPORARY TRANSFERS**

An employee temporarily transferred to another job classification to meet production requirements or due to machine breakdown will be paid at the rate of the new job, or on the basis of his/her average hourly earnings, whichever is the higher.

An employee temporarily transferred to another job classification for reason of lack of available work on his regular job shall be paid at the rate of the new job, or at the "base rate", whichever is the higher.

A temporary transfer will not exceed thirty (30) working days, unless extended by agreement of the parties hereto.

10.03 **REPORTING ALLOWANCE**

The Company agrees that an employee who has commenced work, or who is reporting for work at his/her regular time, unless previously notified to the contrary, shall be furnished with four (4) hours work or given four (4) hours pay at his thirteen week (13 week) average hourly earnings in lieu thereof. The provisions of this paragraph shall not apply in the event of power or steam failure, fire, flood, or other condition beyond the control of the Company.

10.04 **CALL-IN PAY**

If an employee is called back to work after his regular scheduled hours without being notified prior to the end of his shift, he will be paid a minimum of four (4) hours at straight time, provided that if the time taken to perform the work required exceeds three (3) hours, he will be paid at the regular overtime rate as specified in paragraph 12.02 below, and the four (4) hours' guarantee referred to herein shall not apply.

10.05 **JURY DUTY**

An employee summoned for jury duty or subpoenaed as a witness for the Crown will be remunerated for time lost from work for this purpose by being paid the difference between his average hourly earnings, excluding overtime as shown in the most recent payroll statistics, and the amount of remuneration he receives for his service as a jury man or as a subpoenaed

witness, if such amount is less than he would have earned if he had otherwise been at work.

The Company will require written proof of jury service or Crown witness service prior to reimbursement.

10.06 **JOB MAKE-UP PAY**

If *an* experienced employee's work assignment is less than one hundred per cent (100%) of a job, make-up will be to one hundred per cent (100%), with payment calculated at the base rate.

10.07 **PAY DAY**

The Company agrees to pay weekly wages on Thursday. The Company will endeavour to pay employees on the 11:00 to 7:00 shift during the Wednesday to Thursday shift.

10.08 **HOURLY EARNINGS DEFINED**

Average hourly earnings as stated in this Agreement shall mean the individual employee's average hourly earnings, excluding overtime and shift premium, and based on the most recent available payroll statistics.

10.09 **INJURY PAY**

An employee who is injured on the Company's premises shall be paid for the balance of his shift at his average hourly earnings.

10.10 **INCENTIVE JOBS**

- (a) New employees hired on an incentive job shall be paid a starting hourly rate set by the Company, which will enable the employee to reach the full rate after a reasonable apprenticeship period. If hired below the base rate, the employee shall be increased by a minimum of five cents per hour at the completion of the first four hundred and sixty (460) hours worked and five cents per hour per month thereafter until the full base rate is achieved. Employees on incentive jobs will be paid the higher of the above or actual earnings.
- (b) An employee transferred to an incentive job shall be guaranteed the lower of either his previous hourly rate or one hundred per cent

performance rate on the incentive job for the first four hundred and sixty (460) hours worked. After that time he will be paid base rate plus actual incentive earned. After a reasonable training period for the specific job, the employee is expected to perform at a standard of at least one hundred per cent (100%).

- (c) The Company further reserves the right to discipline, demote or transfer an employee as soon as it can be ascertained by comparison to the normal learning curve that the employee is far below normal performance standards.
- (d) An employee transferred from a non-incentive job to an incentive job shall be entitled to a trial period of five (5) full working days and may, upon request, be returned to his/her former job at the completion of the trial period, unless the transfer was made to avoid a lay-off. The five day trial period may be extended by mutual agreement.

#### 10.11 NEW CLASSIFICATION

If the Company establishes a new classification they shall set a rate for that classification and so advise the Union. If the Union disagrees with the rate it may request a meeting with the Company within ten (10) days of notification, and such meeting will be held within thirty (30) days thereafter. If, after such meeting the parties still disagree concerning the rate the Union may request a meeting between the Company and the Union Engineers, who shall jointly study the job with a view to reaching agreement.

Any adjustments made to the rate as a result of these discussions will be made retroactive to the date of implementation.

10.12 The Company will pay each employee who is required to supply his own tools a Tool Allowance of \$25.00 at the end of each contract year.

For employees in the Maintenance Department, who are required to supply a large number of tools, the Tool Allowance shall be One Hundred Dollars (\$100.00) per annum.

## ARTICLE 11

### WORK STANDARDS

- 11.01 It is recognized and agreed that it is the right of the Company to set and institute changes in tasks, work assignments and/or incentive time standards, provided that when an incentive time standard has been established, such incentive time standard shall remain in effect unless there has subsequently been a change, such as a change in method, materials, specifications, machinery, equipment, lay-out, or because of a clerical error in the setting of the rate. It is further agreed that in the event of any such change, the entire job or any part thereof may be restudied at the request of either party and a new time standard set therefore.
- 11.02 It is agreed that when off-standard conditions occur, routine adjustments in standard incentive rates may be instituted by the Industrial Engineering Department on a day-today basis.
- 11.03 When work is performed by an employee for which no standard has been posted, payment will be made to the employee on the basis of his average hourly earnings.
- 11.04 It is agreed that notice of minor changes in standard incentive rates shall be posted by the Company in advance. A copy of such notice shall be supplied to the Union.
- 11.05 It is agreed that for major changes in standard incentive rates, discussion will be held between the proper representatives of the Union and the Company before major changes are made as outlined in 11.01 above.
- 11.06 In discussing proposed major changes in standard incentive rates, all necessary information required to understand the change will be made available to the Union to the effective date of the change.
- 11.07 The Union shall have the right to bring in its own experts at such discussions. Such persons shall have the privilege of studying the actual operation in the plant.
- 11.08 If the matter is in dispute, the Company, if they deem it necessary, may institute a break-in period. The break-in period shall not exceed thirty (30) working days during which time employees will be paid at their average hourly earnings or actual incentive earnings on the new time standard rate

whichever is the higher. At the conclusion of the break-in period, the incentive rate will be established and become effective, and employees shall participate in the wage incentive system.

- 1 ■ 09 The Company and the Union agree to co-operate to ensure a fair trial following the date the incentive rate becomes **effective**. If investigation, break-in period, etc., do not result in a satisfactory settlement, either party may invoke the grievance and arbitration **procedures** commencing at Step No. 2 of the grievance procedure by giving written notice to the other party not less than five (5) **working** days or more than **twenty-five** (25) working days from the date that the incentive rate was made effective. If neither party gives notice during this period, the incentive rates shall be deemed to be established and satisfactory to the Company, the Union, and the employees concerned.

## **ARTICLE 12**

### **OUR OF WORK AND OVERTIME**

- 12.01 Schedule "B", as posted and forming **part** of this Agreement, is the schedule of the hours **of** work.

12.02 **OVERTIME RATES**

All authorized work performed by an employee in excess of the standard daily or weekly hours as detailed in Schedule "B" shall be considered overtime **and shall be paid for** at ~~the~~ applicable **rate** specified in clause 12.03 below.

The Company agrees to **post** a list on the plant bulletin boards of **all** the overtime hours worked by **each** employee.

12.03 **WEEKEND OVERTIME**

(a) **FIVE DAY WEEK SCHEDULE**

All authorized work performed by an employee between midnight, Friday and Midnight, Saturday, shall be paid at the rate of time and one-half the employee's average hourly earnings.

An employee required to work **continuously** far more than twelve (12) hours will **be** paid at the rate of **two** (2) times his average hourly earnings for **all** hours over twelve (12).



- (b) All authorized work performed by an employee between Midnight, Saturday and Midnight, Sunday, shall be paid at the rate of two times the employee's average hourly earnings.
- (c) The provisions of this paragraph do not apply if work performed by an employee during this period forms part of his regular work week.
- (d) Weekend overtime will be paid as per articles (a) and (b) above if the employee has worked at least 40 regular and overtime hours in the week preceding the weekend when overtime has been scheduled.

Where the employee worked less than 40 regular and overtime hours in the week preceding the weekend when the overtime has been scheduled, weekend overtime up to 40 hours will be paid at straight time and hours in excess of 40 will be paid at the rates outlined in (a) and (b). If the employee worked less than 40 hours because the employer did not provide him/her with the opportunity to do so (was not the fault of the employee) or the employee was absent due to a situation where they would be paid such as jury duty, the employee will be paid weekend overtime. The one exception to this where the employee was on vacation, this will not be counted as paid absence in the week. As per article 10.03, if there is a power or steam failure, fire, flood, or other condition beyond the control of the company, this will not be accounted for in the hours in the week.

## 12.04

### **PLANT HOLIDAY OVERTIME**

All authorized work performed by employees on Statutory Holidays shall be paid at double time. This is in addition to any plant holiday pay the employee may be entitled to under the provisions of this agreement.

Plant holiday overtime that has been scheduled will be paid if the employee has worked the scheduled day preceding and the scheduled day after the statutory holiday. Where the employee did not work the day preceding and/or the day after the statutory holiday when the overtime has been scheduled, plant holiday overtime up to 40 hours will be paid at straight time and hours in excess of 40 will be paid at double time.

12.05 **OVERTIME PAY LIMITATION**

When computing overtime pay, in no case shall an employee be paid overtime on a daily, weekly and plant holiday basis for the same overtime hours.

12.06 **SHIFT PREMIUM**

In addition to the rates of pay listed in Schedule "A", the Company will pay an off-shift premium for all hours worked at regular rates of pay on the following basis:

- (a) for regular shifts commencing on or after 1 p.m., the bulk of whose hours fall before midnight, a premium of twenty-five cents (25) per hour.
- (b) for regular shifts ending on or before 8 a.m., the bulk of whose hours fall after midnight, a premium of thirty cents (30) per hour.

In no case shall these premiums be considered as part of the employees' basic rates of pay.

- (c) any employee who, at the date of signing this Agreement, is enjoying a premium structure more liberal than that defined above, shall continue to receive such premium, but it shall apply only to that employee, and shall become null and void when such employee ceases to be employed on his present shift basis.

12.07 The shift differentials referred to in paragraph 12.06 above shall not be subject to overtime or other premiums.

12.08 **PROTECTION REGULAR HOURS**

Employees will not be required to lay off during regular hours solely to offset overtime hours worked in the same pay period.

12.09 **OVERTIME SCHEDULING**

- (a) In order to maintain the operations of the business overtime may be required. All overtime will be administered on the following basis:

First: All overtime opportunities will be offered on a voluntary basis commencing with the **most** senior qualified employee who **normally** performs the job. A list for employees to sign for voluntary overtime will be posted on Wednesday of each week and employees will be selected from **this** list. Opportunities, which are refused shall be counted as hours worked as we attempt to equalize hours.

- (b) Then – In the event that the required number of employees is not available on a voluntary basis, then the qualified employee with the least seniority **shall** be required to perform the work. This process would continue from the bottom of the seniority list upward until the required number of employees is reached.
- (c) Where overtime is required on short notice due to absenteeism or emergency conditions, the Company shall endeavour to select the senior qualified **employee**. These hours will also be counted toward equalization.
- (d) The following limitations apply:
  - (i) Mandatory overtime will never be scheduled **two week-ends** in a **row**. It **can be** scheduled throughout the year, if required, and will be posted by the preceding Wednesday at 3:00 pm.  
  
The other weekends will be on a voluntary basis and this can be posted at any time during the week preceding the overtime.
  - (ii) All Sunday overtime shall be voluntary except for employees in the **Dyehouse** who may be subject to the provisions of (b) above. Employees in the Fabrication Department shall only be subject to (b) for Sunday overtime in the event of a machine breakdown or due to an emergency beyond the Company's control.
  - (iii) All overtime required on a statutory holiday week-end will be on a voluntary basis only.
  - (iv) An employee on scheduled vacation on the Friday before the week-end of mandatory overtime will not be required to work the Saturday overtime.

## 12.10

On any day **when** an employee is asked by the Company to work overtime following the **conclusion** of his/her regular shift and agrees to do so, and has

not been so notified prior to the commencement of his/her shift, the employee shall be given a \$7.00 meal allowance through payroll, provided the overtime is for 2 hours or more.

12.11 **FIRST AID ATTENDANT**

Designated first aid attendants, of which there shall be one (1) on each of the three shifts, shall be paid ~~twenty-five~~ cents (25) per hour in addition to their regular rate.

12.12 **TRAINING**

The Company agrees to pay a premium of thirty cents (\$.30) per hour to an employee who is designated to train or give job instruction to another employee as they learn a new production machine function/position. Such premium of thirty cents (\$.30) per hour will not form part of the employee's regular hourly rate in the computation of overtime, statutory holiday or any other form of premium or incentive payment or compensation.

**ARTICLE 13**

**PLANT HOLIDAYS**

13.01 The following ten (10) plant holidays will be observed by the Company regardless of the days on which they fall. In the event a holiday should fall on a Saturday or Sunday, an alternate day of will be granted instead:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	Floater Holiday

The floater will be scheduled in or around the Christmas/New Year holiday period. The selection of the date shall be made by mutual agreement of the parties each year.

13.02 **PAY RATES**

An employee will be paid for the number of hours which constitute his normal work day as defined in Schedule "B", if the plant holiday falls on a day in his regular schedule. If the employee is not regularly scheduled to work on this day, then he shall receive eight (8) hours pay at straight time. An

hourly-rated employee will be paid at his regular hourly rate and an incentive worker will be paid at his average hourly earnings.

### 13.03 **PROBATIONARY EMPLOYEES**

Employees must have completed four hundred and sixty (460) hours of work for the Company before they are eligible for plant holiday pay. Where an employee completed ninety days of work he shall be eligible to receive retroactive payment for a plant holiday for which he otherwise would have been eligible during the sixty (60) days mentioned herein.

### 13.04 **ELIGIBILITY**

To be eligible for plant holiday pay, it is understood that the employee must work his full regular shift on the declared work day immediately preceding, and his full regular shift on the declared work day immediately following the plant holiday concerned. The "declared work day", as used herein shall mean the work day so declared by the Company.

### 13.05 **SPECIAL CIRCUMSTANCES**

Notwithstanding the provisions of paragraph 13.04 above, but subject to the other provisions of this Agreement, the Company agrees:

- (a) to pay an employee who is absent from work while receiving sick benefits under the group insurance, or benefits under the Workers' Compensation Act at a time a plant holiday occurs, the plant holiday pay to which he would otherwise be entitled under the provisions of this Agreement;
- (b) to pay plant holiday pay to an employee who is absent due to death in his immediate family, as specified in paragraph 9.18. In no case, however, will an employee be paid for the same day under the provisions of this paragraph, and of paragraph 9.18;
- (c) to pay an employee who is absent from work because of personal sickness verified by a certificate signed by a licensed medical practitioner of good standing, provided that the provisions of this paragraph will cease to apply to any employee when he has been paid for four (4) plant holidays during any one (1) continuous absence because of such illness;

- (d) to pay plant holiday pay to an employee who has not worked his full regular shift in accordance with the provisions of paragraph 13.04 above, **because of circumstances** deemed to be extenuating. In reaching such a decision: the Company will consult with the Union, and each case will be considered on its merits;
- (e) to pay plant holiday pay to an employee who has been granted **permission** to be absent all or part of his regular shift immediately before, or **his** regular shift immediately **after** a plant holiday.

13.06 The provisions of this article shall not apply to employees on layoff unless the employees were laid off because of lack of work during the five (5) work days immediately preceding the plant holiday concerned and were not recalled to work prior to that holiday.

13.07 The provisions of this article shall not apply to employees on leave of absence. However, an employee **will** receive plant **holiday** pay provided such leave of absence **is** for a period of two (2) weeks or less and the employee is otherwise qualified.

13.08 In no circumstances will an employee receive plant holiday pay for more than four (4) of the plant holidays mentioned above during any continued absence regardless of the reason for such absence.

13.09 In cases **where** a Statutory Holiday **occurs** during a scheduled vacation period, the employee shall be paid for the Statutory Holiday and that particular day shall not be considered part of the employee's vacation. In those **cases** where the one day vacation is still due to the employee, that day shall **be** scheduled at another time by mutual agreement between the employee and the Company, in which case the Company will withhold vacation pay for that day until it is taken. The purpose of this clause is to clarify that in such cases the **employee** shall not automatically have the additional vacation day carry forward to the first working day of the following week, as this has been disruptive to production and has adversely affected the possibility of scheduling other employee's vacations who may prefer that particular week.

## ARTICLE 14

### VACATIONS

14.01 Employees in the employ of the Company as of the last day of the last full pay period in the month of June shall be entitled to vacation, with vacation pay to be computed as provided in paragraph 14.02, as follows:

- (a) Employees with less than six (6) years' service with the Company -- ~~two~~ (2) weeks' vacation.
- (b) Employees with six (6) years' service or over, but less than fourteen (14) years -- ~~three~~ (3) weeks' vacation.
- (c) Employees with fourteen (14) years' ~~service~~ or over, but less than twenty (20) years -- four (4) weeks' vacation.
- (d) Employees with twenty (20) years' service and over -- five (5) weeks' vacation.

*Note: For scheduling purposes, a week's vacation shall consist of 5 x 8 hour shifts.*

### 14.02 COMPUTATION

The total amount of vacation pay due each employee shall be based on his length of continuous service with the Company, and shall be computed in accordance with the "Computation of Vacation Pay" table set out below:

### COMPUTATION OF VACATION PAY TABLE

<u>Length of employee's continuous service with the Company</u>	<u>Rate of Vacation Pay</u>
Less than 4 years	4% of employee's total earnings during the 12 month period ending with and including the last full pay period in the month of May
4 years or over, but less than 6 years	5% "
6 years or over, but less than 14 years	6% "
14 years or over, but less than 20 years	8% "
20 years or over, but less than 25 years	10% "
25 years or over	12% "

"Total earnings" as listed above in this clause shall include the previous year's vacation pay.

**14.03** Notwithstanding the other provisions of this article, an employee whose employment with the Company is terminated on any day prior to the last day of the twelve (12) month period ending with the last day of the last full pay period in the month of May, shall receive vacation pay for the portion of the said twelve (12) month period he/she worked for the Company, as follows:

An employee whose employment with the Company is terminated for any reason shall receive the amount of vacation pay to which he/she is entitled under the schedule set out in the "Computation of Vacation Pay" table in paragraph **14.02** above for work performed during that portion of the said twelve (12) month period he/she worked for the Company, and such payment shall be made in cash.

**14.04** When an employee loses seven (7) continuous working days or more of employment while receiving benefits from the Workers' Compensation Board, or sick benefits, or who is on maternity leave, he/she shall be credited with the number of hours so lost as if they had been hours actually worked by the employee, up to a maximum total accumulation of twenty-six (26) weeks for the purpose of computing vacation pay. If the employee's absence is the result of one (1) accident or illness, the aforementioned twenty-six (26) week maximum will apply during that absence.

- 14.05**
- (a) The company will not schedule a vacation plant wide shutdown in the summer months but may schedule a vacation plant wide shutdown in the Christmas/New Year period and will be communicated to the employees and union when decided by management.
  - (b) A vacation schedule must be prepared by each department, finalized and posted by April 30 in each year. Employees will schedule their vacation in accordance with seniority and the schedule is subject to approval by the department manager.
  - (c) Employees cannot schedule more than two weeks vacation in the period of June 1 to September 30 unless the department manager can accommodate this without any disruption to plant activity and maintaining the strict rule of vacation by seniority. The department manager will attempt to schedule more than two consecutive weeks of vacation outside of the June 1 to September 30 period.



- (d) Employees with two or more weeks of vacation entitlement must allow those employees with **two** weeks or less of vacation entitlement to schedule their vacation before the weeks in excess of two can be scheduled.
- (e) Any vacation requests from employees not scheduled by April 30 of the vacation year will be treated on a “first come, first **serve**” basis and will be approved at the discretion of the department manager.
- (f) Any requests to revise the vacation schedule must be approved by the department manager and is at the discretion of the department manager.

14.06 Unless special permission is **otherwise** given by the Company, a vacation week is to commence on Sunday and end on ~~the~~ following Saturday.

14.07 Vacation pay will be computed as of May 31st of **each** year and will be directly deposited into the employee’s account, in a separate deposit on the last pay deposit in June of that year.

14.08 The number of years of **continuous** service used in reckoning the rate of pay to which an employee is entitled shall be computed as of the 30th of June.

14.09 **LONG SERVICE VACATION BONUS**

Employees in the employ of ~~the~~ Company as of the last day of the full pay period in the month of June will in addition to any entitlement provided for in subsection 14.02, receive a bonus in accordance with the following:

- (a) 5 years or more but less than 12 years service - \$50.
- (b) 12 years or more service .. \$100.

**ARTICLE 15**

**SAFETY AND I**

15.01 The Company shall make reasonable provisions for the safety and health of their employees during working hours.

The Company shall conduct a fire drill for all employees at least once in every twelve (12) month period.

15.02 The Union agrees that it will co-operate in the enforcement of safety rules and regulations.

15.03 The Company will make available to all full-time employees, while they are in the active employ of the Company, Group Life, A. D. & D., Sickness and Accident Extended Medical Coverage Insurance and Dental plans as follows:

The specific application and administration of all benefits and all matters with respect to the Insurance program provided for herein shall be governed by the terms of the plan or policy with the applicable insurance carrier. Any dispute over payment of benefits under any such plan or policy shall be adjusted between the employee and the insurer concerned and not to be dealt with through grievance and arbitration process. Applicable Federal and/or Provincial legislation will be followed when defining the term spouse and/or common-law partnership.

1. **Group Life Insurance Plan** -- Ten Thousand Dollars (\$10,000) for all bargaining unit employees.

**A. D. & D. Insurance Plan** -- Ten Thousand Dollars (\$10,000) for all bargaining unit employees.

2. **Extended Medical Coverage Insurance** as provided for by the policy:

100% of hospital charge for semi-private accommodation, no deductible.

(a) 100% of charges for prescription drugs, which are included in the Ontario Drug Benefit Formulary, deductible \$10 single and \$20 family.

or

(b) a "pay direct" prescription drug card with a \$3.00 per prescription deductible.

Fertility drugs and treatment are not covered by this "Extended Medical Coverage Insurance".

A percentage of charges for all other covered expenses, up to a stipulated maximum, with deductibles of \$10 single and \$20 family.

**Vision Care:** Benefits, **as** defined in the current booklet provided by the Insurance Company.

3. **Sickness and Accident Benefit** -- Provide weekly indemnity payments of 66 2/3% of earnings to a maximum of the U.I.C. level with no "carve-out".  
This plan shall be on a 1-1-4-26 basis.

4. **Dental Plan**

Dental Plan to provide the following features:

- (a) No deductible
- (b) Unlimited maximum for covered expenses
- (c) 80% co-insurance
- (d) Effective March 1, 2004, the 2003 ODA fee schedule shall come into effect. Effective March 1, 2005, the 2004 ODA fee schedule shall apply. Effective March 1, 2006 the 2005 ODA fee schedule shall apply. Effective March 1, 2007 the 2006 ODA fee schedule shall apply.

5. **Retirement Benefits**

Employees will retire during the year in which they reach his/her sixty-fifth birthday unless it is mutually agreed to by the employee and the Company that the employee will continue to work after the sixty-fifth birthday. This agreement is at the discretion of the Company and the employee can be asked to retire at any time and would be entitled to the usual retirement benefits.

While the employee is employed after the sixty-fifth birthday, he/she is subject to all of the union contract clauses and company policies that are in place for all employees.

- (a) An ~~employee~~ who retires at age ~~sixty-five~~ or greater pursuant to the Company's policy will be entitled to the following benefits, provided he/she has completed five years' service with the Company immediately prior to the date of retirement:
  - (i) A retirement **allowance** in the amount of \$1,000.00.
  - (ii) A paid up life insurance policy in the amount of \$1,000.00.

(b) An employee who retires at age sixty-five or greater pursuant to the Company's policy will be entitled to the following benefits, provided he/she has completed fifteen years of service:

(i) A retirement allowance in the amount of \$1,500.00.

(ii) A paid up life insurance policy in the amount of \$1,000.00.

If, because of ill health, an employee is forced to retire before he/she reaches age sixty-five, the employee will receive, upon retirement, a \$1,000.00 paid up life insurance policy, provided the employee has been in the Company's employ for fifteen years or more immediately prior to the date of retirement.

This Article shall apply to any employee who retired at age sixty-five subsequent to November 1, 1990.

15.04 The Company agrees to pay 75% of the cost of the following:

Group Life insurance  
Extended Medical Coverage  
Sickness and Accident Insurance  
Dental Plan

The Company agrees to maintain these percentage payments during the life of this agreement.

15.05 Employees on a leave of absence for a period greater than three (3) weeks shall pre-pay the full premiums if they desire premium coverage to continue during the aforesaid leave for Extended Medical Coverage Insurance. Employees on pregnancy leave shall pre-pay their required premium portion if they desire premium coverage to continue during such leave.

15.06 The Company will pay 100% of the cost, up to a maximum of one hundred Dollars (\$100.00), of one (1) pair of safety footwear per contract year to any employee required by the Company to wear such safety footwear.

15.07 In the event the Province of Ontario should decide to abandon the current payment system for hospital insurance - the Employer Health Tax (E.H.T.) - and to revert to the same, or a similar payment structure as that previously in effect under the Ontario Hospital Insurance Plan (OHIP) the Company agrees that they will contribute seventy-five per cent (75%) of the premium

cost of that insurance plan on behalf of all full-time employees while they are in the active employ of the Company.

This article will remain in the **contract**. But, it is agreed that the Health **Tax** put into effect on July 1, 2004 by the Ontario Government is a tax and not an OHIP premium as per article 15.07. The company will not contribute 75% of this tax on behalf of the employees. It is also agreed that the union will not raise a grievance or challenge the Company on this agreement.

## ARTICLE 16

### **BULLETIN BOARDS**

- 16.01 The Company agrees to extend to the Union the privilege of using bulletin boards to **be** located in the Mill in locations designated by the Company. The Union agrees not to use the boards for propaganda purposes.
- 16.02 The Union agrees that no pamphlets or other publications will be distributed on the premises of the Company without the Company's approval.

## ARTICLE 17

### **U N I T E H E R E**

- 17.01 The Company agrees that all employees shall be obligated, as a condition of employment, to sign an authorization card authorizing the Company to deduct, on a monthly basis and from day one (1) of employment, union dues. Such deductions shall **be** remitted by the last day of each month in which the deductions were made, by cheque payable to the UNITE **HERE** Employees. It **is** further understood that employees shall be entitled to union representation from day one (1) of employment
- 17.02 Once an employee has authorized the Company to deduct Union dues, such employee shall not be entitled to cancel the authorization **so** given while this Agreement is in effect.
- 17.03 **At the time of** making each remittance hereunder to the Union, the Company will submit a list of the names of all employees from whose pay such deduction has been made for the **current** month, and at the same time will also submit the following information to the Union: a list of the people from whom no deduction was made for the current month, and the reasons therefor - e.g.

LE	=	Left Company' employment
LO	=	Laid off
IF	=	Initiation fee
LA	=	Leave of absence
SICK	=	Away sick, and no wages payable
WC	=	On Compensation from the Workers' Compensation Board
PR	=	Promoted out of the Bargaining Unit

17.04 The Company will include on each employee's T-4 form the amount of Union dues (excluding initiation fees) paid by him/her during the tax year in question.

17.05 The Company agrees to contribute an annual payment of FOUR THOUSAND (\$4,000) DOLLARS to the Union's Education Fund commencing in January, 2005, which shall be forwarded to the Union by cheque made payable to the UNITE HERE Education Fund.

## ARTICLE 18

### CORRESPONDENCE

18.01 Except as otherwise provided, any notice which either party desires to give to the other shall be given by registered mail, as follows:

**To the Company:** The Cambridge Towel Corporation  
450 Dobbie Drive,  
Cambridge, Ontario. N1R 5X9

**To the Union:** UNITE HERE  
460 Richmond Street West 2<sup>nd</sup> Floor  
Toronto, Ontario. M5V 1Y1  
cc-Recording Secretary,  
Local 1441, UNITE HERE  
Cambridge, Ontario.

## ARTICLE 19

### MODIFICATION, RENEWAL AND TERMINATION

19.01 This Agreement shall continue in effect from November 1, 2003 until the 31st day of October, 2007 and shall continue automatically thereafter during

annual periods of one year each unless either party notifies the other in writing within one hundred and twenty (120) days prior to the expiry date that a revision or discontinuance is desired.

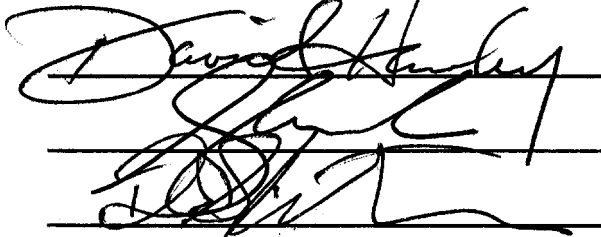
19.02 In the event of such notification being given as to revision of the Agreement, negotiations between the parties shall begin within fifteen (15) days following such notification unless extended by mutual agreement of the parties.

19.03 If the parties enter into negotiations for the purpose of amending this Agreement, and agreement on the renewal or amendment of this Agreement is not reached prior to the normal termination date hereof, the termination of this Agreement shall ~~be automatically extended~~ until consummation of a new Agreement or completion of the conciliation proceedings prescribed under the Labour Relations Act of the Province of Ontario.

19.04 The Company agree to make available a copy of the Collective Agreement printed in booklet form for all employees at no cost to the Union.

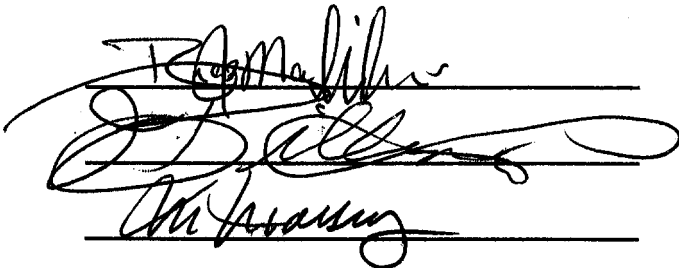
IN WITNESS WHEREOF the Company and the Union have caused these presents to be executed by their duly authorized representatives on the 8<sup>TH</sup> day of ~~DECEMBER~~, 2004 in Cambridge, Ontario.

**THE CAMBRIDGE TOWEL CORPORATION**



Two handwritten signatures are written over two horizontal lines. The first signature is large and cursive, while the second is smaller and more compact.

**UNITE HERE  
Ontario Council, Local 1441**



Three handwritten signatures are written over three horizontal lines. The first signature is large and cursive, the second is smaller and more compact, and the third is also large and cursive.

## **WAGES**

Wage Rates - See Schedule "A".

New employees shall be paid a starting hourly rate set by the Company, which will allow the employee to reach the full rate for the classification in question after a reasonable apprenticeship period. The normal apprenticeship period of each classification appears on Schedule "C". New employees will be increased five cents per hour at the completion of their first sixty (60) working days and five cents per hour per month thereafter until they reach the maximum rate of the classification of the job being performed.



# SCHEDULE "A"

## CLASSIFICATION & WAGE RATES

DEPT./CLASS NO.	CLASSIFICATION	11/1/04 DAY RATE	11/1/05 DAY RATE	11/1/06 DAY RATE
<b>PREPARATION</b>				
401	WARPER OPERATOR/CREELER	10.99	11.24	11.54
402	WARPER OPERATOR	11.17	11.42	11.72
403	WARPER CREELER	10.99	11.24	11.54
404	SLASHER OPERATOR	12.69	12.94	13.24
405	SLASHER HELPER	11.14	11.39	11.69
406	WARPER OPERATOR - SPECIAL	11.37	11.62	11.92
407	SLASHER OPERATOR - A	13.19	13.44	13.74
<b>WEAVING</b>				
501	WEAVER	13.08	13.33	13.63
502	WARP HAND	12.19	12.44	12.74
503	WARP TYER	12.19	12.44	12.74
504	WARP TYER/FIXER	13.19	13.44	13.74
505	WARP TYER TECHNICIAN	14.19	14.44	14.74
507	FIXER	14.94	15.19	15.49
509	ROLL & FILL CARRIER	11.20	11.45	11.75
511	DRAW-IN	11.39	11.64	11.94
517	OILER/TECHNICIAN	11.70	11.95	12.25
<b>DYEHOUSE</b>				
601	LEAD HAND	12.86	13.11	13.41
602	MACHINE OPERATOR	11.86	12.11	12.41
603	GENERAL HELP	10.29	10.54	10.84
604	MATERIAL HANDLER	10.99	11.24	11.54
613	BATCHER/ORDER PICKER	11.86	12.11	12.41
<b>FABRICATION</b>				
702	SLITTER OPERATOR	10.99	11.24	11.54
704	BAR TACK OPERATOR	10.99	11.24	11.54
706	END HEMMER	11.17	11.42	11.72
707	WHIPPER	11.17	11.42	11.72
708	EMBROIDERY M/C OPERATOR	11.19	11.44	11.74
709	INSPECTOR/FOLDER	10.59	10.84	11.14
710	REPAIRS	11.14	11.39	11.69
712	POLYBAG/POLYWRAP OPERATOR	10.29	10.54	10.84
713	LEAD HAND	12.19	12.44	12.74

SCHEDULE "A" (II)

DEPT./CLASS NO.	CLASSIFICATION	11/1/04 DAY RATE	11/1/05 DAY RATE	11/1/06 DAY RATE
<b>(Fabrication, cont'd.)</b>				
714	FIXER	13.69	13.94	14.24
715	PACK & RECORD	10.99	11.24	11.54
716	<b>INSPECTOR/AUTOFOLDER OPERATOR</b>	10.69	10.94	11.24
717	GENERAL HELP	10.29	11.54	11.84
718	EXPEDITOR	11.24	11.49	11.79
720	BARUDAN OPERATOR	12.19	12.44	12.74
722	MANUAL CUTTING	10.59	10.84	11.14
723	MANUAL HEMMER	11.17	11.42	11.72
727	SETS ASSEMBLY	10.59	10.84	11.14
734	JET SEW OPERATOR	12.19	12.44	12.74
<b>SHIPPING</b>				
801	SHIPPING CO-ORDINATOR	12.51	12.76	13.06
805	SHIPPER/RECEIVER	12.26	12.51	12.81
806	PACKER/LOADER	11.39	11.64	11.94
807	MATERIAL HANDLER	10.99	11.24	11.54
841	AZ TRUCK DRIVER	15.70	15.95	16.25
<b>MAINTENANCE (SEE ALSO NOTE 1)</b>				
901	MECHANIC-TICKETED	18.35	18.60	18.90
910	APPRENTICE (NOTE 2)			
<b>FASHION</b>				
301	PRINTING M/C OPERATOR-A	15.06	15.31	15.61
302	PRINTING M/C OPERATOR-M	12.31	12.56	12.86
304	SCREEN PREPARER	11.62	11.87	12.17
305	COLOUR TECHNICIAN	13.74	13.99	14.29
306	PHOTO SCREEN MAKER	13.92	14.17	14.47
307	MACHINE LOADER	10.59	10.84	11.14
308	GENERAL <b>HELP</b>	10.29	10.54	10.84
309	MACHINE LOADER / RECORDER	11.29	11.54	11.84

## SCHEDULE (a) (iii)

### NOTE 1: TICKETS

For additional tickets the base rate will be increased as follows:

First additional applicable ticket:	\$1.00 per hour
Second additional applicable ticket:	\$ .50 per hour
Third additional applicable ticket:	\$ .50 per hour

### NOTE 2: APPRENTICE RATES

Apprentice Rates will be based on the appropriate ticketed classification rate and will follow Ontario Ministry guidelines for years of experience and percentage of rate.

### NOTE 3:

The following employees will no longer be red circled and their job classifications and rates are listed below:

<u>Name</u>	<u>Job Classification</u>	<u>Classification#</u>	<u>Rate</u>
Fernanda Cabral	Warper Oper.-Spec.	406	\$11.37
Jose Furtado	Warp Tyer Technician	505	14.19
Ismail Darsot	Slasher Operator	404	12.69
Rick Givlin	Roll & Fill Carrier	509	11.20
Natalia Raposo	Machine Operator	602	11.86
Brian Olheiser	Shipper/Rec.	805	12.26
Rick Ball	Packer/Loader	806	11.39
Leo Cordon	Packer/Loader	806	11.39
Wayne Grummett	Packer/Loader	806	11.39
Humberto Pires	Batcher/Ord. Picker	613	11.86

The two employees' listed below wages are frozen until future wage increases bring them up to date with other employees.

Conceicao Pavao	Inspector/Folder	709	10.99
Maria Figueiredo	Inspector/Folder	709	10.99

The janitor position has been deleted.

### NOTE 4:

Employees who perform the work of a higher rated classification will be paid the higher rate for all time so worked.

### NOTE 5:

A lump sum payment of \$300.00 will be paid upon ratification of this contract to each of the active employees, including those who were laid off and retained their recall rights.

On October 31, 2004 a payment of \$100.00 will be paid to all active employees including those who were laid off and retained their recall rights.

## **SCHEDULE "B"**

**(a) FIVE DAY WEEK SCHEDULE**

**Employees in job classifications, which operate on a "5 Day Week Schedule" shall have regular shift hours as follows:**

**MONDAY TO FRIDAY      8 HOURS PER SHIFT**

**REST PERIODS:**

**On straight eight hour shifts, a total of 30 minutes paid lunch time will be allowed in periods mutually agreed and times as designated by the Company.**

# SCHEDULE "C"

## APPRENTICESHIP PERIODS

DEPT./ CLASS. NO.	CLASSIFICATION	MONTHS
<b>PREPARATION</b>		
402	Warper Operator	-
403	Warper Creeler	-
404	Slasher Operator	9
405	Slasher Helper	-
406	Slasher Operator A	15
<b>WEAVING</b>		
501	Weaver	6
502	Warp Hand	-
503	Warp Tyer	6
504	Warp Tyer/Fixer	24
507	Fixer	18
509	Roll & Fill Carrier	-
511	Draw-In	9
514	General Help	-
515	Material Handler	-
517	Oiler/Technician	6
<b>DYEHOUSE</b>		
601	Lead Hand	N/A
602	Machine Operator	6
603	General Help	-
604	Material Handler	-
<b>FABRICATION</b>		
703	Slitter/Side Hemmer Operator	6
705	Auto Sewing M/C. Operator	-
706	End Hemmer	-
707	Whipper	-
708	Embroidery M/C Operator	-
709	Inspector/Folder	-
710	Repairs	-
712	Polybag/Polywrap Operator	-
713	Lead Hand	N/A
714	Fixer	12
715	Pack & Record	6
716	Inspector/Auto Folder Operator	-
717	General Help	-
718	Expeditor	-
722	Manual Cutting	-
723	Manual Hemmer	-
727	Sets Assembly	-

<b>DEPT./ CLASS. NO.</b>	<b>CLASSIFICATION</b>	<b>MONTHS</b>
<b>SHIPPING</b>		
801	Shipping Co-Ordinator	N/A
805	Receiver	
806	Packer/Loader	
807	Material Handier	-
841	AZ Truck Driver	12
<b>MAINTENANCE</b>		
901	Mechanic-Ticketed	36
902	Mechanic	12
904	Electrician-Ticketed	48
905	Electrician	9
906	Carpenter-Ticketed	24
907	Carpenter	6
909	General Maintenance	-
910	Apprentice	N/A
<b>FASHION</b>		
301	Printing M/C. Operator A	24
302	Printing M/C. Operator M	12
303	Printing M/C. Operator B	6
304	Screen Preparer	6
305	Colour Technician	18
306	Photo Screen Maker	18
307	Machine Loader	-
308	General Help	-
309	Machine Loader/Recorder	-

## LETTER OF INTENT 1.

In interpreting and applying article 9.13(a) it is understood that "voluntarily quits" refers to an employee who voluntarily quits and who does not reverse his or her decision at least two (2) hours prior to the start of his or her **next** schedule shift and does not report for that shift. However, if coverage has been **re-arranged** for by the Company, the employee will be notified to report for a following **shift**, provided that in no event shall this following shift be more than three (3) working days following the employee's first action. It is understood that the Company retain the right to discipline the **employee(s)** involved, subject to **the** employee's right to grieve.

## **LETTER OF INTENT 2.**

The Company agrees that in regard to the floater holiday that the Company will consult with the Union Committee before deciding on the date to be observed.

In cases ~~where~~ the Company would wish to observe a Plant Holiday on a date, other than the day on which it falls, the Company will consult with the Union Committee before deciding ~~on~~ such date.

The Company will post the final dates of ~~such~~ holidays at least two (2) months before the scheduled holiday.



## **LETTER OF INTENT**

3.

**The Company agrees to set up an arrangement With the local urgent care clinic so that employees who may be required to provide a doctor's certificate to either the Company or the insurance company may arrange to visit the designated medical facility with the cost of such notes or reports being paid for by the Company.**

## **LETTER OF INTENT**

4.

**It is the Company's intention to discuss with the local union committee any matters affecting the Bargaining Union at the earliest possible convenience.**

## **LETTER OF INTENT**

5.

**The employer has not had, and has indicated that they will not have, off site meetings. If for any reason the employer calls a meeting off site we will revert to Article 5.03 of the collective agreement dated 2003 whereby the employer will pay for all wages at the rate of straight time, which shall include hours outside their regular schedule shifts.**

## LETTER OF INTENT

6.

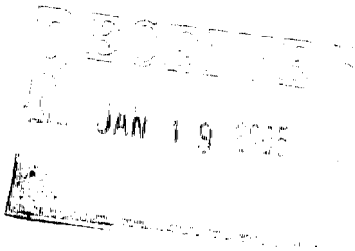
The employer has advised the union that they have not recently or intend to have 12-hour shifts at this facility. The union agrees to remove any reference to the 12-hour shifts and if the employer in the future works 12-hour shifts employees will be **paid** in accordance with the deleted language of Article 12.02 or ~~any~~ other pertinent Article of the collective agreement dated 2003.



# Your Group Benefits Plan

**The Cambridge Towel Corporation**

**Hourly employees**



**Contract Number 70601**  
**Effective February 4, 2000**

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# Benefit Schedule

- Division** – The Cambridge Towel Corp. –Hourly
- Class** – Hourly Employees
- Benefits** – Employees only: Basic Employee Life, Paid-up Employee Life, Accidental Death & Dismemberment, Weekly Indemnity.  
All Employees and Dependents: Extended Health, Dental.
- Eligibility** – All permanent full-time employees working at least 15 hours a week are eligible to join the plan.
- Waiting Period** – On the **day** following 3 months of **continuous** employment.

BASIC TPL EE LIFE NEF

- Amount** – \$10,000
- Termination Age** – Age 70 or earlier retirement

PAID-UP LIFE

- Amount of Coverage** – **As** purchased by the Policyholder on a single premium **basis**.
- Termination Age** – **Not** applicable

TOTAL DEATH & FL

- Employee F** **Sum**
- Basis** – Same as Basic Employee Life B

An Insured's Principle Sum-Basic cannot exceed his Benefit Amount under Basic Employee Life

**Employee Overall Maximum**

– **Basic** – Same as Basic Employee Life Benefit

**Employee Reductions, Termination**

– **Basic** – Same as Basic Employee Life Benefit

**Rounding** – Same as Basic Employee Life Benefit

**EXTENDED HEALTH BENEFIT****Eligible Expenses**

- In-Patient Hospital
- Semi-Privateroom and board unlimited per day **maximum**. Hospital is not subject to the deductible and co-insurance.
  - convalescentHospital
  - Out-Patient Hospital
  - **Ambulance**
  - Prescription Drugs – you may also elect the Assure Health Prescription Drug Card plan
  - Nursing \$5,000 per 3 years
  - Professional ~~Health~~ Services
    - physiotherapists: \$500 per year
    - Psychologist: \$300 per year
    - All Other Services: \$7 per visit
  - \$200/specialty/calendar **year**
  - Equipment, Supplies, Other Services
  - Vision Care

For details refer to Benefit descriptions.

**Deductible** – \$10 Single, \$20 Family

**Co-insurance** – 100%



**Overall Lifetime Maximum** – Unlimited to age 69. \$50,000, thereafter. Note: If the maximum is "Unlimited", Outside Province is subject to a maximum of \$1,000,000, per instance

<b>For employees who elect the Assure Health Prescription Drug Card Plan. The following information applies to the Prescription Drug Card Plan only:</b>	
<b>Co-insurance and Deductible</b>	100% after the deductible of \$3.00 for each prescription or refill
<b>Overall Lifetime Maximum</b>	\$50,000 per person for employees age 69 or over and their dependents for <b>all</b> eligible expenses other than items available with the drug card, and \$50,000 per person for employees age 69 or over and their dependents for <b>all</b> eligible expenses available with the drug card

- Dependents**
  - Spouse
  - Children: Birth to age 21 or 26 if in school
- Extension for Survivors** – 12 Months
- Termination Age** – retirement

**DENTAL & BENEFIT**

- Eligible Expenses**
  - Basic Preventative
  - Co-insurance: 80%
  - Maximum:** Unlimited Annually
- Deductible** – **Nil**
- Fee Guide** – 1998 Ontario Dental Association **Fee** Guide for General Practitioners
- Dependents**
  - Spouse
  - Children: Birth to age 21 or 26 if in school
- Extension for Survivors** – 12 Months
- Termination Age** – Age 70 or earlier retirement

**WEEKLY SICKLEAVE BENEFIT**

- Scheduled Weekly Benefit** – 66 2/3% of gross weekly **earnings**. Benefit rounded to next higher multiple of \$1.00, **unless** already a multiple.
- Maximum Weekly Benefit** – UIC **Maximum** (updated automatically)
- Elimination Period** – 0 days Accident  
2 scheduled working days Sickness  
0 days Hospital
- Maximum Benefit Period** – 26 weeks
- Benefits, Elimination Period** – Based on 3 scheduled working days
- Termination Age** – Retirement

# General Information

## About This Booklet

The information in **this** employee benefits booklet is important to you and should be kept in a safe place. It provides the information you **need** about the group benefits available through your employer's group contract with Sun Life.

If there are any discrepancies between the group contract and the information in **this** booklet, the group contract will take priority.

## Plan Effective Date

This booklet describes the terms of the plan as of February 4, 2000.

## Individual Effective Dates

The BENEFIT SCHEDULE shows basic coverages provided by the plan. In order for your basic coverage to become effective, you must:

- belong to **an** eligible class;
- complete your waiting period, if any; and
- complete an enrolment card.

Provided your enrolment card has been completed and you are actively at work, basic coverage will normally begin on your eligibility date – the date you complete your waiting period, if any.

## Earnings

Certain benefits under the plan are earnings related. The following explanations are essential for **a** complete understanding of your coverage.

Earnings mean your regular rate of earnings with your employer, excluding bonuses, overtime pay and **all** other extra compensation. They are normally determined before taxes and can also be referred to as "gross earnings". If after-tax **earnings** are **used**, they are

referred to as "net earnings". The plan uses weekly, monthly or annual earnings, depending on the type of benefit.

- for Weekly Indemnity, unemployment insurance may require that earnings include bonuses, overtime pay and all other extra compensation if earned on a regular basis;

### Evidence Of Insurability

Basic coverage under this plan is normally available without evidence of insurability. This means that medical examinations and health questionnaires are not required.

Evidence is required for:

- late entrants - any person who applies for coverage more than 31 days after their eligibility date or after having waived such coverage;
- excess coverage - amounts over and above any non-evidence maximum shown in the BENEFIT SCHEDULE;

Coverage requiring evidence cannot begin before the Company's approval. Except for late entrants, the Company pays reasonable charges for any evidence it requests. Your Plan Administrator will provide you with details and any forms required.

### Changes In Coverage

In order to qualify for an increase in coverage:

- you must be eligible for the increase,
- you must be actively at work; and
- any evidence of insurability required for the increase must have been approved by the Company.

~~Decreases~~ in coverage take effect automatically on the scheduled date, whether or not you are actively at work.

### Individual Terminations

Except for any continuation or extension specifically provided by the plan, further coverage terminates on the earliest of the following dates:

- the date the plan terminates, either in whole or in part;

- the date you are no longer in an eligible classification. This includes the date you reach any age limit that may apply;
- the date you are no longer actively at work on the basis required for your classification;
- the date you fail to make your premium contribution, if required;
- the date you request your employer to terminate your coverage under the plan. Your Plan Administrator will advise you whether participation in this plan is mandatory or optional.

### Continuation of Coverage

If you are no longer actively at work due to a temporary interruption, the plan permits your employer to continue your coverage on a premium paying basis, in certain circumstances. Please ~~contact~~ the Plan Administrator to determine your options.

### Dependent Coverage

The **BENEFIT SCHEDULE** shows dependent coverage available. For the **Purpose** of **this** coverage, your dependents will be any person who satisfies the following requirements while residing in Canada and not a member on active duty of the armed forces of any **country**:

A spouse who is:

#### **EITHER**

- a person legally married to you;

#### **OR**

- a person of the opposite sex or of the same sex, who is not legally married to you but resides with you for a period at least 12 months and is publicly known **as** the Spouse, provided that a ~~written~~ request is made by you for coverage on such named person, in a form satisfactory to the Company. ~~Unless this~~ written request is made the person legally married to you is considered to be the Dependent Spouse. Discontinuance of cohabitation terminates the eligibility of a common-law spouse for Dependent status; and

Any unmarried child who is a natural child, stepchild or legally adopted child

**EITHER**

- of you or your legal spouse, who may or may not reside with you but is fully dependent on you for support;

**OR**

- of you or your common-law spouse, who is in the care and custody, residing **with** you and being fully dependent on you for support;

**AND**

- is **within** the age bracket specified in the **BENEFIT SCHEDULE** or if a child outside such age bracket, **as long as** he remains mentally or physically handicapped.

Dependent coverage is determined **as** follows:

- if you have at least one dependent on your eligibility date, you are also eligible for dependent coverage on that date. Otherwise, you become eligible for dependent coverage on any later date that you acquire a dependent;
- dependent coverage becomes effective on the latest of the following dates:
  - the date your own coverage becomes effective;
  - the date you actually apply for dependent coverage, provided the application is made no later than 31 days after you became eligible for dependent coverage;
  - if evidence of insurability is required, the date such evidence is approved by the **Company**;
  - the date any additional person satisfies the definition of dependent, when you already have other dependent coverage under this plan;
  - the date following the dependent's discharge from hospital. Newborn children are not subject to this limitation.
- evidence of insurability is required for dependents in the following circumstances:
  - when evidence is also required for your own coverage because you are a late entrant;
  - when you apply for dependent coverage more than 31 days after first becoming eligible for dependent coverage;

## When You Have A Claim

Contact your plan Administrator for the proper claim form(s). There are time limits, ~~so~~ it is important that all forms are fully completed and returned promptly. The Company does not pay for the completion of claim forms. It does pay reasonable charges for any additional information that it requests.

## Life Claims

Before settling any claim for loss of life, the Company will require Written proof satisfactory to it of the following:

- the occurrence, **cause** and **circumstances** of the **death**;
- the eligibility of the deceased at the time of death;
- the date of birth of the deceased, and
- the title of the claimant to receive the proceeds.

## Accident And Sickness Claims

Before settling any claim for accident and sickness, the Company will require Written proof satisfactory to it as follows:

- **Accidental Death and Dismemberment** – no later than 180 days after the end of the calendar year in which the claim was incurred.
- **Weekly Indemnity** – no later than 90 days after the date on which total disability begins.
- **Extended Health** – no later than 180 days after the end of the calendar year in which the claim was incurred.
- **Dental Care** – no later than 180 days after the end of the calendar year in which the claim was incurred.
- **Waiver Of Premium** – initially within 12 months after the date on which **total** disability begins and subsequently at reasonable intervals.

### **90 Day Requirement On Termination**

In the event of a plan termination or an individual termination of your coverage, all proofs of claim, other than loss of life and long term disability claims, if included, must reach the Company within the time limits specified above or within 90 days after the **date** of termination, whichever is earlier.

### **Medical Examinations**

The Company is entitled to have a claimant examined by a physician or physicians of the Company's choice at reasonable intervals while a claim is outstanding. The Company pays for any examination it requests.

### **Coverage Under Other Plans (Co-Ordination)**

If your eligible dependents also have Extended Health and/or Dental Care coverage under your spouse's employer's plan, then claims for:

- your spouse, and
- your children, if your spouse's day and month of birth in the calendar year is earlier than yours

must be submitted to that plan first.

In order to receive any additional benefits payable under **this** plan, you should then submit to the Company:

- the claims that were first submitted to your spouse's plan, and
- the statement of benefits paid by that plan.

Benefits under **this** plan will be co-ordinated and/or reduced **so** that benefits from both plans do not exceed 100% of actual expenses. However, the sum of the benefits from the two plans will normally be larger than the amount payable under either plan if there had been no second plan.

### **Third Party ~~Liability~~ (Subrogation)**

This provision applies to specified benefits when your claim may result from the wrongful actions of a third party. It permits the Company, with your co-operation and in your name,



to commence a legal action against the third party for the purpose of recovering benefits payable under this plan.

### **Benefit Adjustments**

When the Company **assesses** your claim, the amount of your benefit is established. In some circumstances, **this** amount may have to be re-established later. However, if you have been underpaid, the Company will be responsible for the difference. Similarly, you will be responsible for any overpayment.

### **Conversion To An Individual Life Policy**

When life coverage under **this** plan terminates, replacement coverage may be available under an individual policy, without further evidence of insurability. Some limitations **apply**:

- the Company must receive your written application for the individual policy, together with payment of the first premium, no later than 31 days after termination. This is your conversion period. The individual policy becomes effective on the 32nd day;
- the person to be insured under the individual policy must not have reached their 66th birthday at the time of conversion;
- the amount converted cannot be greater than the actual amount terminated under the plan. **Also**, it cannot be less than the minimum amount required for the individual policy selected, **unless** it is the entire amount you are permitted to convert. If the plan or your classification terminate, you must have at least 5 years of prior coverage, and the amount otherwise available **will** be reduced by any other group life coverage you obtain within 31 days after termination;
- no amount **can** be converted when termination is due to either a reduction specified in the B E SCHEDULE or your request;
- the individual policy **can** be any permanent plan then issued by the Company, term to 65 or one year convertible term. Added benefits requiring extra premiums are not included;
- the Company's current premium rates **will** apply, based on age (last birthday) and risk classification of the person to be insured;



## Basic Employee Life

### Benefit

The **amounts** of Basic Employee Life benefit are shown in the **BENEFIT SCHEDULE**.

### Beneficiary

In the event of your death, the benefit is payable to your beneficiary. You may change your beneficiary at any time by completing a Change of Beneficiary (ies) card, subject to the extent permitted by law. If you do not appoint a beneficiary, the benefit **will** be paid to your estate.

### Conversion

When your insurance under this Benefit terminates for any reason other than due to a reduction in accordance with the **BENEFIT SCHEDULE**, or due to a request by you, conversion to an individual policy may be available. See Conversion to an Individual Life Policy.

### Waiver Of Premium

If you become totally disabled (unable to perform the duties of any occupation) for a **continuous** period of 6 consecutive months prior to your 65th birthday, and you provide proof to the Company **within** 12 months of your disability, your premium for Basic Employee Life **will** be waived until your 65th birthday if you remain disabled.

If you have a policy in force, obtained according to the Conversion provision and you were disabled at the time of the conversion, then, in order for you to qualify for the waiver of premium, **this** policy must be surrendered immediately and the Company **will** refund the premiums paid.

## Accidental Death & Dismemberment

### Benefit

The **amounts** of Accidental Death & Dismemberment benefit are shown in the BENEFIT SCHEDULE.

"Accident" – means bodily injury occurring as a **direct** result of an accident and not **as** a result of any other **cause** while insurance is in force under this plan. Accident does not include any bodily injury which is directly or indirectly the result of an aggravation of an existing **condition**.

### Loss

**Loss** of hand or foot means complete severance at or above the wrist or ankle joint. **Loss** of **arm** or leg means complete severance at or above the elbow or **knee** joint. Loss of thumb, finger or toe means complete severance at or above the first phalange. **Loss** of use, sight, speech or hearing means **total** and irrecoverable loss. Quadriplegia, paraplegia and hemiplegia mean total and irrecoverable paralysis of the affected limbs.

A loss is not considered to be total and irrecoverable **until** it has been:

1. certified by a physician **as** being beyond remedy by **surgical** or other means; and
2. uninterrupted for a period of not less than 365 days.

Each loss must be evidenced by a visible contusion or wound on the exterior of the body except in the **case** of drowning or **internal injuries** revealed by autopsy.

### Schedule

Upon receipt of due proof that:

1. any person has suffered a loss shown in the Schedule of **Losses** solely by an accident **as** described;
2. the accident **occurred** while the person was insured under **this** benefit; and
3. the loss occurred **within** 365 days after the accident;

the Company, will pay the amount applicable to such person in accordance with the B E SCHEDULE and the provisions of this plan.

### Schedule of Losses

<b>Loss</b>	<b>Amount Payable (% of principal Sum)</b>
Quadriplegia	100%
Paraplegia	100%
Hemiplegia	100%
Life	100%
Both hands <u>or</u> both feet <u>or</u> sight of both eyes	100%
One hand <u>and</u> one foot	100%
One hand <u>or</u> one foot <u>and</u> sight of one eye	100%
Speech <u>and</u> hearing both ears	100%
Use of both <u>hands or</u> both feet	100%
Use of both <u>arms or</u> both legs	100%
One <u>arm or</u> one leg	75%
Use of one <u>arm or</u> one leg	75%
One hand <u>or</u> one foot <u>or</u> sight of one eye	66 2/3%
Hearing, both ears	66 2/3%
Speech	66 2/3%
Use of one hand <u>or</u> one foot	66 2/3%
Thumb <u>and</u> index finger on same hand	25%
Hearing, one ear	25%

The principal **sum** is the amount for which you are eligible based on the B E SCHEDULE at the time of the accident. In no event shall more than the principal sum be paid for **all** losses **sustained** as the result of any one accident and the largest amount only will be paid for injuries to the same limb resulting from any one accident.

### Exposure/Disappearance

When due to the disappearance, forced landing, stranding, **sinking** or wrecking of a conveyance, exposure is considered an accidental bodily injury and disappearance of at least one year, is considered loss of life.

**Air Travel**

**Air** travel solely as a passenger is covered. The aggregate limit of the Company's liability under this section, for all losses arising out of one single air travel accident is \$1,500,000.

Coverage is not provided while riding as a passenger **in**, disembarking, or boarding an aircraft while operating, learning to operate or serving as a member of a crew of **an** aircraft or while crop dusting, crop spraying, seeding, sky-writing, racing, aerobatics, testing, exploration, parachute descent or any other purpose.

Coverage for an aircraft which is owned, leased or chartered by your employer must be pre-approved by the Company.

**Repatriation Benefit**

For covered loss of life in another country, up to \$2,000 is payable.

**Exclusions**

No benefits are payable for claims resulting directly or indirectly **from** any of the following:

- declared or undeclared war, **insurrection** or rebellion;
- voluntary participation in a riot or act of civil disobedience;
- suicide, intentionally self-inflicted injury while sane or any self-inflicted injury while **insane**;
- full-time service in the armed forces of any country; or
- travel or flight **in** any aircraft except **in** accordance with the Air Travel provision.

## Weekly Indemnity

### Benefit

The amounts of Weekly Indemnity benefit are shown in the **BENEFIT SCHEDULE**.

"**Accident**" – means bodily **injury** occurring as a direct result of **an** accident and not **as** a result of any other Cause while insurance is in force under **this** plan. Accident **does** not include any bodily **injury** which is directly or indirectly the result of an aggravation of **an** existing condition. A disability which begins more than 30 days after the accident is treated **as** resulting **from** sickness rather than the accident.

"Hospitalization" – means confinement for a period of not less than 21 consecutive hours in **an** institution approved **as** a public hospital by the appropriate governmental authority.

"**Sickness**" – means **illness**, disease or complication of pregnancy.

"**Total disability and totally disabled**" – means you are unable solely because of an accident or sickness to perform the essential duties of your own occupation and are not gainfully employed, except **as** described under Rehabilitation.

### Benefit Payment

Should you become totally disabled while insured under this plan, then provided you have received regular and personal medical supervision and treatment by a legally qualified physician, considered satisfactory by the Company, the Company will pay bi-weekly in **arrears**, 1/7th of the **scheduled** weekly benefit for which you are eligible **as** shown in the **BENEFIT SCHEDULE**, for each day the total disability continues. Benefits will begin and continue for up to the maximum number of weeks shown in the **BENEFIT SCHEDULE**.

Successive periods of total disability which are due to the same or related causes will be considered one period of **total** disability **unless** they are separated by at least two consecutive weeks of active work on a full-time basis. Successive periods of total disability due to entirely unrelated causes will be considered one period of total disability **unless** you have resumed active work and have completed at least one day of work on a full-time basis.

## LIMITATIONS

### Lay-off, Strike, Lockout

Benefit payments **will** not begin during a lay-off, strike or lock-out if your disability begins or recurs after notice of these situations has been given.

**This** limitation **does** not affect the completion of your qualification period or any benefit payments already in progress.

### Leave of Absence

The payment of benefits by the Company during a leave of absence will be subject to the following limitations:

1. where permitted, benefits will not be payable by the Company during any leave of absence. Benefits will be payable **up** to the date scheduled for the start of the leave, and subsequently from the **date** scheduled for return to work or the date the elimination period is completed, whichever **is** later. A leave of absence **will not** affect completion of the elimination period;
2. where necessary in order to comply with requirements such **as**, employment **standards**, human rights and unemployment insurance, the Company will determine any portions of a maternity leave which are voluntary and any portions which are health related. Benefits will not be payable for the voluntary portions of the leave, but **will** be payable for the health related portions. The Company will co-ordinate its payments with any payments for the same period under Unemployment Insurance or a Supplementary Unemployment Benefit (**SUB**) plan.

### Integration of Benefits

Benefits payable **will** be reduced by:

- benefits for the same or related disability, to the extent permitted by law, under no-fault automobile insurance;
- Workers's Compensation;
- When the maximum benefit period is scheduled for more than **52 weeks**, primary **and** dependent benefits under the Canada/Quebec Pension Plan.



If the Maximum Benefit Period shown in the B E \* \* **SCHEDULE** exceeds 52 weeks, benefits payable will be reduced by Canada/Quebec Pension Plan primary disability benefits actually being received, or which would have been payable had application been made within 12 months of the date of the total disability, or such date **as** the Company reasonably considers you to have been eligible for such benefits, and approved under the Canada/Quebec Pension Plan. The benefit payable will not be reduced due to an increase in benefits which occurs under the Canada/Quebec Pension Plan **as** a result of the operation of the Pension index provisions of the Canada/Quebec Pension Plan, **as** the **case** may be.

### Medical Treatment

You must receive appropriate medical treatment. This **means** treatment that involves more than examination or testing. It must be reasonable and customary, performed or prescribed by a physician, and be carried out **as** frequently **as** the condition requires.

This requirement applies from the onset of your disability and continues throughout both your qualification period and any subsequent benefit period.

### EXCLUSIONS

No benefits are paid for any period of disability:

- during which you are not under the regular care of a physician or surgeon legally licensed to practise medicine, or
- during pregnancy leave of absence.

No benefits are paid for claims resulting **directly** or indirectly **from** any of the following:

- declared or undeclared war, insurrection or rebellion;
- voluntary participation in a riot or **an** act of civil disobedience;
- intentionally self-inflicted injury while sane or any self-inflicted injury while insane;
- committing or attempting to commit a criminal offence; or
- bodily injury sustained while performing any act or duty pertaining to any occupation or employment for wages or profit or any cause which entitles you to indemnity or compensation under Workers' Compensation Act similar legislation **unless** 24-hour coverage is specified.

## Extended Health

### Benefit

The Company will pay for eligible expenses **as** described in the following sections, subject to any deductible, co-insurance or maximum amount shown in the **BENEFIT SCHEDULE**.

Payment is made for eligible expenses only to the extent that they satisfy all of the following requirements:

1. they are not available under the provincial health/hospitalization plan of the person's normal province of residence, or alternatively, the province in which the Policyholder's head office is located. Note: This requirement applies whether or not you are covered by the provincial plan. It also applies when you are covered, but elect not to receive available services for any reason;
2. they are permitted by law to be paid;
3. they are professionally recognized and medically necessary, in direct treatment of an accident or sickness;
4. they are for care, services or supplies which have been recommended by a physician, **unless** otherwise noted, and
5. they are reasonable and customary, **as** determined solely by the Company, after taking into account factors such as:
  - a. the level of services usually furnished for cases of similar nature and severity;
  - b. representative fees and prices; and
  - c. the locality involved.

### Deductible

The deductible is the amount shown in the **BENEFIT SCHEDULE** which a person must pay before the Company **will** pay benefits for any eligible expenses. The deductible is

applied individually against the eligible expenses of each person only once in any calendar year, except that:

1. the total deductible to be applied against the eligible expenses of all insured family members in a calendar year **will** not exceed the family deductible, if any. Each insured family member is permitted to contribute up to **his** individual deductible amount towards the satisfaction of any family deductible;
2. when 2 or more insured family members are injured in the same accident, only one single deductible **will** be applied for all eligible expenses resulting from that accident;
3. eligible expenses which are incurred during the last 3 months of a calendar year and are used to **satisfy** the deductible, **will** also be applied to the deductible for the following year.

### Co-insurance

Co-insurance is the percentage of eligible expenses shown in the BENEFIT SCHEDULE, which is payable after the deductible has been satisfied.

### Overall Lifetime Maximum

The overall lifetime maximum shown in the BENEFIT SCHEDULE is the maximum total payment which the Company will make under **this** benefit during a person's lifetime, except for reinstatement. The maximum is applied to each person individually, as follows:

1. the overall lifetime maximum applies on a combined basis to eligible expenses incurred both in and outside the normal province of residence;
2. when the overall lifetime maximum is **unlimited**, the maximum benefit payable for eligible expenses incurred outside the normal province of residence prior to age 65 or earlier retirement, will be restricted to \$1,000,000 for any one accident or sickness;

### Date Expenses Are Incurred

Expenses are deemed to be incurred on the date the care, services or supplies are provided.

### Pre-Determination

If charges for any care, services or supplies are expected to exceed \$500, the Company recommends that before expenses are incurred, the Company should be provided in writing

**with** an estimate of the cost of the item and a physician's outline of the diagnosis, the need for the item and the length of time for which the item will be required. The Company **will** not determine the appropriateness of the treatment, but will advise the benefit payable, if any.

### **Co-ordination/Subrogation**

Payments by the Company are subject to co-ordination and subrogation **as** described under GENERAL INFORMATION.

### **Extension for Survivors**

If you die **with** dependent coverage in force under **this** benefit, such dependent coverage will continue without further premium, **as** follows:

1. dependent coverage under **this** benefit during an extension will continue to be determined by your classification at death. Accordingly, changes for the classification which involve an increase, decrease or termination will also apply to your dependents whenever applicable in the circumstances;
2. coverage for any individual dependent will terminate on the earlier of the following:
  - a. death of the dependent;
  - b. when the dependent no longer satisfies the definition of dependent. For a spouse, this includes remarriage or entering **into** a common law arrangement; or
  - c. qualification for comparable coverage elsewhere;
3. coverage for all dependents **will** terminate in any event on the earliest of the following:
  - a. termination of this plan
  - b. termination of coverage under this benefit for the relevant classification; or
  - c. 12 months after your death.

### **Disability Benefit**

If you or your dependents are totally disabled on the date your insurance under this Section terminates except for having reached the maximum benefit, the Company will continue to pay benefits for eligible expenses incurred **as** a result of such disability but not for expenses incurred after the earliest of the following:

1. the date the insured person is no longer totally disabled;
2. the date the insured person becomes eligible for similar benefits under any other group policy, whether issued by the Company or another insurer;
3. attainment of the Termination Age specifies in the BENEFIT SCHEDULE
3. the date this policy terminates;
4. the 365th day following the termination of insurance;
5. for a dependent, when he no longer satisfies the definition of dependent.

**As used** in this Section, "totally disabled" means:

1. an employee is prevented solely because of **illness** from engaging in any occupation and from performing any work for remuneration or profit; or
2. a dependent is prevented solely because of **illness** from engaging in all of the normal activities of a person of like age and sex, in good health.
3. coverage will not increase during extension but will remain subject to any provisions for reduction in effect on the date that disability begins,

### Exclusions

No benefits are payable for claims resulting directly or indirectly from any of the following:

- War, insurrection, rebellion, participation in a riot or act of civil disobedience;
- intentionally self-inflicted injury;
- committing of or attempting to commit a criminal offence;
- cosmetic surgery except to the extent necessary to repair disfigurement due to **an** injury sustained while insured;
- an examination by or the services of a physician if required solely for the use of a third party;
- dental treatment or supplies except for dental injury;
- acupuncture;

- treatment, supplies or procedures which are not recommended and approved by a physician or those for which the insured person is not required to pay;
- treatment, supplies or procedures which are not approved by the Canadian Medical Association or which, in the opinion of the Company's medical advisors, are clearly experimental;
- fertility drugs.

### **Eligible Expenses in the Normal Province of Residence**

Consist of charges for the following:

**In-Patient Hospital** means the difference in charges for hospital room and board, between standard ward level as available under the provincial plan, and the level shown in the BENEFIT SCHEDULE. Charges, if any, by the hospital for admittance, co-insurance and utilization are included.

**Hospital** means an institution designated as such by law for the care and treatment of sick and injured persons, primarily in the acute phase of illness, which has organized facilities for diagnostic treatment and major surgery and which provides 24-hour nursing services. It does not include a nursing home, rest home, home for custodial care of the aged or chronically ill, a sanatorium or a detoxification facility for the treatment of substance abuse or beds set aside for any of these purposes in an institution which otherwise qualifies as a hospital.

**Out-Patient Hospital** means services received on an out-patient basis, when provided by the out-patient facilities of a hospital.

**Convalescent Hospital** means room and board in a convalescent hospital for up to 180 days of confinement due to the Same or related cause, when:

1. confinement begins no later than 24 days after confinement in a hospital on an in-patient basis; and
2. confinement is primarily for rehabilitation and not custodial care.

Convalescent hospital means an institution designated as such by law for the convalescent care and treatment, on an in-patient basis, of sick and injured persons primarily in the acute phase of illness. It provides 24 hour nursing services and regular medical supervision. It does not include a nursing home, rest home, home for custodial care of the

aged or chronically ill, a sanatorium or a detoxification facility for the treatment of substance abuse.

### **Ground Ambulance**

1. Charges for licensed ground ambulance service or other emergency ground service when used to transport the insured person:
  - a. from the place where he/she suffers injury or disease, to the nearest hospital where adequate treatment is available;
  - b. from one hospital to another; and
  - c. from a hospital to the insured person's residence.
2. Emergency air transportation to the nearest hospital able to provide adequate treatment:
  - a. up to one economy airfare or its equivalent for the claimant; and
  - b. one additional economy airfare for a medical attendant who is required to accompany the claimant, but is not related to and does not reside with the claimant.

### **The following is the description for the employees who do not elect the Prescription Drug Card plan:**

**Prescription Drugs** means drugs, medicines, sera and vaccines which by law are available only with a prescription written by a physician, dentist or any other health practitioner legally permitted to write prescriptions in the jurisdiction, subject to the following additional limitations:

1. Charges for drugs, medicines, serums and vaccines prescribed for preventing disease.
2. Charges for vitamins and anti-obesity medications are excluded, but charges for Products to help a person quit smoking that require a prescription are included as an eligible expense up to a lifetime maximum of \$250 for each person.
3. Charges for prescribed contraceptive drugs and devices; charges for diaphragms are included whether these have been prescribed or not.

**The following is the description for the employees who elect the Prescription Drug Card Plan:**

**Prescription Drugs mean.** Sun Life will cover the cost of drugs and supplies that are prescribed in writing by a doctor or dentist and are obtained from a pharmacist.

**Sun Life will** reimburse **certain** drugs prescribed by a nurse practitioner in Ontario the same way as if the drugs were prescribed by a doctor or a dentist.

The following items are available with the drug *card*

- **medication** listed in the Federal or Provincial Drug Schedules which **has** a Drug Identification Number (DIN) and requires a prescription.
- injectable drugs and vitamins, insulin and allergy extracts with a DIN.
- preparations and compounds of which at least one ingredient is **an** eligible **drug** under this benefit.
- diabetic supplies.
- products to help a person quit smoking that require a prescription, up to a lifetime maximum of \$250 for each person.

The following items are covered but are not available with the drug *card*:

- vaccines and compound serums that require a prescription.
- intrauterine devices (IUDs).
- colostomy supplies.
- varicose vein **injections**, if medically **necessary**.



Payments for any single purchase are limited to the cost of a supply that **can** reasonably be used in a 34 day period or, in the case of the following maintenance drugs, up to 100 days **as** ordered by a doctor:

antiasthmatics, antibiotics for acne, anticoagulants, anticonvulsants, antihypertensives, antiparkinsons, antituberculosis, cardiac agents, hypoglycaemic, medications for glaucoma, oestrogen, oral contraceptives, potassium replacements, and thyroid agents.

**Sun Life will** not pay for the following, even when prescribed:

- infant formulas (milk and milk substitutes), minerals, proteins, vitamins and collagen treatments.
- the cost of giving injections, serums and vaccines.
- medicines obtained from a doctor or dentist.
- treatments for weight loss, including drugs, proteins and food or dietary supplements.
- hair growth stimulants.
- **drugs** for the treatment of infertility, whether or not they require a prescription.
- Xenical and **all** anorexiants drugs.

Nursing means professional services of registered nurses (R.N.), registered nursing assistants (RNA) and registered practical nurses (RPN) as follows:

1. eligible expenses are up to:
  - a. the amount shown in the **BENEFIT** SCHEDULE during any calendar year ending prior to January 1 co-incident with or next following the claimant's **65th** birthday; and
  - b. \$5,000 per lifetime on and after January 1 co-incident with or next following the claimant's 65th birthday;
2. eligible expenses do not include charges for any of the following:
  - a. nursing services provided during confinement in a hospital;
  - b. services which are primarily for custodial care and not rehabilitation;
  - c. services provided by a person related to the claimant; or

- d. services provided or reasonably able to be provided by a person residing with the claimant.

**Professional Health Services** means professional **services** of massage therapists, physiotherapists, psychologists, speech therapists when these are obtained with a physician's recommendation, **and** chiropodists/podiatrists plus x-ray, chiropractors plus x-ray, Christian Science practitioners, naturopaths, and osteopaths plus x-ray, when these are obtained with or without a physician's recommendation.

Eligible expenses for each specialty, including 1 x-ray where indicated, are up to the amount shown in the BENEFIT **SCHEDULE** during any calendar year.

**Sun** Life will not pay for the cost of services rendered by a chiropractor or a podiatrist in Ontario unless they are performed after the provincial medicare plan has paid its **annual maximum** benefits.

### **Equipment, Supplies, Other Services**

Charges for:

1. purchase of braces, crutches, canes, walkers, and artificial eyes;
2. purchase of approved prosthetic devices:
  - a. charges for myo-electric prostheses qualify **as** eligible expenses when standard prostheses are not medically adequate;
  - b. charges for duplicate prostheses do not qualify;
  - c. charges for external prostheses following a mastectomy qualify as eligible expenses up to \$400 for one set during any 24 month period;
3. rental of standard wheelchair, hospital-type bed, iron lung, oxygen tent, or other approved durable equipment for temporary therapeutic use, or purchase of **similar** equipment at the discretion of the Company; charges for the purchase of **an** electric wheelchair qualify **as** eligible expenses up to a lifetime **maximum** of \$4,000 per person;
4. oxygen and blood serum;
5. the purchase of
  - up to two mastectomy brassieres per person in any calendar year;

- up to two pairs of surgical stockings per person in any calendar year;
  - orthotics (arch support inserts) as recommended by a physician, with eligible expenses up to a lifetime maximum of \$200 per person; or
  - wigs required as a result of chemotherapy, with eligible expenses up to a lifetime maximum of \$500 per person;
6. replacement or repair of natural teeth which are damaged as a result of a direct blow to the mouth, but not by an object knowingly or unknowingly placed in the mouth. Dental injury must be sustained while the person is insured for this benefit and the expense for replacement or repair must be incurred within 3 years from the date when the dental injury occurred. Eligible expenses will qualify up to an overall maximum of \$1,000 for each insured person, for any one dental injury;
  7. diagnostic tests, laboratory tests, radium treatments and x-ray examinations;
  8. the cost of a pair of orthopaedic shoes including orthopaedic alterations to standard shoes, prescribed by a physician or podiatrist, with eligible expenses up to \$400 in any calendar year;
  9. colostomy and ileostomy supplies;
  10. cosmetic surgery necessary to repair disfigurement due to an injury sustained while insured;
  11. needles and syringes for diabetics.

**Eligible Expenses Outside the Normal Province of Residence** consist of charges for the following services when incurred on an emergency or referral basis:

**In-Patient** Hospital at a level comparable to that specified in the BENEFIT SCHEDULE for the normal province of residence, or best available up to that level.

## Out-Patient Hospital

## Prescription Drugs

## Ambulance

### Physician Services, where permitted by law.

1. emergency services must be required due to **an** accident or sickness occurring while travelling outside the normal province of residence. An emergency must involve acute symptoms of sufficient severity that immediate medical attention is required. It does not include any service which could reasonably be delayed until the person's return to the normal province of residence;
2. referral services must be:
  - a. essential for health maintenance, but not available in the normal province of residence, or in the **case of a** referral outside Canada, not available in Canada;
  - b. obtained on the prior written referral of a physician located in the normal province of residence; and
  - c. pre-approved by **both** the Company and the provincial health/hospitalization plan, which has agreed to participate in the charges;
3. charges must be incurred within 90 days after leaving the normal province of residence. In-patient hospital services are covered for a maximum period of 90 days, provided hospital admittance takes place within the initial 90 days after leaving the province;
4. the **maximum** benefit payable for eligible expenses incurred outside the province is described under the Overall Lifetime **Maximum** provision;
5. except **as** otherwise noted, terms that apply in the normal province of residence apply equally outside the province of residence.

### Preferred Vision Services Ltd.

The Benefit

**As** a member of the plan, you are eligible to obtain substantially reduced eyewear **costs** by using the services of PVS Preferred Vision Services Inc., in connection with your Extended **Health** Coverage.

### What is PVS?

PVS acts **as** a central purchasing agent and obtains reduced costs on eyewear.

### The Savings

You can obtain savings of 15-20% below the retail cost of frames, prescription lenses and lens add-ons. This discount applies to **all** frames in the PVS location and to all prescription lenses.

### How it Works

1. Obtain a completed Eligibility Confirmation form from your Benefits Administrator.
2. Take this form to the PVS practitioner. To determine the location nearest you:
  - Check the list of PVS practitioners available from your Benefits Administrator, or
  - Call PVS 1-800-668-6444 and **ask** for the closest PVS practitioner to you.
3. PVS practitioners can be used for both your eye examination and eyewear purchase or just your eyewear purchase.
  - For eye examinations: call for an appointment.
  - For eyewear purchases: go directly to the PVS practitioner to pick out your eyewear.

### vision Care

Charges for one of the following:

1. Conventional single vision, bifocal or trifocal lenses. Eligible expenses cover the cost of one set during any 12 month period **if** the insured person **has** not attained his/her 18th birthday, or 24 month period **if** the **insured** person has attained his/her 18th birthday. If a change in vision justifies more frequent changes in prescriptions, the 12 month/24 month limitation will not apply.

Eligible expenses for lenses are not subject to a specified maximum, but are subject to the requirement that they be reasonable and customary.

**PLUS**

Frames required for new lenses because the existing frames cannot be made serviceable. Eligible expenses cover the cost of one pair of frames during any 24 month period, up to the vision care maximum of \$45.

Eligible expenses also cover the cost of repairs to or replacement of eyeglasses covered by this benefit, which have been broken, lost or stolen, and the tinting or anti-reflective coating of the prescribed lens, but subject to the overall maximum which applies to conventional lenses and frames.

Eligible expenses cover basic lenses and frames only. No benefits are payable for sunglasses, safety glasses, whether prescribed or not, or any enhancement added for cosmetic purposes.

**OR**

2. Medically necessary contact lenses to improve vision to at least 20/40 if this is not possible with conventional eyeglasses. Charges qualify as eligible expenses up to a lifetime maximum of \$500 for each insured person.

**OR**

3. Elective contact lenses. Eligible expenses cover the cost of one set during any 24 month period, up to the maximum of \$150.

Plus charges for:

1. Visual training. Charges qualify as eligible expenses up to a lifetime maximum of \$200 for each insured person.

**AND**

2. Eye examinations including refractions, by an optometrist, when such examinations are not covered by the provincial health care plan, subject to the following:
  - a) The provincial health care plan must permit the Company to cover the charges.
  - b) Coverage is provided for one examination during any 12 month period if the insured person has not attained his/her 21st birthday, or 24 month period if the insured person has attained his/her 21st birthday.

All services must be prescribed by an ophthalmologist or optometrist.

## Dental Care

### Benefit

The Company will pay for eligible expenses as described in the following sections, subject to any deductible, co-insurance or maximum amount shown in the BENEFIT SCHEDULE.

Payment is made for eligible expenses only to the extent that they satisfy all of the following requirements:

1. they are not available under the provincial health/hospitalization plan of the person's normal province of residence, or alternatively, the province in which the Policyholder's head office is located;
2. they are permitted by law to be paid;
3. they are reasonable and customary, and recommended by a dentist or a denturist acting within the scope of his licence;
4. they are for services performed by a dentist, an anaesthetist or a dental hygienist working under a dentist's supervision, or a denturist acting within the scope of his licence;
5. they do not include any charges in excess of the fee guide for General Practitioners shown in the BENEFIT SCHEDULE, as applicable from time to time.

### Deductible

The deductible is the amount shown in the BENEFIT SCHEDULE which a person must pay before the Company will pay benefits for any eligible expenses. The deductible is applied individually against the eligible expenses of each person only once in each calendar year, except that:

1. the total deductible to be applied against the eligible expenses of all insured family members in a calendar year will not exceed the family deductible, if any. Each insured family member is permitted to contribute up to his individual deductible amount towards the satisfaction of any family deductible;

2. when 2 or more insured family members are injured in the same accident, only one single deductible **will** be applied for all eligible expenses resulting from that accident;
3. eligible expenses which are incurred during last the 3 months of a calendar **year** and are **used** to **satisfy** the deductible, **will** also be applied to the deductible for the following **year**.

### Co-insurance

The co-insurance amount is the percentage of eligible expenses shown in the **BENEFIT SCHEDULE**, which is payable after the deductible has been satisfied.

### Alternate Courses of Treatment

When there are two or more **courses** of dental treatment available to **correct** a dental condition, the Company **will** base reimbursement on the cost of the least expensive treatment that **will** provide a professionally adequate result.

### Dental Examinations and Information

In order to determine benefits payable, the Company is entitled to request and **will** pay reasonable charges for:

1. an examination by a dentist of the Company's choice; or
2. the submission of diagnostic/evaluative material such **as** x-rays and study models.

### Date Expenses are Incurred

In order to determine whether a person has incurred expenses while **insured** under **this** benefit, the Company **will** apply the following provisions:

1. Single appointment procedures – expenses **will** be incurred on the date the procedure is performed.
2. Multiple appointment procedures (other than orthodontic) – expenses **will** be deemed to be incurred on the date the procedure is completed. This includes the following, if **covered**:
  - a. removable prosthodontics; fixed bridgework – the date of installation;
  - b. crowns; onlays – the date of placement;



c. root canal therapy – the date the tooth is closed;

### **Late Entrants**

If a person becomes insured for this benefit more than **31** days after first becoming eligible, the amount payable for eligible expenses during the first **12** months will be limited to **\$100** for that person. Full premiums are required during the **12** month period.

### **Pre-determination**

If charges for any case, services or supplies are expected to exceed **\$300**, the Company recommends that a detailed treatment plan be submitted before expenses are incurred. The Company will not determine the appropriateness of the treatment, but will advise the benefit payable, if any.

### **Co-ordination/Subrogation**

Payments by the Company are **subject** to co-ordination and subrogation as described under General Information.

### **Exclusions**

No benefits are payable for claims resulting directly or indirectly from any of the following:

- declared or undeclared war, insurrection or rebellion;
- voluntary participation in a riot or act of civil disobedience;
- intentionally self-inflicted injury while sane or any self-inflicted injury while **insane**;
- **committing** or attempting to commit a criminal offence;
- missed or cancelled appointments, examinations or services required solely for the use of a third party, travel to and from appointments;
- care, services or supplies which, in the opinion of the Company's medical consultant, are experimental;
- care, services or supplies for which a charge normally would not have been incurred **in** the absence of this coverage or for which the claimant is not legally obligated to pay;
- the replacement of removable appliances which are lost, mislaid or stolen;

- dental care which is cosmetic;
- a full mouth reconstruction, vertical dimension **correction**, temporomandibular joint dysfunction, endodontics and coping with respect to overdentures, the placing of crowns to restore occlusal height, the permanent splinting of teeth, or implants;
- recent duplication of services, whether by the same or different practitioner; or
- care, services or supplies available under Workers' Compensation.

## BASIC SERVICES

### Diagnostic

#### Routine examinations and diagnosis

- complete examinations, once every 2 years
- recall examinations twice in any calendar year, separated by 6 months
- emergency examinations

#### Dental x-rays and interpretation

- full mouth, once every 2 years
- bitewings, twice in any calendar year, separated by 6 months
- periapical, intra-oral and extra-oral films

#### Routine diagnostic and laboratory procedures

### Preventative

#### Oral hygiene instruction

- lifetime limit once per person

#### Light scaling and polishing of teeth

- twice in any calendar year, separated by 6 months

#### Topical **fluoride** treatment

- twice in any calendar year, separated by 6 months

Pit and fissure sealants for dependent children who have not attained their 19<sup>th</sup> birthday

## **Surgical**

Minor surgical procedures

- simple extractions, post surgical care
- soft tissue incision and drainage

Complicated extractions

- impacted teeth and residual roots with anaesthesia

Local or general anaesthesia in ~~connection~~ with the above procedures

## **Removable Prosthodontics**

Repairs, adjustments, relines, rebasing

- once in any calendar year

## **Space Maintainers**

Space maintainers for missing primary teeth

- only dependent children who have not attained their 19th birthday

## **Restorative**

**Fillings**, retentive pins

- silicate, acrylic, composite, amalgam for teeth 1-6 only
- amalgam for other teeth
- stainless steel crowns or bands for dependent children who have not attained their 19th birthday

General

Emergency treatment of pain, consultations, professional visits to house, hospital, after hours.

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# Respecting Your Privacy

At Sun Life, protecting your privacy is a priority. In providing our services to you, we must gather personal information. We know we have been entrusted with a serious responsibility. That is why we are committed to maintaining the confidentiality of your information.

## Our Commitment to Confidentiality

All our files are kept for the purpose of providing insurance products, annuities and other financial and administrative services that are right for you. We only collect information that is pertinent for this purpose.

Access to files is restricted to those employees and representatives of Sun Life who need the information to do their jobs. These individuals may only use the information for work-related activities. All employees of The Sun Life Companies must commit to our Code of Business Conduct, which includes rules for protecting the confidentiality of your personal information.

For our insurance products, Sun Life may need medical information about you. This information will not be released without your consent and it will not be shared with other Sun Life companies.

To best serve your financial needs, non-medical information may be exchanged, with your consent, among The Sun Life Companies.

## Your Right to Access Your Files

We will be pleased to give you access to the information about you contained in your file. By sending a written request to us, you can ask that inaccurate information be corrected or amended, or that obsolete information be deleted.

If we have medical information about you that was not obtained directly from you, we may release some or all of this information to you only through your physician.

To find out how to access your file or if you have any questions, please contact:

### Assistant Vice President, Public Relations

Sun Life Assurance Company of Canada  
225 King Street West  
Toronto, ON  
M5V 3C5

**This group plan arranged by:  
STEVEN COHEN INSURANCE AGENCY INC.  
200 Evans Avenue, Suite 12  
Toronto, Ontario  
M8Z 1J7**

**Tel. (416) 259-1166**



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**THE CAMBRIDGE TOWEL CORPORATION**  
**2004 GROUP INSURANCE PREMIUM CHANGES**  
**EFFECTIVE DEC. 1, 2004**  
**CTC HOURLY EMPLOYEES**

**\*NOTE**

As you probably know, OHIP has de-listed Eye examination and Chiropractic coverage effective Nov. 1, 2004 and Dec. 1, 2004 respectively, except for special age groups and/or circumstances. Accordingly, in order to offer the same benefits previously available to you, given that OHIP funding no longer exists, our collective monthly premium costs, the significant portion of which the Company pays, has increased modestly as noted below. **Employee Premium Portion will be adjusted effective Dec. 1/2004 for both.**

Eye examinations are covered to a max. of \$50, one visit every 2 years

Chiropractic services are covered \$7 per visit to a max. of \$200 per year

		MONTHLY 2003		MONTHLY 2004		MONTHLY REVISED DEC. 2004	
		Total Cost	Employee Portion	Total Cost	Employee Portion	Total Cost	Employee Portion
Life Insurance \$10,000.00		3.51	0.88	3.76	0.94		
Accidental Death & Dismemberment \$10,000.00		0.50	0.13	0.50	0.13		
Medical Reimbursement Plan and Drug Card	Single Family	55.99 154.77	14.00 38.69	54.00 148.98	13.50 37.25	21 3.26	0.30 0.82
Dental	Single Family	16.74 38.03	4.19 9.51	17.91 40.69	4.48 10.17		
Weekly Indemnity per \$10.00 of Sickness Benefit Coverage		1.92	0.48	2.00	0.50		
*Total	Single Family	\$134.06 \$254.13	\$ 33.53 \$ 63.54	\$135.77 \$253.53	\$ 33.95 \$ 63.39	\$ 136.98 \$ 256.79	\$ 34.25 \$ 64.20

Plus PST

\*Calculation based on hourly rate of \$11.17 per hour. Employee Weekly Indemnity cost of \$14.90