

AGREEMENT

— between —

DuPont Canada Inc.

KINGSTON SITE

and

**Kingston Independent
Nylon Workers Union**

KINGSTON, ONTARIO

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CONTENTS

ARBITRATION—ARTICLE XIII	35
COOPERATION—ARTICLE III	4
DISCHARGES—ARTICLE XI	30
GRIEVANCES PROCEDURE	
—ARTICLE XII	32
HOURS OF WORK—ARTICLE V	10
NOTICE—ARTICLE XV	38
OTHER ALLOWANCES—ARTICLE VI	11
OVERTIME—ARTICLE VI	11
PREMIUM BLENDED	42
PREMIUM INSTRUCTOR, FIRE CAPTAIN AND SHIFT ENGINEER	41
PREMIUM—SHIFT	42
PREMIUM—SUNDAY	42
RECOGNITION—ARTICLE II	2
REPRESENTATION—ARTICLE IV	8
SAFETY AND HEALTH—ARTICLE X	29
SCOPE OF AGREEMENT—ARTICLE I	1
SENIORITY—ARTICLE VIII	21
SEVERANCE PAY—ARTICLE IX	25
SUCCESSOR IN BUSINESS	
—ARTICLE XVI	38
TERMINATION—ARTICLE XIV	37
WAGES—CLASSIFICATION	
—ARTICLE VII	20
WAGE RATE SCHEDULE	
—SCHEDULE "A"	40

MEMORANDUM OF AGREEMENT

Entered into in quintuplicate as of the 28th day of January, 2004.

BY AND BETWEEN:

DuPont Canada Inc., hereinafter
called the "Company"
and
**Kingston Independent Nylon
Workers Union**,
hereinafter called the "Union".

WITNESSETH THAT

The parties hereto have agreed as follows:

ARTICLE I - SCOPE

(a) In this agreement:

(i) "said Site" means the Company's nylon manufacturing plant located in the City of Kingston, County of Frontenac in Ontario, known as its Kingston Site.

(ii) "employee" means anyone employed by the Company at the said Site who is paid at an hourly rate, save and except office staff, guards, forepersons and persons above the rank of foreperson.

(b) This agreement covers all employees as herein defined.

(c) For purposes of clarification the parties recognize that this agreement applies to Kingston Site employees assigned to the Company's Customer Technical Centre and Research Centre located in the City of Kingston.

ARTICLE II - RECOGNITION

(a) The Company recognizes the Union during the term of this agreement as the exclusive bargaining agent of the employees for the purpose of collective bargaining in respect of wages, benefits, hours of work, seniority, grievance procedure and such other working conditions as are included in this agreement.

(b) The Union recognizes the right of the
COMPANY

(i) to manage the said Site and to direct the working forces including the right to hire, promote, transfer or classify any employee and to demote, discipline, suspend or terminate the employment of any employee for any justifiable reason. Justifiable reason for the termination of employment of any employee who has not achieved seniority status shall be determined by the Company. Such determination shall not be made in bad faith or in an arbitrary manner;

(ii) to change hours of work, determine or change work assignments or methods, classify new occupations and select the materials to be handled, processed or manufactured:

(iii) to make and alter from time to time rules and regulations, not inconsistent with this agreement to be observed by the employees.

ARTICLE III - CO-OPERATION

(a) Recognizing that the general standard of living can be raised only through increased productivity and that in most respects the best interests of the Company and its employees are synonymous, the Union pledges itself to co-operate fully with the Company to improve production methods, increase efficiency, promote safety and to develop good work habits among employees.

(b) (i) It is agreed that the application of the Industrial Relations Plans shall continue in respect of the employees in conformity with their general application throughout the Company.

(ii) It is further agreed that while the Company reserves the right to discontinue or amend any Industrial Relations Plan, no such discontinuance or amendment which will have the effect of terminating or reducing in the aggregate the benefits provided under any such Plan shall be effective, except as otherwise provided in any such Plan, until two years after notice to the Union of such discontinuance or amendment. No such notice shall be required, however, if

such discontinuance or amendment results directly or indirectly from any governmental action which either:

(a) requires the Company to effect such discontinuance or amendment, or

(b) provides a benefit or benefits which when considered together with the results of the Company's actual or proposed discontinuance or amendment does not in the aggregate occasion any loss or reduction of benefits to the employees.

(c) The Union agrees that it will not cause, authorize, or sanction, nor permit its members to cause or take part in (and it is agreed that the Company may discharge any employee who causes or takes part in) any sit-down, stay-in or slow-down in any department or any strike or stoppage of any of the Company's operations or any curtailment of work or restriction of or interference with production or any picketing of the Company's premises during the term of this agreement.

(d) The Company agrees that it will not cause or sanction a lockout during the term of this agreement.

(e) The Company agrees that the Union may post notices in the said Site on notice boards supplied by the Company for such purposes provided that such notices have been individually approved in writing by the Company.

The Union agrees that it will not distribute or post any pamphlets, advertising or political matter, cards, notices or any kind of literature, within the said Site or its appurtenances except as provided in this agreement.

(9) Members of the Union not exceeding ten (10) in number on any one day may be granted occasional leave of absence without pay for the purpose of attending normal functions of the said Union such as steward, executive, or general meetings and training courses.

(g) During the term of this agreement the Company will deduct the amount of the regular Union membership dues from the wages of each employee.

The Company shall remit to a recognized Canadian financial institution duly designated from time to time by the Union, for deposit to the Union's account, the total of all amounts so deducted not later than ten **(10)** days after the deduction has been made. The Company will at the same time forward a list of all employees from whose wages such deductions have been made and a list of the changes to the deduction list since the last payment to the Union.

(h) There shall be no discrimination, intimidation, interference, restraint, coercion, or attempted coercion by or on behalf of the Company or by or on behalf of the Union, its members or its agents with respect to any employee because of membership or non membership in the Union.

(i) No one shall conduct Union activities at the said Site during working hours except as specifically permitted in this agreement.

(j) The Company agrees to continue the system whereby vacancies in certain classifications in Schedule " A are posted for not less than fourteen **(14)** days on the bulletin board in the said Site. The Company further agrees to inform the

Union concerning the content of each notice prior to posting, and to inform a committee of the Union forty-eight **(48)** hours in advance of the announcement of selection to fill such vacancies.

Employees classified as Temporary Manufacturing Trainee, Manufacturing Technician I, Manufacturing Technician II or Manufacturing Technician III are not eligible to apply for such vacancies.

(k) During a new or rehired employee's induction the Company agrees to permit the Union reasonable time for discussion with the employee.

(l) An employee, hired and designated as temporary, who is retained after completion of twelve consecutive months of employment, shall no longer be designated as temporary.

ARTICLE IV - REPRESENTATION

(a) The Company agrees to recognize fifty-two (52) stewards, one of whom shall be the Chief

Steward, to represent fifty-one **(51)** groups of employees. The Union shall notify the Company in writing of the names of the stewards and of the Chief Steward. A steward will be allowed to leave his/her duties for a reasonable length of time to investigate and settle grievances in his/her group without loss of time or pay provided that he/she obtains prior authorization from his/her foreperson. A member of the Union Bargaining Committee will be allowed to leave his/her duties for a reasonable length of time to prepare for Step 3 of the grievance procedure without loss of time or pay provided that he/she obtains prior authorization from his/her foreperson.

(b) The Company agrees to recognize a Union Bargaining Committee composed of not more than seven (7) employees.

The Union Bargaining Committee shall have the right of meeting the appointed representative or representatives of the Company at a predetermined date and time, normally once every month. Members who happen to be on duty shall be paid straight time for that part of their regularly scheduled working hours devoted to

attendance at such meetings held on Company property.

ARTICLE V - HOURS OF WORK

(a) The normal number of daily hours of work shall be either eight (8), and shall vary from eight (8) hours for six (6) days in a week to eight (8) hours for two (2) days in a week, or twelve (12), and shall vary from twelve (12) hours for four (4) days in a week to twelve (12) hours for one (1) day in a week, or a combination of two (2) twelve (12) and two (2) eight (8) hour days in a week, in accordance with schedules established from time to time. It is understood that the day of rest shall be Sunday for day workers.

(b) The normal number of daily hours of work is stated solely for the purpose of calculating over-time and shall not be construed as a guarantee of any minimum nor as a restriction on any maximum number of hours to be worked.

(c) It is understood that employees shall be at their work place and ready to assume their duties at the commencement of their working day.

(d) The Company undertakes to communicate to the steward of the group any change proposed by the Company in work assignments or in the hours of work which affects the majority of employees in such group, before the change becomes effective.

(e) The Company shall schedule one (1) rest period of ten (10) minutes' duration in each half of the working day, or grant smoking and refreshment privileges.

(9) Day workers shall be granted a five (5) minute wash-up period before their luncheon period. A period of five (5) minutes before the end of their working day shall be granted as needed for the purpose of putting away tools, cleaning work benches, making out time report sheets and washing up. Employees engaged in unusually dirty work may be allowed extra washing time, at the discretion of their foreperson.

ARTICLE VI - OVERTIME AND OTHER ALLOWANCES

(a) Employees shall be paid at the rate of time and one-half for work required to be performed

in excess of the normal number of daily hours of work in any one day or in any continuous period, provided however, that they shall be paid at the rate of double time, instead of at the rate of time and one-half, for all hours worked in excess of four **(4)** hours beyond the normal number of daily hours of work in any one day or in any continuous period.

(b) Employees shall be paid at the rate of double time for work required to be performed on their regularly assigned day of rest. They shall be paid at the rate of time and one-half for work required to be performed on their extra day of rest, provided however, that they shall be paid at the rate of double time instead of at the rate of time and one-half, for all hours worked in excess of four **(4)** hours beyond the normal number of daily hours of work on that day or in any continuous period.

It is understood that when an employee works seven consecutive days or eight consecutive days, none of which is a day of rest, according to schedules established from time to time and is further required to work on the next following day, namely the eighth day or the ninth day as

the case may be, then such eighth or ninth day will be deemed to be his/her regularly assigned day of rest.

(c) An employee shall, subject to the second paragraph of this clause, be paid an amount equivalent to eight (**8**) hours' pay at his/her straight time hourly rate for the following holidays whether or not he/she works on such holidays: New Year's Day, Third Monday in February, Monday of the School Winter Holidays, Good Friday, Victoria Day, Dominion Day, Third Friday in July, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and 26th December.

However, employees shall not be entitled to be so paid:

(i) if they do not work on such holidays when they are required or scheduled to do so. Notwithstanding the foregoing, they shall be entitled to be so paid when leave of absence has been granted for disability, jury duty or bereavement.

(ii) if they are absent without good cause on the scheduled working day immediately preceding or succeeding such holiday.

(iii) if they are absent for any reason on both the scheduled working days immediately preceding and succeeding such holidays. Notwithstanding the foregoing, they shall be entitled to be so paid if such absence is due to their scheduled vacation or when leave of absence has been granted for disability, jury duty or bereavement.

(iv) if such holiday occurs while they are on leave of absence, subject to the same exceptions as set out in subsection (iii) above.

(d) An employee who works on any of the holidays mentioned in clause (c) shall be paid in addition thereto at the rate of double time for all hours worked on that day or in any continuous period.

(e) If another day is substituted by statute or municipal proclamation or by mutual agreement between the parties for the observance of any of

the holidays listed in clause (c) the day of observance so substituted shall be deemed to be the holiday for the purpose of this Article VI.

(f) If employees are required by the Company to report to the said Site to perform work at other than their regularly scheduled working hours, they shall be paid a minimum amount equivalent to pay for three (3) hours at their applicable overtime rate if their pay for the performance of such work is less than this amount, except when such work forms a continuous period with their regularly scheduled working hours, in which case no minimum shall apply. If they are entitled to the payment provided in clause (c), this minimum amount shall be paid in addition thereto for the performance of such work on a holiday.

If employees are required by the Company to report to the said Site to perform work at other than their regularly scheduled working hours, they shall be paid at the rate of time and one-half for all hours worked at other than their regularly scheduled working hours, provided however, that they shall be paid at the rate of double time instead of at the rate of time and one-half for all hours worked in excess of four (4) hours beyond

the normal number of daily hours of work on that day or in any continuous period. In any event, they shall be paid at the straight time rate only, for regularly scheduled hours worked. When an employee is sent home by the Company during his/her regularly scheduled working hours to return later that day, premium rates under this provision shall be calculated as if he/she had completed his/her normal number of daily hours.

(g) If employees are required by the Company to report to the said Site on less than twenty-four **(24)** hours' notice to perform work at other than their regularly scheduled working hours, the Company will provide transportation to the said Site for those employees or will pay them one **(1)** hour's pay at their straight time rate. If they are entitled to payment under the provisions of clause (a), (b), (d), or **(9)**, this travelling allowance shall be paid in addition thereto.

(h) If an employee reports for work when scheduled to do so without having been previously notified not to report he/she shall be provided three **(3)** hours' work at his/her straight time rate or, in lieu thereof, shall receive three **(3)**

hours' pay at this straight time rate, provided however, that the employee shall not be entitled to such work or such pay:

(i) if the failure to provide work is due to circumstances beyond the control of the Company.

(ii) if the employee has not provided the Company with his/her correct telephone number or cannot be reached at that number.

(i) Whenever an employee's schedule is changed by the Company so as to result in regularly scheduled working hours with new starting and finishing times, the employee shall be paid at the rate of time and one-half for work performed during his/her first working day following such change unless thirty (30) or more hours' notice prior to the commencement of the calendar week of the employee's new schedule in which the change occurs has been given to him/her by the Company, provided however, that he/she shall be paid at the rate of double time instead of at the rate of time and one-half, for all hours worked in excess of four (4) hours

beyond the normal number of daily hours of work in any one day or in any continuous period.

(j) Notwithstanding the foregoing provisions of this Article VI an employee shall not be paid at the rate of time and one-half, or double time as the case may be, for overtime work if such overtime work, with the permission of the foreperson, is performed by the employee at his/her own request or by special arrangement with another or other employees who may wish to change or exchange working hours.

(k) For the purpose of establishing which shift crew employees, regularly scheduled to work on Sunday, shall receive Sunday premium and the premium pay for work performed on the holidays shown in clause (c) of this Article VI, the day shall extend from midnight to midnight for employees assigned to schedules with normal eight-hour days and from 2000 hours on one day to 2000 hours on the next day for employees assigned to schedules with normal twelve-hour days. But for all other purposes any day shall be deemed to be a twenty-four hour period

as shown in schedules established from time to time.

(l) When hours of work which are paid at a premium rate under the provisions of this Article continue without interruption into a second day, such hours in the second day up to the starting time of an employee's regularly scheduled working hours will be treated for the purposes of applying provisions of this Article as if they had occurred in the previous day.

(m) An employee shall not be entitled to be paid under more than one clause of this Article, unless otherwise specifically provided, and in any event the rate of payment including holiday and other allowances but excluding the minimum payment and travelling allowances provided in clauses (f) and (g) shall not exceed three (3) times the straight time hourly rate.

(n) An overtime meal allowance up to the value of \$8.25 shall be provided in accordance with an Overtime Meal Allowance Procedure.

ARTICLE VII - WAGES - CLASSIFICATION

(a) The classification of all occupations and the wage rates appear in Schedule "A" attached hereto, which is made part of this agreement and is signed for identification by the parties hereto. It is agreed that when a new classification is created or an existing classification is substantially changed by the Company, the Company will discuss the change with the Union.

(b) While an employee may at any time discuss his/her classification with his/her foreperson, no request for a change in the classification of such employee need be entertained by the Company unless presented to the Company within thirty (30) days following the date of the classification or of the change in classification to which such employee objects.

(c) A successful applicant for promotion, whose appointment is delayed because of the needs of the Company, and whose place is taken by another employee, will be credited with time and

experience, and receive any applicable higher wage rate, as if their place had not been taken.

(d) Employees who successfully apply to enter a training program leading to qualification as a first class maintenance technician, stationary engineer 2nd class, or laboratory technician 1st class will enter the program at the trainee level, but will receive an hourly rate equivalent to the higher of their former classification rate or the trainee rate.

ARTICLE VIII - SENIORITY

(a) An employee, other than anyone hired and designated as temporary, shall acquire seniority status after he/she has been in the employ of the Company for a probationary period of ninety (90) consecutive days. It is understood that in cases of absence beyond ten (10) consecutive days, the Company may extend the probationary period by the total number of consecutive days absent.

(b) Seniority shall govern on all occasions when:

(i) a lay-off which the Company expects to remain in effect for more than one (1) week occurs provided employees are sufficiently qualified. Sufficiently qualified shall be deemed to mean that the employee is qualified to perform the normal duties of the job. In the event of a workforce reduction, employees designated as temporary will be terminated before any regular employee.

(ii) a transfer or a promotion to a classification included in Schedule "A" which the Company expects to remain in effect for more than thirty (30) days occurs, provided however, that the senior employee has qualifications equal to or better than those of other employees. If any such temporary lay-off, transfer or promotion should subsequently become permanent, or exceed the stipulated time limits, the provisions of this clause (b) shall apply immediately but such application shall be without retroactive effect.

(c) For the purpose of this Agreement, seniority shall be calculated from the date an employee first enters the bargaining unit under this

Collective Agreement with the Company or its predecessor. Employees who leave the bargaining unit, for any reason, shall maintain and continue to accumulate seniority for the total period of their subsequent employment with the Company or its predecessor. An employee's seniority shall be lost upon termination of employment, except that an employee's lost seniority shall be restored upon re-employment if such termination was due to lay-off, provided the lapse of time between the date of termination for such reason and the date of re-employment does not exceed eighteen **(18)** months. This paragraph shall not apply to anyone hired and designated as temporary.

An employee, other than anyone hired and designated as temporary, who is laid off for two (2) weeks or less as the result of a lay-off which the Company expects to remain in effect for two (2) weeks or less, will be credited with seniority for such period upon return to work from such lay-off.

(d) When an employee who has been in a classification for twenty-six (26) or more consecutive weeks is regressed to a lower classification due

to lack of work, he/she will be given four (4) weeks' notice of such regression or paid at the rate of the higher classification in lieu of such notice.

(e) When employment offers are made, former employees whose employment with the Company was terminated during the preceding eighteen **(18)** months due to lay-off and who are qualified for the job or jobs available shall be offered employment on the basis of seniority accumulated prior to termination. Any person being re-employed under this clause shall not be designated as temporary. The Company shall be under no obligation to re-employ such a former employee unless he/she has filed his/her current address and telephone number with the Company for this purpose, can be reached when the opportunity for employment arises and is available for work when his/her services are required.

In the event that a former employee fails to accept re-employment, other than of a temporary nature, the Company may consider that he/she no longer wishes to be re-employed.

(9) The Company agrees to post seniority lists showing the seniority status of each employee and to furnish a copy of such lists to the Union.

(g) The Company agrees to alter the seniority lists from time to time and to correct any errors therein whenever proof of error is submitted by the Union or any employee. No change shall be made in the seniority status of an employee without consultation with the Union.

ARTICLE IX - SEVERANCE PAY

(a) An employee who has one **(1)** year or more of seniority shall be paid severance pay each time his/her employment is terminated due to lack of work, except that such pay will not be paid when employment is terminated:

(i) due to lack of work for a period which the Company expects to last not more than fourteen **(14)** days;

(ii) due to circumstances beyond the direct control of the Company including, without limitation, fire, flood, power failure or hostile acts of foreign governments, or to strike or

other labour dispute whether or not the Company is directly involved, transportation difficulties, material shortages and the like, or regulations or controls established by any governmental authority; or

(iii) without the employee having been re-employed for a continuous period of at least nine (9) months following a previous termination, except that if severance pay in weekly installments upon such previous termination was discontinued as a result of such re-employment, the severance pay to which the employee was previously entitled will be resumed upon the subsequent termination.

(b) It is understood that severance pay will not be paid to an employee when:

(i) the termination is for any reason other than lack of work;

(ii) the employee accepts employment at any Company location, or with an affiliated company, before termination becomes effective;

(iii) the employee is offered employment with a successor company at the same location before termination becomes effective;

(iv) the employee becomes a pensioner;

(v) the employee resigns, even in anticipation of termination;

(vi) the employee elects termination in lieu of demotion, promotion, transfer or any change in status. Notwithstanding the foregoing, an employee in the classifications of Stationary Engineer 2nd Class or 1st Class Maintenance Technician who is demoted due to lack of work, will be given the option of being terminated by the Company due to lack of work.

(c) The amount of an employee's severance pay, subject to the foregoing provisions of this Article, shall be:

(i) one (1) weeks pay for each of the first four (4) years of seniority, plus

(ii) one (1) week's pay for each year of seniority over four (4) and an additional week's pay for each year of seniority over fifteen (15) reduced by the amount of any severance pay previously paid by the Company for seniority of over four (4) years.

(iii) The amount of severance pay payable in each case of termination shall be limited to fifty-two (52) weeks' pay. Partial years, after the first full year, shall be computed to the nearest full month, including the month in which employment is terminated if the employee has accumulated fifteen (15) or more days of seniority in that month, and the rate of one-twelfth (1/12) of one (1) or two (2) weeks' pay as the case may be, shall be applicable for each such month.

For severance pay purposes a week's pay shall be equal to the employee's current straight time hourly rate multiplied by the number of hours, not to exceed forty (40), constituting the employee's normal number of weekly hours of work at the said Site at any time of termination, and shall not include overtime or any other premium pay

or allowance.

(d) The Company may elect to pay severance pay in weekly installments or in a lump sum.

(e) In the event that an individual receiving severance pay is re-employed by the Company, payments thereof shall cease with the payment for the period ending the day immediately preceding the date of re-employment.

(f) An individual who has received severance pay shall not be required to return any portion of such pay to the Company in the event that they are re-employed.

(g) When a former employee is offered and refuses re-employment, other than work of a temporary nature, severance pay shall be discontinued.

ARTICLE X - SAFETY AND HEALTH

(a) The Company will continue to make reasonable provisions for the safety and health of its employees during the hours of their employment. Such protective devices as the Company

requires to be worn and other equipment which in the opinion of the Company is necessary to protect the employee from injury shall be provided by the Company.

(b) Whenever the Company recommends to the employees for their better protection the use of additional personal safety equipment which it does not supply free of charge, it will make such equipment available to employees at cost, except that should safety shoes not be stocked by the Company, it will subsidize the purchase of these shoes for the personal use of the purchaser.

The subsidy will be the lesser of the cost per pair or \$101.00 for the first pair purchased in each calendar year, and the lesser of the cost per pair or \$69.00 for subsequent pairs purchased in each calendar year.

ARTICLE XI - DISCHARGES

The Company agrees to notify the Union of the reason for the discharge of any employee. Such notice shall be given in writing and mailed by registered mail addressed to the President of

the Union within seventy-two (72) hours of the discharge. Regardless of the foregoing, at the point of discharge, a regular employee may request the presence of a Union Officer or Steward. Any discharge may be discussed as a grievance, provided that the grievance is submitted in writing within seven (7) days after receipt of notification of discharge by the Union. In the event that an employee is discharged and after subsequent investigation is exonerated and reinstated he/she shall be reimbursed for the time lost by reason of such discharge on the basis of his/her normal number of daily hours of work less earnings received from other employers in respect to the period for which he/she is to be reimbursed.

In the event that an employee is discharged and *is* not exonerated by subsequent investigation, a lesser penalty may be substituted where, in the opinion of an arbitrator, the penalty of discharge is considered to be inappropriate.

ARTICLE XII - GRIEVANCE PROCEDURE

(a) Any dispute, grievance or misunderstanding (hereinafter called "grievance") involving occupational classification, wages, the Industrial Relations Plans, seniority, hours of work or other working conditions which any employee or group of employees may desire to discuss and adjust with the Company, shall be handled in accordance with the provisions of this Article.

(b) While an employee may discuss a grievance with his/her foreperson at any time, a request for retroactive adjustment need not be entertained by the Company unless the grievance is presented in writing within thirty (30) days of the date of the incident which gave rise to the grievance. Any grievance shall be deemed to have been withdrawn if, after a written decision has been given at either step 1 or step 2, more than thirty (30) days have elapsed before the grievance is carried to the next step.

(c) The employee shall first take up his/her grievance directly with the foreperson of his/her

department. If the matter is not resolved by the foreperson, it shall be handled as follows:

Step 1

The employee may report the matter to the steward designated to represent his/her group, who, together with the employee may take up the matter with the foreperson and shall at the same time present to the foreperson a written summary of the grievance. If the written decision of the foreperson does not settle the matter to the satisfaction of the employee or three (3) regularly scheduled working days of the employee have elapsed since the grievance was submitted under the provisions of this step, the employee and the steward may:

Step 2

Submit the grievance to the appropriate Manager or his/her appointee. If the written decision of the Manager or appointee does not settle the matter to the satisfaction of the employee or fourteen (14) days have elapsed since the grievance was submitted under the provisions of this step, the steward may:

Step 3

Submit the grievance in writing to the Union Bargaining Committee which may bring the matter to the attention of the Site Manager by presenting to him/her or his/her appointee the written statement of the grievance. The Union Bargaining Committee may then discuss the grievance with the Site Manager or appointee at a time to be agreed upon. A grievor may attend the discussion of his/her grievance at the mutual consent of the Company and the Union. If the written decision of the Site Manager or appointee does not settle the matter to the satisfaction of the Union Bargaining Committee or six (6) weeks have elapsed since the grievance was submitted under this step, the provisions of Article XIII may be invoked.

(d) All decisions arrived at by agreement between the Site Manager or appointee and the Union Bargaining Committee with respect to any grievance shall be made in writing and shall be final and binding upon the Company and the Union.

(e) Nothing in this agreement shall be deemed

to take away the right of an individual employee to present any personal grievance to the Company.

ARTICLE XIII - ARBITRATION

(a) Within a period of fourteen **(14)** weeks after a matter has been brought to the attention of the Site Manager, any grievance or other matter in dispute between the Company and the Union, involving the interpretation or alleged violation of any Article of this agreement may, in the event of failure to reach agreement thereon, be referred by either party to arbitration by an arbitrator selected as follows:

(i) the party desiring arbitration shall notify the other party in writing of the matter to be arbitrated and propose three **(3)** arbitrators;

(ii) the party receiving the notice shall, within ten **(10)** days, notify the other party of either its agreement to one of the proposed arbitrators or its proposal of a further three **(3)** arbitrators.

(iii) should the party originally desiring arbitration fail to accept one of the arbitrators proposed in (ii) above, within ten **(10)** days, either party may apply to the Minister of Labour of the Province of Ontario to appoint the arbitrator.

(b) The arbitrator shall convene a hearing into the matter in dispute and issue an award, in writing, to both the Company and the Union, within sixty (60) days of completion of the hearing.

(c) The decision of the arbitrator on the matter at issue shall be final and binding on both parties but in no event shall the arbitrator have the power to add to, subtract from, alter or amend this agreement in any respect.

(d) Each party shall pay its own costs and the fees and expenses of the witnesses called by it. Fees and expenses of the arbitrator shall be shared equally between the parties.

(e) Time limits specified in this article shall be deemed to be exclusive of Saturdays, Sundays, and those holidays described in Article VI (c) of

this agreement and may be extended by mutual agreement of the parties.

ARTICLE XIV - TERMINATION

(a) This agreement shall become effective as of the 28th day of January, 2004, and shall remain in full force and effect until the 27th day of January, 2007.

(b) Either party may on ten **(10)** clear days' notice in writing, require the other party to enter into negotiations for the renewal of the agreement within the period of two (2) months prior to the expiry date and both parties shall thereupon enter into such negotiations in good faith and make every reasonable effort to secure such renewal.

(c) The party giving notice in accordance with clause (b) hereof shall at the same time as such notice is issued, and the party receiving the notice shall within ten (10) days of its receipt of such notice, respectively present to the other party in writing **any proposed modifications** or revisions of this agreement.

ARTICLE XV - NOTICE

Notices provided in Articles XIII and XIV shall be in writing and shall be sufficient if sent by mail addressed, if to the Union, to the President of the Union and, if to the Company, to the Site Manager at the said Site.

ARTICLE XVI - SUCCESSOR IN BUSINESS

This agreement shall be binding upon and inure to the benefit of the successor in business of the Company at the said Site.

DuPont Canada Inc.

Ad Henry
Vice President

Peter Klaus
Site Manager - Kingston Site

Kingston Independent Nylon Workers
Union

Bob [unclear]
Union President

Negotiations Team:

W. [unclear]

[unclear]

Mannon Juruski

Jerry Smith

Bargaining Committee:

Robert [unclear]
Tom [unclear]

[unclear]

[unclear]

Bob [unclear]

Cony Temple

WAGE INCREASES

SCHEDULE " A

CODE	PRODUCTION CLASSIFICATIONS	Effective 2004-01-28	Hourly Rates:	
			Effective 2005-01-28	Effective 2006-01-28
01	POLYMER TECHNICIAN.....	25.84	26.46	26.99
03	BATCH POLYMER TECHNICIAN	25.84	26.46	26.99
05	INTEGRATED PROCESS TECHNICIAN..	25.84	26.46	26.99
07	POLYMER OPERATOR "A"	25.43	26.04	26.56
08	POLYMER OPERATOR "B"	24.94	25.53	26.04
09	POLYMER OPERATOR "C"	24.44	25.03	25.53
15	SPINNING TECHNICIAN.....	24.23	24.81	25.30
19	TEXTILE MACHINE OPERATOR "A" ...	21.60	22.12	22.56
24	MANUFACTURINGTECHNICIAN IV ...	21.60	22.12	22.56
25	MANUFACTURINGTECHNICIAN III ...	19.24	19.70	20.09
26	MANUFACTURINGTECHNICIAN II ...	17.16	17.57	17.92
27	MANUFACTURINGTECHNICIAN I ...	15.28	15.65	15.96
94	STUDENT	13.18	13.49	13.76
95	TEMPORARY MANUFACTURINGTRAINEE	13.18	13.49	13.76

CODE LABORATORY CLASSIFICATIONS

31	LABORATORY TECHNICIAN 1ST	ASS	25.84	26.46	26.99
32	LABORATORY TECHNICIAN 2NC	ASS	23.93	24.50	24.99

CODE SERVICE CLASSIFICATIONS

36	SOLUTION PREPARATION OPERATOR		23.93	24.50	24.99
38	FIRE INSPECTOR		23.40	23.96	24.44
41	MATERIALS HANDLER		23.40	23.96	24.44

SCHEDULE " A (CONTINUED)

CODE	ENGINEERING CLASSIFICATIONS	Hourly Rates:		
		Effective 2004-01-28	Effective 2005-01-28	Effective 2006-01-28
50	STATIONARY ENGINEER 2ND CLASS	28.49	29.17	29.76
51	MAINTENANCE TECHNICIAN 1ST CLASS	28.08	28.75	29.33
61	STATIONARY ENGINEER 3RD CLASS	25.43	26.04	26.56
04	DP:DPO VAPORIZER OPERATOR	25.43	26.04	26.56
62	MAINTENANCE TECHNICIAN 2ND CLASS	25.43	26.04	26.56
74	STATIONARY ENGINEER 4TH CLASS	23.40	23.96	24.44
75	MAINTENANCETECHNICIAN 3RD CLASS	23.40	23.96	24.44
81	TRAINEE	22.80	23.35	23.81

An employee who is appointed to the role of instructor shall receive ninety (90) cents per hour more than his/her classification rate during the period of his/her appointment.

An employee who is appointed to the role of shift engineer shall receive eighty-four (84) cents per hour more than his/her classification rate during the period of his/her appointment.

An employee who is engaged in the work of a fire captain shall receive eighty-four (84) cents per hour more than his/her classification rate for the shifts that he/she undertakes this work.

An employee engaged in shift work shall be paid a premium of ninety (90) cents per hour for work performed during the evening shift and one dollar and twenty-one cents (\$1.21) per hour for work performed during the night shift. An employee engaged in shift work, whose regular work schedule includes Sunday work, shall be paid, in addition to any shift premium, a premium of two dollars and ninety-five cents (\$2.95) per hour for each hour worked on Sunday.

These premiums are to be added to the hourly rates after, and not before, calculating overtime.

Blended Premium

Employees normally scheduled to work on a 12-hour continuous rotating shift basis, who are temporarily assigned to day work by the Company, will receive a premium of one dollar and twelve cents (\$1.12) for each hour worked, to compensate for loss of shift and/or Sunday premiums during the temporary day assignment. For employees who qualify, this premium will be added to the rate shown in Schedule "A".

Employees normally scheduled to work on a 12-hour continuous rotating shift basis, who are

temporarily assigned to a 12-hour modified day shift by the Company, will receive a premium of 40 cents for each hour worked, to compensate for loss of shift premiums during the temporary 12-hour modified day assignment. For employees who qualify, this premium will be added to the rate shown in Schedule "A" .

Employees normally scheduled to work on a 12-hour modified day shift basis, who are temporarily assigned to day work by the Company, will receive a premium of 72 cents for each hour worked, to compensate for loss of shift and/or Sunday premiums during the temporary day assignment. For employees who qualify, this premium will be added to the rate shown in Schedule "A" .

The scope of the blended premium clauses shall be limited as follows:

- 1) Subject to paragraph 2) below, to temporary assignments (whether voluntary or otherwise) of 24 months duration or less and the applicable premium will be payable for the lesser of 9 months or the duration of the assignment, effective the first day of the assignment.

2) It is understood that if a temporary assignment of more than 24 months is terminated by the Company before the end of the 24 month period, or if the appointment is involuntary, then the premium will be payable for the lesser of 9 months or the duration of the assignment, effective the first day of the assignment.

These premiums are to be added to the hourly rates after, and not before, calculating overtime.

DuPont Canada Inc.

M. Heaney
Vice President

Peter Vanz
Site Manager - Kingston Site

Kingston Independent
Nylon Workers Union

[Signature]
Union President

Negotiations Team:

[Signature]
[Signature]
Mannon Juszeki
[Signature]

Bargaining Committee:

[Signature]
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47