

**AGREEMENT**

EFFECTIVE OCTOBER 1st - **2006**  
TO SEPTEMBER 30th - **2009**

BETWEEN

**INSCAPE SYSTEMS LTD.**  
- FILING DIVISION

HOLLAND LANDING, ONTARIO PLANT

AND

**United Steelworkers Local 500**

HOLLAND LANDING, ONTARIO PLANT

**INSCAPE SYSTEMS LTD.**

Holland Landing, Ontario

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THIS AGREEMENT is made and entered into this 29th Day of October 2006.  
BETWEEN

INSCAPE SYSTEMS LTD – FILING DIVISION

Hereinafter referred to as ‘The Company’  
OF THE FIRST PART

- And -

UNITED STEELWORKERS

Hereinafter referred to as “The Union”  
OF THE SECOND PART

WHEREAS the Ontario Labour Relations Board has certified that the employees in the bargaining unit hereinafter set forth are members of the Union;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT: -

**ARTICLE 1 - PURPOSE**

**1:01** The general purpose of this Agreement is to establish and maintain collective bargaining relations between the Company, the Union, and the employees, and to provide machinery for the prompt and equitable disposition of grievances and to establish and maintain mutually satisfactory working conditions and wages for all employees who are subject to the provisions of the Agreement.

**ARTICLE 2 - UNION RECOGNITION**

**2:01** The Company recognizes the Union as the sole collective bargaining agency for all its hourly rated employees at its Holland Landing, Ontario, plant with the following exceptions: Office staff, supervisors and persons above the rank of supervisor, and this agreement shall apply to all employees in such bargaining unit.

**2:02** In recognizing the union as the sole bargaining agency of the employees, the Company agrees that the Union, through its functioning committees, shall deal with the Company on all matters covered by this agreement and all amendments for the life of the agreement.

**2:03** A supervisor shall not normally perform work normally performed by members of the bargaining unit but may do so if:

- (a) Instructing an employee or employees;
- (b) Experimenting (Including proving of tools and methods in start-up of new or revised products);

**(c)** In an emergency;

**(d)** Provided that the act of performing the aforementioned operations, in itself, does not reduce the hours of work or pay of any employee.

### **ARTICLE 3 - RELATIONSHIP**

**3:01** The parties hereto mutually agree that any employee of the Company covered by this agreement must become a member of the Union.

**3:02** The Company agrees that no employee shall in any manner be discriminated against or coerced, restrained or influenced on account of membership in any labour organization or by reason of any activity in any labour organization.

**3:03** The Union agrees it will not discriminate against, coerce, restrain or influence any employee because of membership or activity in any labour organization.

**3:04** The Union will not engage in Union activities during working hours or hold meetings at any time on the premises of the Company without the permission of his/her Supervisor and with reasonable notice.

### **ARTICLE 4 - MANAGEMENT RIGHTS**

**4:01** The Union acknowledges that it is, the exclusive function of the Company to hire, promote, demote, transfer, reclassify, and suspend employees; and also the right of the Company to discipline or discharge any employee for just cause, provided that a claim by any employee, who has acquired seniority, that he/she has been discharged, suspended or disciplined without just cause or demoted, transferred or reclassified in violation of this Agreement, may be the subject of a grievance and dealt with as hereinafter provided.

**4:02** The Union further recognizes the right of the Company to operate and manage its business in all respects. The location of the plants, the direction of the working forces, the products to be manufactured, the schedules of production, the methods, processes and means of manufacturing used, the right to decide on the number of employees needed by the Company at any time, the right to use improved methods, machinery and equipment, and jurisdiction over all operations, buildings, machinery tools and employees are solely and exclusively the responsibility of the Company.

**4:03** The Company also has the right to make and alter, and enforce, from time to time, reasonable rules and regulations to be observed by the employees, but before altering any such rules will consult with the Union Negotiating Committee and give them an opportunity of making representations regarding such proposed changes.

**4:04** The rights reserved to management herein are subject to the other provisions of this agreement and should be exercised in a manner not inconsistent with them. The express terms of this Agreement constitute the full agreement of the parties.

## **ARTICLE 5 - UNION GRIEVANCE COMMITTEE AND STEWARDS**

**5:01** The Company will recognize a grievance committee which shall consist of four (4) persons selected by the Union as set out in Article 6:03 Step No."2". The Company shall be advised of the names of the members of this committee and shall be notified of any changes from time to time.

**5:02** The Company will recognize a shop steward(s) per shift from each department of the Company. All stewards shall be regular employees of the Company, who have completed the probationary period.

**5:03** The Company undertakes to instruct all members of its supervisory staff to co-operate with the stewards in the carrying out of the terms and requirements of this agreement.

**5:04** The Union undertakes to instruct its officers, stewards, and members to co-operate with the Company and with all persons representing the Company in any supervisory capacity.

**5:05** The Company agrees to reimburse, at base rate, up to four (4) members of the negotiating committee for time spent in negotiations. Such time to be that which such employees would normally have worked if not involved in the contract negotiations.

## **ARTICLE 6 - GRIEVANCE PROCEDURE**

**6:01** The parties to this agreement are agreed that it is of the utmost importance to adjust complaints and grievances as quickly as possible. Any question or complaint by an employee must be first discussed with the employee's immediate supervisor and it is understood that an employee has no grievance until the supervisor has had an opportunity to adjust the complaint. The employee may elect to be accompanied by a Union Steward for such a meeting.

**6:02** No grievance shall be considered:

(a) Which usurps the function of the management as set forth in this agreement, or

(b) Where more than five working days have elapsed since the date on which the alleged grievance occurred, or since the date on which the employee should have had knowledge of the circumstances being grieved.

(c) For record of discussions as provided in 22:01 (c).

**6:03** Grievances shall be adjusted and settled **as** follows:

**Step No. 1** – Following the discussion required by article 6:01, the aggrieved employee with the assistance of the Steward, shall present the grievance orally or in writing to the Griever's Supervisor or where there is no Supervisor, to the **Plant Manager or his/her designate**. If a settlement satisfactory to the employee concerned is not reached within one (1) working day (or any other period of time, which may be mutually agreed upon), the grievance may be presented as follows, at any time within two (2) working days thereafter.

**Step No. 2** - The aggrieved employee may submit the grievance, in writing to the Union Chairperson or Vice Chairperson. Any four (4) of the Union Chairperson, Vice Chairperson, Chief Steward, Departmental Steward and Griever will meet with Management within eight (8) working days of the submission of the written grievance (or any other time that may be mutually agreed upon) to the **Plant Manager or his/her designate**. They may be accompanied by a National Representative of the Union if they so desire. After presentation of the grievance the griever will leave.

**6:04** If final settlement of the grievance is not completed within five (5) working days after the Step 2 meeting, and if the grievance is one which concerns the interpretation or violation of this agreement, the grievance may be referred by either party to a Board of Arbitration as provided in Article 7 below at any time within twenty (20) working days after completion of Step 2.

**6:05** Should a difference arise between the Company and the Union regarding the interpretation or alleged violation of this agreement, it shall be taken up at Step No. 2 of the grievance procedure outlined above. If no satisfactory settlement is reached, either party may file a request for arbitration in the manner outlined in Article 7. All suspensions and discharges to be taken up at Step No. 2 of the grievance procedure.

**6:06** Where both parties agree on the use of a Settlement Officer, representation will be by any four (4) of the Union Chairperson, Vice Chairperson, Chief Steward, Departmental Steward and Griever. They may be accompanied by a National Representative of the Union if they so desire.

## **ARTICLE 7 - ARBITRATION**

**7:01** Both parties to this agreement agree that any dispute or grievance concerning the interpretation or alleged violation of this agreement which has been properly carried through all the steps of the grievance procedure outlined in Article 6 above and which has not been settled will be referred to a Board of Arbitration at the request of either of the parties hereto at any time within twenty (20) working days after the completion of Step No. 2

above.

**7:02** The Board of Arbitration will be composed of one person appointed by the Company, and one person appointed by the Union, and a third person to act as chairperson chosen by the other two members of the Board.

**7:03** Within seven (7) calendar days after the request of either party for a Board, each party shall notify the other of the name of its appointee.

**7:04** Should the person chosen by the Company to act on the Board and the person chosen by the Union fail to agree on a third person within seven (7) days of the notification mentioned in 7:03 above, the Office of Arbitration of the Province of Ontario will be asked to nominate an approved arbitrator.

**7:05** The decisions of a Board of Arbitration constituted in the above manner shall be binding on both parties.

**7:06** The Board of Arbitration shall not have any power to alter or change any of the provisions of this agreement or to substitute any new provisions for any existing provisions.

**7:07** Each of the parties of this agreement will bear the expenses of the arbitrator appointed by it; and the parties will jointly bear the expenses, if any, of the chairperson.

**7:08** Nothing in the foregoing shall preclude the right of the parties to mutually agree to refer a grievance to a single arbitrator rather than a Board of Arbitration as stipulated in Article 6:04.

## **ARTICLE 8 - DISCHARGE CASES**

**8:01** In the event of an employee who has attained seniority being discharged from employment and the employee feeling that an injustice has been done, the cause may be taken up as a grievance.

**8:02** All such cases shall be taken up within three (3) working days and disposed of within seven (7) working days of the date the employee is notified of discharge, except where a case is taken to arbitration. A claim by an employee who has attained seniority that he/she has been unjustly discharged from employment shall be treated as a grievance if a written statement of such grievance is lodged with the Senior Company Official in charge of Human Resources within three (3) working days after the employee ceases to work for the company. All preliminary steps of the grievance procedure prior to Step No. 2 will be omitted in such cases.

**8:03** Such special grievance may be settled by confirming the Management's



action in dismissing the employee or by reinstating the employee in his/her former position with full compensation for time lost, or by any other arrangement, which is just and equitable in the opinion of the conferring parties.

**8:04** When an employee has been dismissed without notice, he/she shall have the right to interview his/her Steward and/or a member of the Union Committee for a reasonable period of time before leaving the plant premises. The employee mentioned above shall be escorted out of the plant by his/her Steward and a Management Representative.

## **ARTICLE 9 - NO STRIKES - NO LOCKOUTS**

**9:01** In view of the orderly procedure established by this agreement for the settling of disputes and the handling of grievances, the Union agrees that, during the lifetime of this agreement, there will be no strike, slowdown or stoppage of work, either complete or partial, and the Company agrees that there will be no lockout.

**9:02** The Company shall have the right to discharge or otherwise discipline employees who take part in or instigate any strike, stoppage or slowdown, but a claim of unjust discharge or treatment may be the subject of a grievance and dealt with as provided in Article 6 above.

**9:03** Should the Union claim a cessation of work constitutes a lockout, it may take the matter up with the Company as provided in Step No. 2 of Article 6.

**9:04** The Union further agrees that it will not involve any employee of the Company, or the Company itself, in any dispute, which may arise between any other employer and the employees of such other employer.

**9:05** In the event of any such strikes, slowdown or stoppage of work, either complete or partial, the Union shall not be held responsible if it officially repudiates such action forthwith upon request by the Company in writing of such repudiation and does not, in any way, instigate or support any such action.

## **ARTICLE 10 - WAGES**

**10:01** The base rate of all employees covered by this agreement, which the Company agrees to pay, and the Union agrees to accept are as follows and are hereby made part of this agreement:

### EFFECTIVE

**Appendix "A" Oct. 30, 2006 through to Sept. 30, 2007**

**Appendix "B" Oct. 1, 2007 through to Sept. 30, 2008**

## **Appendix "C" Oct. 1, 2008 through to Sept. 30, 2009**

**10:02** An employee commencing employment will receive no less than the starting rate for the classification as set out in the wage schedule in effect. When an employee has been working on a specified job classification for a period of **twelve (12) months**, then the rate will automatically increase to the **twelve (12) month base rate** for the classification as set out in the wage schedule in effect. In the case of promotion to a higher wage group, the employee will receive the starting rate or his/her old rate whichever is higher.

**10:03** Persons working on the second shift and persons working on the third shift will receive a shift premium as outlined in the Wage Schedule, in effect, which is hereby made part of this Agreement. The second and third shifts will be deemed as follows:

Monday to Friday inclusive:

Second Shift - to be those employees starting at or after 2:30 p.m. and prior to 10:00 p.m.

Third Shift - to be those employees starting at or after 10:00 p.m.

**10:04** The distribution of job classification into wage groups is set out in Appendix "D" hereto, which is hereby made a part of this Agreement.

**10:05** Certain provisions which have been agreed upon between the parties as to the application of the said job classifications and of the provisions of the wage scales have been set out in Appendix "E" hereto, which is hereby made a part of this Agreement.

### **10:06 - TOOL ALLOWANCE**

Active employees of the tool room and maintenance departments, who are required to provide their own tools for work performed for the Company, will be reimbursed by the Company up to a maximum of **\$260.00** per twelve (12) month period, to purchase such tools, provided the tool allowance approval form is completed and authorized by his/her immediate supervisor.

**Effective October 1, 2008 - \$270.00 per twelve month period.** New employees in these departments will be eligible for this allowance after their first six (6) months of service in that department.

### **10:07 - CALL IN PAY**

Any employee called into work after leaving the Company premises following the end of his/her scheduled shift and before his/her next scheduled reporting time, shall be paid at overtime rates for a minimum of four (4) hours. Call in pay does not apply in situations where an employee's hours of work are changed by mutual consent (commonly known as undertime). In situations where it is pre-arranged that an employee will come into work

after leaving the premises following the end of his/her shift and before his/her next scheduled reporting time, they shall be paid at overtime rates for a minimum of two (2) hours.

**10:08** On the second and third shifts there are occasions when only one maintenance person is on duty. To ensure security and cover emergencies during this normal lunch break, it is essential that the maintenance person remain on the premises. To compensate for this requirement, it is agreed that the lunch period be construed as overtime (when the normal hours worked on the shift are eight (8) or more) and be paid at one and a half times the employee's normal rate. When two (2) or more maintenance persons are on duty their lunch periods will be staggered and the above payment will not apply.

## **ARTICLE 11 - HOURS OF WORK**

**11:01** The following paragraphs and sections are intended to define the normal hours of work **and** shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week.

**11:02** The regular work week shall consist of not more than forty (40) hours per week composed of eight (8) hours per day Monday to Friday, inclusive. In the event of significant and prolonged increases in product demand necessitating an additional shift or shifts, the Company and the Union may enter into discussions to develop different shift patterns that might change these hours of work. Any changes to hours of work would require the mutual agreement of the Company and the Union Committee. In the event that shortage of hydro power makes it expedient to work on other days of the week, or at different hours of the day in lieu of the days and hours specified in this paragraph, the Company shall have the right to put into effect a revised schedule of hours during the period that such emergency continues, but before making any such change, will consult with the Union Committee and give them an opportunity of making representations regarding such proposed changes.

**11:03** A rest period of ten (10) minutes will be provided during each half shift.

**11:04** The Company agrees that employees reporting for work, unless otherwise notified the previous day, shall be paid for the half shift at the employee's current base rate. If no suitable work is available employees shall be paid for the half shift in lieu of work. The Company shall be the sole judge of the suitability of the work, except that the work shall not be more hazardous than the employee's usual work. This clause shall not apply if the employee's failure to receive such notice is due to his/her absence the previous day.

**11:05** Should a breakdown in equipment occur before the regular first half of an employee's shift is completed, the employees concerned shall be allowed to complete the first half of their scheduled shift without loss of base rate, but may be given other suitable work to occupy them until necessary repairs have been made. Should no other work be available, employees shall be guaranteed base rate for the first half shift he/she was working on.

#### **11:06 - MEAL ALLOWANCE**

Where advance notice of overtime requirement is not given the employee prior to arriving for the shift on which the overtime is to be worked, the employee shall be provided with a meal allowance in the amount of **\$5.50** before his/her overtime commences. **Effective October 1, 2007 the meal allowance increases to \$5.75. Effective October 1, 2008 the meal allowance increases to \$6.00.** The amount of overtime worked must be a minimum of two (2) hours.

#### **ARTICLE 12 - OVERTIME**

**12:01** Overtime at the rate of time and one half the employees' base rate shall be paid for all work performed over forty (40) hours per week, or over eight (8) hours per day Monday to Friday.

**12:02** Overtime at the rate of time and one-half of the employee's base rate shall be paid for all work performed on a Saturday, or a day celebrated as a Plant Holiday as governed by Article 21, and double the employee's regular basic wages for all overtime work performed on Sunday. This section shall not apply to those persons regularly scheduled to work on those days.

**12:03(a)** There shall be no pyramiding of overtime pay under the terms of this agreement, and under no circumstance will more than one basis of calculating overtime pay be used for the same hours.

**(b)** The Company will attempt to keep overtime to a minimum and as much advance notice as possible will be given an employee. The employee will give notice as to whether he/she has accepted overtime. The Union and the employee will co-operate in a responsible manner with the Company with respect to this requirement. However, it is understood that all overtime be on a voluntary basis with no disciplinary action taken for refusal to work overtime when requested unless the employee has agreed to work overtime and does not complete his/her commitment.

**12:04** An employee working overtime prior to a shift (commonly known as "undertime") will be paid the shift premium of the shift the employee works. To be eligible an employee must complete his/her shift excluding the undertime portion.

## 12:05 OVERTIME BANK

1. Compensating time-off in lieu of overtime pay may be banked by **employees** and taken subject to the terms of this **article**. Such compensating time-off **shall** be credited to the **employee** at the appropriate overtime rate.
2. Each **employee** who works overtime may **elect** whether to be paid for such overtime, **or** to receive or bank compensating time-off in accordance with this **article**.
3. The maximum amount of compensating time off an **employee** may bank **will** be forty (40) hours. Each hour taken from the bank **will** be paid at time and one half. Once the **employee** has banked the forty (40) hour maximum in any six-month period, all further overtime work during that period **will** be paid in the normal manner.
4. All compensating time-off banked by an **employee** between January 1<sup>st</sup> and June 30<sup>th</sup> of each year, if it has not been taken as time-off during that period, **shall** be paid for in cash in the pay day immediately following June 30<sup>th</sup>. All compensating time-off banked by an **employee** between July 1<sup>st</sup> and December 31<sup>st</sup> of each year, if it has not been taken as time-off during that period, **shall** be paid for in cash in the pay day immediately following December 31<sup>st</sup>.
5. Compensating time-off can **only** be taken with the advance approval of the appropriate supervisor and **only** if such time-off does not interfere with the Company's operating requirements. In considering such requests, the supervisor **shall also** have regard for the **relative** seniority of the **employee** requesting compensating time-off, but once a request has been granted, such grant **shall** not be rescinded by virtue of a more senior **employee** making a similar request. (i.e. "bumping"). Compensating time-off may not be used in respect of absence due to **lateness**, **illness**, and workers' safety and insurance or insured **disability leaves**.
6. At the **employee's** discretion, compensating time-off may be utilized as an **alternative** to a **layoff** or **lack** of work day.
7. **Employees** who are **entitled** to three weeks or **less** of vacation per year may, once they have banked forty (40) hours or more of compensating time-off, request an **additional** week of vacation in the **following** vacation year. If the request is granted, forty (40) hours **will** be removed from the bank and **re-allocated** as "second choice vacation" for the **following** year. In any subsequent year, after **all regular** vacation requests have been **scheduled** in accordance with the Company's **usual** procedures, requests **for** such "second choice vacation time" **shall** be considered.

8. Employees shall be paid their regular straight time base rate for each hour of compensating time-off taken. Incentive earnings earned during overtime hours worked will be paid in the pay period during which the work is done, and shall not be carried into the bank.
9. Compensating time-off shall not be treated as time worked for the purpose of premium entitlements or for any other purposes.

## **ARTICLE 13 - SAFETY AND HEALTH**

**13:01** The Company shall continue to make reasonable provisions for the health and safety of its employees during the hours of employment. The Union agrees to assist the Company in maintaining proper observation of all safety and health rules. Protective devices and other equipment deemed necessary to protect employees properly from injury shall be supplied by the Company, but this shall not include personal wearing apparel other than gloves, goggles, non-prescription eye protection, hearing protection, painter's skull caps and respirators where necessary.

### **13:02 - SAFETY BOOTS AND SHOES**

The Company will pay a subsidy up to two hundred and twenty dollars (**\$220**) (Paintline - three hundred and twenty dollars (**\$320**)) for the purchase of C.S.A. approved safety boots or shoes in any twenty - four month period. Effective October 1, 2008 - two hundred and thirty (**\$230**) Paintline - three hundred and thirty (**\$330**)) Employees shall not be entitled to a subsidy during their probationary period or while on layoff.

**13:03** There shall be a Plant Safety Committee consisting of representatives of the Union and representatives of Management. The Committee shall meet on a monthly basis. It is the duty of the committee to investigate and provide recommendations regarding Health and Safety issues in accordance to Ontario Legislative Requirements.

**13:04** The Company will appoint up to ten (10) employees to be First Aid Attendants whose base rate will be increased by 40 cents per hour provided such employees qualify under the St. John's Standards and agrees to carry out the duties of a First Aid Attendant.

**13:05** Coveralls, smocks, or denim aprons, will be available for workers in the following departments: Maintenance, Tool Room, Paint, Rework and Touch-up in department 479.

### **13:06 - SAFETY GLASSES**

**(a)** The Company will pay 75% of the cost of Prescription Industrial SAFETY Standard Glasses (Lenses and Frames) including tinted lenses if prescribed

by Physician, once in any twelve (12) month period.

**(b)** For employees not requiring prescription lenses the Company will provide without charge, up to three (3) pairs of non-prescription Safety Glasses, in any twelve (12) month period. If the lenses become scratched or the frames damaged, they will be repaired or replaced, free of charge provided employee presents damaged glasses. Glasses supplied other than through the above provision will be charged to the employee at Company cost.

## **ARTICLE 14 - SENIORITY**

**14:01(a)** Any employee who completes sixty (60) days of actual work during one period of employment will be considered as having completed his/her probationary period and his/her name will be added to the Departmental Seniority List in the order of his/her seniority and will date back to the first day of his/her most recent hire. Employees, who complete their probationary employment including any extension thereof, will qualify for the following benefits provided, however that they qualify under all other provisions of the contract.

**(i)** Payment for any holidays described in 21:01 which fell within the period of their probation.

**(ii)** Bereavement pay as in 20:04.

**(iii)** Safety equipment as in 13:02 and 13:06(a).

**(iv)** Tool allowance as in 10:06.

**(b)** In the event that a probationary employee is terminated due to lack of work, it is agreed that if this employee is rehired within sixty (60) working days of such termination, then the probationary time served in that immediate previous employment, with the Company, will apply towards the total sixty (60) working days required to achieve seniority.

**14:02** Seniority status, once acquired, will be lost and employment terminated for any one **(1)** of the following reasons:

**(a)** If an employee voluntarily quits his/her employment or is discharged and such discharge is not reversed through the grievance procedure.

**(b)** If the employee is laid off for a period equal to the seniority he/she has accumulated at the time of layoff, or for a period of eighteen (18) consecutive months, whichever period is the shorter.

**(c)** If the employee is absent from work for three (3) working days without notifying the Company and without reasonable cause.

**(d)** If the employee fails to report for work within five (5) working days after the mailing date of a registered letter, or the date of a telegram of a notice to report for work to the employee's last address in the Human Resources Office records, or failed to report for work on any later date agreed to by the Human Resources Office.

**(e)** If the employee fails to report to work at the termination of a leave of absence, vacation, holiday or disciplinary layoff unless the employee can

give satisfactory explanation acceptable to the Company for such failure to report.

**(f)** If the employee retires in accordance with the provisions of the Pension and Retirement Plan.

**14:03** An employee shall accumulate seniority under any of the following conditions:

**(a)** While he/she is at work for the Company, after he/she has completed his/her probationary period.

**(b)** During a period of eighteen months maximum when he/she is prevented from performing his/her work for the Company by reason of injury or illness arising out of and in the course of his/her employment for the Company and for which he/she is receiving compensation under the provisions of the Workplace Safety and Insurance Act. The employee will cease to accumulate seniority after eighteen (18) months of absence. He/she will then retain his/her accumulated seniority for an additional eighteen (18) months or until declared by medical opinion, to be incapable of performing any job in the bargaining unit, whichever is less.

**(c)** During the first three (3) calendar months of any absence due to non-occupational illness or accident, or an approved leave of absence.

**14:04** A seniority list shall be prepared by the Company and a copy shall be posted on the bulletin boards. The list shall be revised whenever requested by the Union Committee not more frequently than once every three (3) months. Seniority as referred to in this agreement shall be on a departmental basis.

**14:05** An employee who is permanently transferred from one department to another shall retain his/her departmental seniority in each department in which he/she has worked and shall not lose his/her seniority except as provided in section 14:02.

**14:06** In the event that an employee covered by this agreement should be promoted to a supervisory or confidential position beyond the scope of this agreement, he/she shall retain the seniority previously acquired for a period of twelve (12) months. This shall not prevent an employee from returning to the bargaining unit if he/she is in the salaried position.

**14:07** Where an employee has attained the age of sixty-five (65) years, the Company shall have the right at its option, to lay him/her off, or to retire him/her without regard to the seniority provisions of this agreement.

## **ARTICLE 15 - LAYOFF AND RECALL**

**15:01** In the event of a layoff, employees will be reduced in an inverse order of the Seniority List on which their names appear, provided there are



more senior employees who can satisfactorily perform the work from which the junior employees are removed.

**15:02** In the event of a layoff due to lack of work the Company agrees to give every employee who is to be laid off one clear working days notice of such proposed layoff. This clause shall not apply if the employee's failure to receive such notice is due to his/her absence from work on the day on which he/she would have otherwise received such notice.

**15:03** No probationary employees will be allowed to work while there is a layoff in effect, except if those on layoff are unwilling to perform the work in question or if in the opinion of management, they are incapable of performing the work.

**15:04** In the event of recalling employees from layoff the recall will be based on the order of seniority provided the senior employee can satisfactorily perform the work for which he/she is being recalled.

**15:05** Any employee's reinstatement after sick leave will be conditional on his/her supplying, when requested a certificate from a physician that he/she is fully recovered from the illness or injury which caused his/her absence.

## **ARTICLE 16 - TEMPORARY TRANSFERS**

**16:01(a)** Any employee who has been classified on a specified job classification, and who, for the convenience of the Company, is temporarily transferred to another job classification in which the base rate is different to that in effect in such employee's regular job classification, shall be paid while so employed as follows:

(i) If the base rate in the job classification to which he/she is transferred is less than the employee's regular pay, he/she shall receive his/her own higher base rate except when an employee is transferred from a non-incentive job classification to an incentive job classification. In this situation he/she shall receive the normal rate for the classification to which he/she is temporarily transferred as long as the incentive earnings equals or exceeds the non incentive rate.

(ii) If the base rate for the job classification to which he/she is transferred is higher than the rate of pay for the employee's regular job classification, he/she shall receive the normal job rate for the job classification to which he/she is temporarily transferred.

**(b)** An employee who, for the convenience and benefit of the employee is temporarily transferred to another job classification instead of being laid off due to lack of work, breakdown of machinery or other like cause, shall be paid while so employed as follows:

(i) If the base rate in the job classification to which he/she is transferred is less than the employee's regular pay, he/she shall receive the lower

rate paid in the job classification to which he/she is transferred.

- (ii) If the base rate in the job classification to which he/she is transferred is higher than the employee's regular pay he/she shall receive such higher rate provided he/she displays efficiency, skill and ability equal to that of the employees in the job classification to which he/she is transferred; and until such time as he/she displays such efficiency, skill or ability, he/she shall continue to receive his/her own regular rate.

## **16:02- DURATION OF TRANSFERS**

### **A. Between Departments**

Temporary transfers, not exceeding thirty (30) working days will not be posted, but the Union will be advised in advance if possible.

By mutual consent between Union and Management job postings can be waived for temporary jobs exceeding thirty (30) working days.

### **B. Within Departments**

When an employee has been transferred to another classification and the position is to become permanent Article 16 shall apply after thirty (30) days. By mutual consent between Union and Management job postings can be waived for temporary jobs exceeding thirty (30) working days.

## **ARTICLE 17 - JOB POSTING**

**17:01** In the event new jobs are created or vacancies in permanent jobs occur, such new jobs or vacancies shall be posted on the plant bulletin board for three (3) working days. Candidates for the job will make application, in writing, to the Human Resources Department. (Retaining a copy for themselves). This will not apply to positions of a supervisory nature.

**17:02(a)** All applicants for the job will be interviewed by the Company. Selection will be made on seniority, skill, ability and physical fitness. Experience gained on temporary transfers will not necessarily be used as a determining factor for job posting. If no suitable applications are received, the Company reserves the right to hire.

**(b)** If there are no applicants or if the successful applicant vacates the new job within a period of thirty (30) working days since commencing the job, it will not be necessary to repost the job. To fill the vacancy, to the extent that there were other applicants for the original posting, the Company will be governed by the terms of Article 17:02 (a).

**(c)** The successful applicant under 17:02(a) will be subject to a trial period of up to thirty (30) working days during which time the Company will determine whether the employee can satisfactorily perform the job.

- (i)** In the event the Company determines that the employee is unable to satisfactorily perform the job, he/she will be returned to his/her former position, seniority permitting. The Union will be advised why the employee was removed.

- (ii)** In the event the employee is unable to perform the new job for

adequate reasons, he/she shall be returned to his/her former position, seniority permitting.

**17:03** It is agreed that successful applicants of the job posting procedure will not be permitted to reapply for other postings for a period of three (3) months, or more often than two (2) times during a twelve (12) month period unless he/she is transferred by mutual consent, except that in the case of a new classification, all employees shall be eligible to apply.

**17:04** Only two (2) subsequent vacancies created by filling an initial posted job will be posted; thereafter the open jobs will be filled by the Company.

**17:05** The name(s) of the successful applicant(s) shall be posted on the plant bulletin board within ten (10) working days of the date the job was posted.

**17:06** In the event an employee's job is discontinued, the employee shall be permitted to return to the job classification, but not necessarily the exact job, on which he/she last had worked at least thirty (30) days prior to starting work on such discontinued job.

**17:07** Employees are not eligible to apply for job postings until they have attained six (6) months of service.

## **ARTICLE 18 - VACATIONS WITH PAY**

**18:01** All employees who have been steadily employed by the Company for a period of one (1) year prior to June 1, shall be entitled to two (2) weeks vacation with pay at a time convenient to the Company and shall receive as vacation pay an amount equivalent to four percent (4%) of such employee's earnings during the twelve (12) months immediately preceding June 1, of such year.

**18:02** All employees who have been steadily employed by the Company for a period of five (5) years or more prior to June 1, or any year thereafter shall be entitled to three (3) weeks vacation with pay and shall receive as vacation pay an amount equivalent to seven percent (7%) of such employee's earnings during the twelve (12) months immediately preceding June 1, of such year. The time of vacation shall be determined by the Company after giving full consideration of preference expressed by, and seniority of the employee concerned and the requirements of the business.

**18:03** All employees who have been steadily employed by the Company for a period of twelve (12) years or more prior to June 1, or any year thereafter shall be entitled to four (4) weeks vacation with pay and shall receive as vacation pay an amount equivalent to nine percent (9%) of such employee's

earnings during the twelve (12) months immediately preceding June 1, of such year. The time of vacation shall be determined by the Company after giving full consideration to the preferences expressed by, and seniority of the employee concerned and the requirements of the business.

**18:04** All employees who have been steadily employed by the Company for a period of twenty (20) years or more prior to June 1, or any year thereafter shall be entitled to five (5) weeks vacation with pay and shall receive as vacation pay an amount equivalent to eleven percent (11%) of such employee's earnings during the twelve (12) months immediately preceding June 1, of such year. The time of vacation shall be determined by the Company after giving full consideration of the preference expressed by, and seniority of, the employee concerned and the requirements of the business.

**18:05** All employees who have been steadily employed by the Company for a period of twenty-eight (28) years or more prior to June 1, or any year thereafter, shall be entitled to six (6) weeks vacation with pay and shall receive as vacation pay an amount equivalent to thirteen percent (13%) of such employee's earnings during the twelve (12) months immediately preceding June 1, of such year. The time of vacation shall be determined by the Company after giving full consideration of the preference expressed by and seniority of, the employee concerned and the requirements of the business.

**18:06** Where, not owing to illness or authorized absence, an employee has been absent from his/her employment in excess of one (1) working day in each month of the working year, the excess will be deducted from the vacation to which he/she would otherwise be entitled under this article. It is agreed that in the case of reported illness, the Company may require a doctor's certificate but such certificate shall be at the Company's expense.

**18:07** Those employees having less than twelve (12) months service prior to the 1st of June in such year shall receive as vacation pay an amount equivalent to four per cent (4%) of the earnings of such employee from the time he/she commenced to work for the Company until the 31st of May in such year.

**18:08** Employees who have been absent from work by reason of injury or illness for which such employees have been receiving Workers' Compensation or Group Insurance while so absent, shall be credited with the basic pay which they would have received during such absence for the purpose of computing applicable vacation pay; provided that under no circumstances shall this section apply to more than six (6) months absence in any twelve (12) month period, nor shall it apply where an employee does not work for the Company during the twelve (12) months upon which the

vacation pay is based.

**18:09** All employees will be required to take their entitlement of vacation by the January 5th following the entitlement year.

**18:10** Vacation pay for full weeks will be paid to the employee on the pay immediately preceding the start of vacation. Vacation pay for single days will be paid on the pay that the vacation is taken.

**18:11** By mutual agreement between the employee and the Company, an employee with more than three (3) weeks vacation entitlement may work all or a portion of their additional vacation entitlement.

**18:12** At the request of an employee, the Company will release on the next pay run any vacation accrual that an employee has earned that is in excess of the daily vacation rate that each employee has in remaining vacation time. The current daily vacation rate is **\$100.00 net/day**.

At the request of an **employee** on lay-off, the Company will release the vacation accrual. The employee will then be deemed to have taken an equivalent number of vacation days.

By mutual agreement between the employee and the Company, the Company may pay out more than the daily vacation rate for vacation taken prior to June **1**, provided that the employee has accrued more than the daily vacation rate.

In the event that any **employee** receives vacation accrual beyond the daily vacation rate prior to June **1**, such employee will not accrue vacation pay for the subsequent vacation year on the amount paid out.

**18:13** Employees may allocate a maximum of five (5) days vacation, if they have a minimum of three (3) weeks vacation or a maximum of five (5) days from their overtime bank to days that they are absent due to sickness. Such absences will still be treated as absences under the Collective Agreement and are still subject to counseling and/or discipline as per the Attendance Policy.

## **ARTICLE 19 - BULLETIN BOARDS**

**19:01** Bulletin boards will be provided by the Company for each department for Union notices. Such notices shall be submitted to the Company for approval before posting. Such approval shall not be unreasonably withheld.

## **ARTICLE 20 - LEAVE OF ABSENCE**

**20:01** The Company will grant leave of absence without pay to not more than **six** (6) employees to attend Union conventions and conferences for a

period or periods not exceeding the aggregate of sixty (60) days in any one (1) calendar year, provided that, in the opinion of the Company, this shall not interfere with the efficient operation of the plant.

**20:02** An employee elected or appointed to a salaried position in the National Union shall on written request to the Company be granted a leave of absence of up to thirty-six (36) months. During such absence seniority will be governed by Article 14:03 (c). Extension of this leave may be granted by mutual agreement. It is agreed that such leave will only apply to one (1) employee at a time.

**20:03** Female employees may be granted maternity leave as per the Employment Standards Act. Seniority will be governed by Article 14:03 (c).

**20:04** Bereavement leave will be granted to any employee suffering a death in the immediate family. The leave will start on the day following the day of death. Any employee on such leave will be paid his/her regular base rate for all regular hours that he/she would have worked had he/she not been on bereavement leave.

- (i) Five consecutive working days in case of Death of:  
Child, Spouse, **Father, Mother, Brother or Sister** of an Employee.
- (ii) Three consecutive working days in case of Death of:  
Step-Father, Step-Mother, Father-in-Law, Mother-in-Law, and Grandparents of the employee.
- (iii) One working day in case of Death of:  
Grandchildren of Employee, Grandparents of Spouse, Foster Children or formers Foster Children who resided with the employee for at least ten (10) years

The one day is meant to be the day of the funeral. If the funeral is on the Saturday the one day will be the Friday. If the funeral is on the Sunday the one day will be on the Monday.

**20:05** Leave of absence without pay may be granted for good and sufficient reasons upon adequate prior application to and approval by the Senior Company Official in charge of manufacturing, provided a suitable replacement is reasonably available. Normally vacation shall be used before leave of absence will be granted. The granting of leave of absence shall be at the discretion of the Company having consideration for the Company's obligation to its customers and the exigency of the operations.

#### **20:06 – JURY DUTY**

When an employee is summoned and reports for Jury Duty, or as a Crown Witness, he/she shall be paid the difference between the daily amount received for such duty and their base rate. Proof of attendance of such court

action is required prior to payment from the Company."

## **ARTICLE 21 – PLANT HOLIDAYS**

**21:01** The following shall be recognized as statutory holidays:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	Full shift prior to Christmas Day

In February of each year, one full day to be termed "Heritage Day".

**(a)** Where any of the above mentioned holidays fall on a Sunday, the Monday following will be recognized as a holiday. If the holiday falls on a Saturday, the Company will designate the preceding Friday, or the following Monday to be observed as the holiday. The Company and Union Committee may agree on other arrangements.

**(b)** Where any of the above mentioned holidays fall on a Tuesday, Wednesday or Thursday the Company and Union Committee by mutual agreement may designate the preceding Monday or following Friday to be observed as the holiday.

**(c)** The Company and Union Committee may mutually agree on arrangements, whereby time that normally would be paid at overtime rates may be worked at straight time rates and substituted for a normal working day or any other arrangements that the two parties deem suitable.

**(d)** All employees who have acquired seniority shall receive payment for such holidays based on their base rate multiplied by the number of hours which would normally have been worked on such day, subject to the following conditions:

To be eligible for holiday pay, an employee must work the full of the work day immediately preceding the holiday and the full of the work day immediately following such holiday. Provided that this restriction shall not apply to:

- (i)** An employee who has been absent and receiving Workers' Compensation or sick benefits under the group insurance plan up to but not including the statutory holiday where such employee works the full work day immediately following such holiday.
- (ii)** Nor shall this restriction apply to an employee who has worked the full workday immediately preceding such holiday but who is absent and received Workers' Compensation or sick benefits under the group insurance plan for the work day immediately following such holiday.
- (iii)** Nor shall this restriction apply to an employee who is absent either the work day immediately preceding or the work day immediately following such holiday by reason of bereavement as provided in Article 20:04.
- (iv)** Nor shall this restriction apply to those persons granted a written

leave of absence.

- (v) Nor shall this restriction apply to an employee who has been late up to seventy five (75) spaces (forty five (45) minutes) the work day immediately preceding the holiday or the work day immediately following such holiday.

**21:02** An employee shall receive any overtime pay to which he/she is entitled in accordance with Articles 12:01 and 12:02 for the work that he/she performs on such statutory holiday, in addition to his/her holiday pay.

**21:03** For the purposes of clarity, the parties agree that the benefit provided in this article constitute a greater right or benefit than provided for in the Employment Standards Act.

## **ARTICLE 22 – DISCIPLINE**

**22:01(a)** When a reprimand notice (written or confirmed verbal) is issued to an employee the Company must immediately issue a copy to the following:

- (i) Person disciplined;
- (ii) Steward who represented the person disciplined;
- (iii) Human Resources file.

Reprimands shall be given within five (5) working days following the day the Company had knowledge of the offence. For the purposes of this article, a working day shall be defined as a day in which the reprimanded employee works a minimum of four (4) hours.

**(b)** All reprimands shall have an effective duration of two (2) years.

**(c)** If a Supervisor discusses with an employee an area of concern, he/she can note the contents of the discussion on an employee record of discussion form. The employee will sign this form and may add his/her comments. This form goes to the employee's Human Resources file as a record of this discussion.

## **ARTICLE 23 - INCENTIVE TIME STANDARDS**

**23:01(a)** The Company will establish incentive time standards on the basis of fairness and equity to those operations performed in its plant that the Company adjudges are capable of measurement in terms of the standard time values constituting its program of time, motion and method studies.

**(b)** Incentive standards will be established by the Company so as to provide a normal experienced operator working under normal conditions with the methods prescribed by the Company and recognizing the required quality of workmanship, with the opportunity to earn 125%, or higher, of incentive base rate if working at an equivalent incentive work pace.

**(c)** Bonuses shall be computed by the Company on a daily basis in such a manner that one percent (1%) in bonus based on Normal Job Rate, shall be



paid an employee for each corresponding one percent (1%) of production by which his/her actual acceptable production, exceeds the applicable incentive time standard of production.

**(d)** Incentive time standards, once established on a permanent basis, will remain in effect for the duration of this Agreement and will be changed only to correct a computational error or as the result of a change in methods, processes, equipment, material or product design.

**(e)** Incentive workers directed to train new operators shall, during the period of training, receive their base rate plus twenty percent (20%) or at his/her earned incentive rate, whichever is the greater.

**(f)** When an operation is to be studied by a time study or methods person, the operator shall be advised of the purpose of the study. The operator shall be advised, at the earliest possible date, when an incentive rate is established.

**(g)** The Company will place in the hands of its supervisors and of each of the union stewards, forms through which any employee working on a bonus or incentive system may have a further time study. The forms, when completed, shall be filed directly with the Company Official responsible for time study.

**(h) Group Incentive**

While new operators are being trained, the experienced operators shall receive their base rate plus twenty percent (20%) or their earned incentive whichever is more.

**(i) Trainees**

Trainees during periods of training shall receive their base rate of pay until they are achieving a minimum of one hundred percent (100%) of standard. When one hundred percent (100%) of standard is achieved, trainees shall then participate in incentive earnings and the training period shall be complete.

The Supervisor will make the evaluation as to when the trainee has achieved one hundred percent (100%) and if his/her evaluation is challenged, then the Company Official responsible for time study would be asked to give a rating.

**ARTICLE 24 - COMPULSORY DEDUCTION OF DUES FOR EMPLOYEES**

**24:01(a)** During the lifetime of this agreement the Company shall deduct from the pay of all employees in two (2) deductions per month, an amount equivalent to the current regular monthly dues uniformly assessed to the members of the Union in the bargaining unit and shall remit same on the last working day of each month to the Financial Secretary of the Local Union. The said sums shall be accepted by the Union as the regular monthly dues of those employees who are or shall become members of the Union.

**(b)** If, for any reason an employee has worked less than five (5) days in a calendar month, then the Union does not require the member to pay dues for that month.

**24:02** During the lifetime of this Agreement, the Company shall deduct from the pay of all new employees who have completed the probationary period, a \$50.00 Union Initiation Fee and shall remit the same with monthly dues remitted following the date of the last deduction. The deduction shall be made **on the second pay period** following completion of the probationary period.

## **ARTICLE 25 - BENEFITS**

**25:01** The Company agrees that during the life of this Agreement, it will provide insurance benefits to eligible employees covered by this Agreement, and their dependents where applicable, all in accordance with and subject to the terms and conditions of Appendix "**G**" attached hereto and made a part thereof.

**25:02** The Company agrees that during the life of this Agreement, it will provide a pension plan to eligible employees covered by this Agreement in accordance with and subject to the terms and conditions of Appendix "**F**" attached hereto and made a part thereof.

## **ARTICLE 26 - DURATION**

**26:01** This Agreement shall become effective on the 1st day of October, 2006, and shall remain in full force and effect until the 30th day of September, 2009, and from year to year thereafter unless notice of intention to terminate or amend this Agreement is given by either party not more than ninety (90) days and not less than thirty (30) days before termination of the said Agreement.

In witness thereof each of the parties hereto has caused this Agreement to be signed by its duly authorized representatives as to the date and year first above written.

INSCAPE SYSTEMS LTD – Filing Division

D. Dyke

**K. Smallwood**

**J. Munroe**

**D. Vanderburgh**

**K. Brown**

United Steelworkers of America

T. Franczyk

J. Stephens

**P. Graham**

**T. Lefler**

**R. Diotte**

### Letter of Understanding #1

The parties agree that the Company may use temporary workers in the following situations for the duration of this agreement.

Temporary workers may be used for vacation replacements and/or during peak periods.

Any temporary worker who has worked for the Company for **90** days within a one year period will be hired by the Company and will be deemed to have completed probation.

All temporary workers **will** pay union dues in the amount paid by all permanent employees. All such dues will be remitted to the Union along with the regular union dues.

The maximum number of temporary workers that the Company may use is equivalent to the number of employees on vacation and/or as needed in peak times.

No employees will be laid off while any temporary employee is working unless the **employee** is not willing or is not capable of doing the work required. There will be no lack of work days in any week in which temporary workers work.

Temporary workers will only be used in normal circumstances as provided in this agreement.

**I**t is understood that the use of temporary workers in no way interferes with the rights of employees under the terms of the Collective Agreement.

### Letter of Understanding #2

The Company and the Union are committed to working together to ensure that senior employees are afforded the opportunity to be cross-trained in positions that will help to protect their seniority in the event of a layoff.

However, it is understood that the provisions of Article **15** will apply in all cases of layoff and recall.

**APPENDIX “A”**  
**EFFECTIVE OCTOBER 30, 2006**

2	13.94	16.17
3	14.27	16.50
4	14.32	16.57
5	14.38	16.64
6	14.43	16.70
<b>INCENTIVE</b>		
15	15.18	17.44
16	15.25	17.52
17	15.75	18.08
21	16.28	18.83
<b>SKILLED</b>		
22	17.28	19.93
23	18.78	21.43
25	20.68	23.33

**APPENDIX “B”**  
**EFFECTIVE OCTOBER 1, 2007**

<b>2</b>	<b>14.19</b>	<b>16.42</b>
<b>3</b>	<b>14.52</b>	<b>16.75</b>
<b>4</b>	<b>14.57</b>	<b>16.82</b>
<b>5</b>	<b>14.63</b>	<b>16.89</b>
<b>6</b>	<b>14.68</b>	<b>16.95</b>
<b>INCENTIVE</b>		
<b>15</b>	<b>15.43</b>	<b>17.69</b>
<b>16</b>	<b>15.50</b>	<b>17.77</b>
<b>17</b>	<b>16.00</b>	<b>18.33</b>
<b>21</b>	<b>16.53</b>	<b>19.08</b>
<b>22</b>	<b>17.53</b>	<b>20.18</b>
<b>23</b>	<b>19.03</b>	<b>21.68</b>
<b>25</b>	<b>20.93</b>	<b>23.58</b>

**APPENDIX "C"**  
EFFECTIVE OCTOBER 1, 2008

WAGE GROUP	STARTING BASE RATE	12 MONTH BASE RATE
<b>INCENTIVE</b>		
2	<b>14.44</b>	<b>16.67</b>
3	<b>14.77</b>	<b>17.00</b>
4	<b>14.82</b>	<b>17.07</b>
5	<b>14.88</b>	<b>17.14</b>
6	<b>14.93</b>	<b>17.20</b>
<b>INCENTIVE</b>		
15	<b>15.68</b>	<b>17.94</b>
16	<b>15.75</b>	<b>18.02</b>
17	<b>16.25</b>	<b>18.58</b>
21	<b>16.78</b>	<b>19.33</b>
<b>SKILLED TRADES</b>		
22	<b>17.78</b>	<b>20.43</b>
23	<b>19.28</b>	<b>21.93</b>
25	<b>21.18</b>	<b>23.83</b>

SHIFT PREMIUM  
AFTERNOON SHIFT .45/HOUR  
NIGHT SHIFT .50/HOUR

## **Appendix "D"**

### **Distribution of job classifications into wage groups**

#### **Incentive Classifications**

##### **Group 2**

Assembler - Class 1

Cell Operator - Class 3

Spray Painter - Class 2

**Plant Cell Operator – Class 3**

##### **Group 3**

Cell Operator - Class 2

Conveyor Loader/Unloader/Inspector

Spray Painter - Class 1

##### **Group 4**

Cell Operator - Class 1

Final Assembly - Line Leader

Utility Person

**Plant Cell Operator – Class 2**

##### **Group 5**

Brake Press Operator - Class 1

Spray Paint - Lead Hand

##### **Group 6**

Cell Co-ordinator

Final Assembly Co-ordinator

N.C. Brakepress Operator

N.C. Punchpress Operator

**Plant Cell Operator – Class 1**

#### **Non-Incentive Classifications**

##### **Group 15**

###### **Janitor**

Material Co-ordinator

Shear Set Up and Steel Stock

Shipping Clerk

**Shelf Goods Helper**

##### **Group 16**

Receiver

### Group 17

Paint Line Order Picker - **Class 1**

### Group 21

Department - Lead Hand

Refinisher

### Group 22

Maintenance Technician - Class 2

Millwright

Tool, Die and Jig Maker - Class 2

### Group 23

Maintenance Technician - Class 1

Tool, Die and Jig Maker - Class 1

### Group 25

Maintenance - Lead Hand

Tool Room - Lead Hand

## PLANT CELL OPERATOR

All current employees will be given the opportunity to move into any Plant **Cell** Operator positions should they choose to apply for Plant Cell Operator job **postings**. Subject to the provisions of Article 15, employees hired prior to October 1, 2004 will not be laid off and displaced by Plant Cell Operators with lower seniority.

All current employees that move into a Plant Cell Operator position **will** continue to accrue seniority in their current department. All new hires into a Plant Cell Operator position will be assigned a home department. Any employee in a Plant Cell Operator - Class 3 or Plant Cell Operator - Class 2 position that successfully attains the skills required in any two positions in the next higher Plant Cell Operator category will be placed into the next higher Plant Cell Operator category.

## Appendix "E"

The following provisions have been agreed to between the parties as to the application of the above job classifications and these provisions will also form a part of the said Agreement:

1. It is recognized that certain of the present employees are handicapped by age or physical disability. These individual cases will be discussed with the Union Committee, and after the Union Committee has agreed to exclude such individuals from the regular classifications above set forth, the



Company shall have the right to set special wage rates (which will not be less than the lowest wage group) for such individuals **so** excluded.

2. It is understood that the Company may in its discretion pay any employee or employees wage rates in excess of those provided by the above schedule.

## **Appendix "F"**

### **Pension Plan**

**Interpretation:** This outline reflects the Pension Plan's current provisions as amended to October 1, 1998. Pension benefit entitlement for former employees **was** based on the Pension Plan's provisions in effect at such dates of termination of employment, death or retirement.

While the following outline of benefits is deemed to accurately describe the main provisions of the Pension Plan, no contractual or other rights are created or conferred. Benefits will be in accordance with the provisions of the Pension Plan document and in accordance with applicable legislation.

**Future of the plans:** The Company expects to continue the Plan indefinitely but reserves the right in the event of unforeseen circumstances to modify or discontinue it at any time.

**Eligibility:** Full-time employees are required as a condition of employment to become members of the Plan on the first day of the month following the completion of two (2) years continuous service with the Company. Any part-time or temporary employee who satisfies the legislated eligibility conditions will become members of the Plan when so eligible.

**Retirement date:** The Normal Retirement Date is the first day of the month coinciding with or next following the employee's 65th birthday. An employee may retire at a reduced pension during the ten (10) year period immediately preceding Normal Retirement Date. If an employee continues to work with the Company after 65, such employee will nevertheless receive their pension on the Normal Retirement Date.

**Amount:** The annual pension benefit shall be the greater of (a) or (b) as follows:

(a) An amount equal to 44.5% of the employee required contributions without interest from the date of Pension Plan enrolment. Or,

(b) **\$336.00 per annum (\$28.00 per month)** for each year of Pension Plan membership from the date of Pension Plan enrolment.

Effective **October 1, 2007, \$348.00 per annum (\$29.00 per month)** for each year of Pension Plan membership from the date of Pension Plan enrolment. **Effective October 1, 2008, \$360.00 per annum (\$30.00 per month)** for each year of Pension Plan membership from the date of Pension Plan.

This is subject to other provisions of the Pension Plan.

**Employee Contributions:** The employee's required contribution will be 4.0% of his/her pensionable earnings up to the Canada Pension Plan Yearly Maximum Pensionable Earnings level plus 5.0% of any excess pensionable earnings that year. For employees in wage group 2 through 6, pensionable

earnings shall mean 123% of base wages, otherwise pensionable earnings shall mean base wages.

**Payments to employee:** Pension payments will start on Retirement and continue monthly thereafter for life. Should an employee die within 5 years after retirement, the monthly payments will continue to the designated beneficiary until a total of 60 monthly payments have been made under the plan.

**Optional forms of pension:** Instead of the normal form of pension, an employee may elect on retirement an actuarially equivalent optional form of pension as follows:

(a) Joint and survivor option with benefits to continue after death to his/her surviving spouse.

(b) Instead of the regular guarantee of 60 months either a pension with no guarantee provision or a pension with other guaranteed minimum periods of payments up to 180 months.

By law, a retiring employee, who has a spouse will be required to have their pension actuarially adjusted so as to provide a joint and survivor benefit whereby 60% of the pension will continue after the retired employee's death to the surviving spouse for his/her remaining lifetime. Spouse is defined as a person of the opposite sex who at the date the pension begins is either legally married to the employee or has been living with the employee for 3 years in a common-law relationship. This mandatory form of pension can only be waived with the written consent of the spouse.

**Early retirement:** For those employees who retire before 65 years of age, the early retirement pension will be the amount of age 65 pension earned to the date of retirement but reduced by 6% per year for each year of retirement prior to age 65. The 6% reduction reflects the commencement of payments at an earlier age and the expectation that the payments will be made for a greater number of years. The reduction factor has been lowered to 4% per year for those employees retiring with 28 or more years of service. **Effective October 1, 2007 the reduction factor has been lowered to 2% per year for those employees who have reached 60 years of age and are retiring with 35 or more years of service.**

**Early retirees may carry on their benefit coverage to age 65 by paying the monthly premium costs in effect at the time of coverage.**

**Death benefits before retirement:** If an employee should die before Normal Retirement Date, the designated beneficiary will be entitled to receive an amount equal to the employee's contributions made to December 31, 1986, with interest. If an employee qualifies under the Termination Vesting Schedule, the beneficiary will also receive the vested portion of the Company's actuarially required contributions to December 31, 1986, with interest.

With respect to benefits earned since January 1, 1987, the death benefit is payable to the deceased employee's spouse, or if none to the designated beneficiary of the deceased employee. If the deceased employee had not

Completed Years Continuous Service	Percentage of the Company's Contribution Vested in you
15	50%
16	60%
17	70%
18	80%
19	90%
20	100%

With respect to the pension benefit earned from January 1, 1987, the benefits are as follows:

1.If the terminated employee has not completed 2 years of Plan Membership, the employee may choose as the termination benefit either a lump sum cash refund equal to the employee's contribution since January 1, 1987, with interest, or a deferred pension payable at Normal Retirement Date in the amount which may be provided by the employee contribution value.

2.If the terminated employee has completed 2 or more years of Plan Membership, a 100% vested deferred pension payable on the Normal Retirement Date. Pension legislation prohibits a cash settlement of such benefit.

Benefit portability options as required under provincial pension legislation are available which include the following settlement options:

1.Lump sum cash settlement may be transferred to the employee's personal RRSP.

2.Deferred pensions payable at Normal Retirement Date may be payable from the Pension Plan as a reduced early retirement pension from age 55.

3.The lump sum commuted value of the deferred pension payable at Normal Retirement Date may be transferred to a locked-in RRSP or LIRA of the employee.

4.Deferred pensions payable at either the Normal Retirement Date or as reduced early retirement pension payable after age 55 may be purchased from an insurance company.

5. If the terminated employee's new employer has a registered pension plan, and if that plan accepts benefit transfers, the cash settlement amount or the commuted value of the deferred pension may be transferred to the new employer's pension.

## **Appendix "G"**

### **Group Insurance Plan**

**1.Interpretation:** While the following outline of benefits is deemed to accurately describe the main provisions of the Group Insurance Plan, no contractual or other rights are created or conferred. Benefits will be in accordance with the full provisions of the policies as administered by the

completed 2 years of Plan Membership at death, the death benefit is an amount equal to the employee's contributions since January 1, 1987, with interest. If the deceased employee had completed 2 years of Plan Membership at the date of death, the death benefit is the lump sum commuted value of the pension benefit earned since January 1, 1987, calculated in accordance with the minimum standards of provincial pension legislation and related regulations.

**Absence from work:** If you are laid off work, granted a leave of absence or are off work due to illness or accident for a period not exceeding one year, it will not be considered as a termination of employment for purposes of the Plan. During such absence, there are no employee contributions to be made and no additional pension benefits are earned.

**Governmental pension Benefits:** Pension benefits described above are paid in addition to benefits under the Canada Pension Plan to which both employees and the Company contribute and in addition also to the Old Age Security benefits.

**Retiree life insurance:** Employees who retire will receive a life insurance policy of two thousand dollars (\$2,000) payable to a designated beneficiary at the time of death. The premiums for this policy will be paid for by the Company.

**Pension statement:** A pension statement for each employee enrolled in the Pension Plan will be prepared for the year ending December 31, and issued not later than June 30, of the following year.

**Termination benefits:** If the employee's employment is terminated prior to Normal Retirement Date, the termination benefit entitlements are as provided below.

With respect to the pension benefit earned to December 31, 1986, the benefits are as follows:

1. If the terminated employee has both attained age 45 and completed 10 years of service, a 100% vested deferred pension is payable on Normal Retirement Date. Pension legislation prohibits a cash settlement of such benefit.
2. If the terminated employee is less than age 45 and has completed less than 15 years of service, the employee may choose as the termination benefit either a lump sum cash refund equal to the employee's contributions to December 31, 1986, with interest, or a deferred pension payable at Normal Retirement Date in the amount which may be provided by the employee contribution value.
3. If the terminated employee is less than age 45 but has completed 15 or more years of service, the employee may choose as the termination benefit either a lump sum cash refund equal to the employee's contributions to December 31, 1986, with interest, or a deferred pension payable at Normal Retirement Date in the amount which may be provided by the employee contribution value plus a vested portion of the Company's actuarially required contributions to December 31, 1986. The Vesting Schedule is:

carriers and in accordance with applicable legislation.

**2. Eligibility:** Except where precluded by law, the employee will become eligible to receive all benefits from the Group Insurance Plan on the day following the day upon which they complete 3 months of continuous service.

### **3. Life Insurance/Accidental Death & Dismemberment**

(a) Life Insurance	<b>November 1, 2006</b>	<b>\$24,500</b>
	<b>January 1, 2008</b>	<b>\$25,000</b>
	<b>January 1, 2009</b>	<b>\$26,000</b>

Should you become totally disabled prior to age 65, the life insurance in effect at the time of disability will be continued in force without payment of premiums until age 65. Satisfactory proof of total disability must be submitted at least once every year.

**Employees may purchase additional life insurance through the Company.**

(b) Accidental Death & Dismemberment	<b>November 1, 2006</b>	<b>\$24,500</b>
	<b>January 1, 2008</b>	<b>\$25,000</b>
	<b>January 1, 2009</b>	<b>\$26,000</b>

In case of accidental death by accidental means anywhere, within 365 days of the accident, the maximum will be paid to your beneficiary in addition to life insurance. Dismemberment benefits will be in accordance with the Schedule of Benefits, e.g. in the case of the loss of any two members (hands, feet or eyes) the full amount will be paid. Lesser amounts will be paid for other losses, as specified in the Insurance Schedule.

**4. Weekly Indemnity Benefits:** Weekly Indemnity Benefits will only be paid while the employee is being treated by a medical doctor and for a maximum of 52 weeks in any one period.

Benefits will start as follows:

- i) In the case of disability due to accident - on the first day following the accident.
- ii) On the sixth day following the day upon which the doctor signifies that the disability/sickness occurred.
- iii) In the case of hospitalization of 24 hours or more due to sickness, or non-minor surgery in the hospital due to sickness, benefits will start on the first day of verified sickness.

The Weekly Indemnity Benefit is 60% of the employee's average weekly earnings, as determined under the Employment Insurance Formula, to the Employment Insurance Maximum Benefit at the time of the employee's disability.

**5. Accidents At Work:** Any employee cannot receive **Weekly Indemnity Benefits** for any sickness or injury, which falls within the scope of the

Workplace Safety and Insurance Act. However, claims can still be made for life insurance or accidental death and dismemberment benefits even though Workplace Safety and Insurance Act payments have been received.

**6. Extended Health Care, Dental and Vision Care:**

All employees as of October **1, 2006** can choose between Plan A ~~or~~ Plan B. Any employee that chooses Plan B cannot switch back to Plan A. All **employees** hired after October **1, 2006** will join Plan B when they become eligible. Dependents of married employees, as outlined in the Plan Document **are covered** under this provision.

Plan A is the benefit plan in place at September **30, 2006**. The following is a comparative outline of the two plans:

	<b>PLAN A</b>	<b>PLAN B</b>
<b>MAJOR MEDICAL AND SUPPLEMENTAL HOSPITAL</b>		
Deductible	\$25 annual	No deductible
Co-insurance	100%-drugs & hospital 80% - medical supplies & services 50% - vision	80% other than drugs
Hospital	semi-private to \$55/day	semi-private to \$175/day
Drugs	Reimbursement generic mandate  Subject to lifetime max <b>\$20,000</b> Anti-smoking \$300 lifetime	Drug Card generic mandate 80% of first \$500/single 80% of first \$1000/family 100% coinsurance thereafter \$10,000 annual max Anti-smoking \$300 lifetime
Drug Dispensing Fee	<b>NIA</b>	\$6 limit per prescription
Private Duty Nurse	\$5,000 lifetime	\$8,000 lifetime
Chiropractor	\$7/visit to 20 visits/year	\$25/visit to max of \$300 for
Osteopath	\$7/visit to 20 visits/year	all Paramedicals combined
Speech therapist	\$7/visit to 20 visits/year	
Physiotherapist	\$7/visit to 20 visits/year	
Out-of-Country	\$100,000 lifetime/semi \$20,000 lifetime all other	\$1, 000, 000 lifetime max
Travel assistance	not covered	1-800 Emergency Medical

Termination	Retirement	Age 65 or retirement, whichever comes earlier
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All premiums for the above benefits are 100% paid by the Company.

## DENTAL CARE

Covered services are diagnostic services (routine examinations and x-rays), preventative services (cleaning, scaling (limited to two units of cleaning and scaling with a six month recall) and fluoride applications), restorative services (fillings), and surgical services (extractions and necessary anesthesia), denture, denture repair and root canal services,

Deductible	\$10 single, \$20 family/year	No Deductible
Coinsurance	100%	90%
Maximum	\$1500/year combined with dentures	\$2,000/year combined with dentures
Dependent Ortho	50%	50%
Maximum	\$2,000 lifetime	\$3,000 lifetime
Eligible Fee Guide	2004	current
Termination	Retirement	Age 65 or retirement whichever comes earlier

The premium cost will be shared between the Company and the employees on an 80/20 basis with the employee's contribution payable by payroll deduction.

Subject to the eligibility and entitlement provisions of the plan document, all employees will contribute except those who provide **proof** of coverage under another dental plan.

Payments with respect to dental claims will only be paid to the employees – **i.e.** cannot be assigned a dentist.

## VISION CARE

**The company will pay vision care costs for employees and their dependents as follows:**

Vision Care	Overall max \$200/24 months	Overall max \$250/24 months
Coinsurance	50%	80%
Glasses/contacts	\$125/24 months	\$200/24 months
Eye exams	1/year	1/year

**7.Absence Due to Layoff:** Employees' life insurance, accidental death and dismemberment, major medical, supplemental hospital (including drug plan) and OHIP continue until the last day of the third month following the date of layoff. Should an employee be recalled after the benefit period expires, then payment for all premiums is restored immediately. However, should an employee be in arrears on his/her dental premiums or OHIP coverage, such arrears (subject to approval of OHIP) will be deducted from an employee's pay.

**8.Absence Due to Disability:** Employees' life insurance, accidental death and dismemberment, major medical, supplemental hospital (including drug plan) and OHIP will continue until the last day of the month in which the employee ceases to become eligible for Weekly Indemnity Benefits, or in the case of Workers' Compensation, as required by the Workplace Safety and Insurance Act. However, should an employee be in arrears on his/her dental premiums or OHIP coverage, such arrears will be deducted from an employee's pay.

**9.Termination of Employment:** If you leave the Company, all insurance will be terminated. However, you may convert your Group Life Insurance to any of the regular policies (Term Insurance excepted) issued by the Insurance Company, without a medical examination. However, you must make application for conversion within 31 days of the date of termination of employment. Should death occur during this 31 day period following termination of employment, the life insurance will be paid to your beneficiary.

**10.OHIP:** Employees will join the OHIP and cease to belong in accordance with the Ontario Law. The Company will contribute 100% of the premium commencing with payment due on the first day of the month following the month in which the employee completes his/her probationary period.

#### **Appendix "I"**

**Education Fund – The Company shall remit to the Union a total of one thousand dollars (\$1,000.00) per year for the education of its members.**

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