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SOURCE	<i>W.</i>		
EFF.	87	05	01
AGREEMENT	90	04	30
No. of EMPLOYEES	175		
between	NOMBRE D'EMPLOYÉS <i>Jim</i>		



**Paperboard
Industries
Corporation**

TORONTO MILL DIVISION

— and —



**CANADIAN PAPERWORKERS'
UNION LOCAL 1112**

May 1, 1987 — April 30, 1990



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Article 1
PREAMBLE

Section 1 – Definition of Parties

The following are the details of the agreement between Paperboard Industries Corporation, Toronto Mill Division, (hereinafter referred to as “The Company”)

- and -

The Canadian Paperworkers’ Union, Local 1112, (hereinafter referred to as “The Union”) acting on its own behalf and as agent for the employees of the Company hereinafter defined.

Section 2 – Purpose and Intent

The purpose of this Agreement is to promote and improve industrial and economic relationships between the Company and the Union, to secure fair disposition of grievances, to eliminate interruption of work and to set forth certain arrangements regarding rates of pay, hours of work and other conditions of employment.

Section 3 – Local Customs and Practices

Any local rule, regulation, custom, agreement or practice previously established which may be in conflict with the specific provisions of this Agreement is abolished.

Article 2
BARGAINING UNIT

Section 1 – Bargaining Unit

The “bargaining unit” shall consist of all permanent employees within the jurisdiction of the Union in the

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Mill, save and except supervisors, persons above the rank of supervisor, regularly assigned watchmen and all employees engaged in administration, sales, accounting, clerical, stenographic or other office work and probationary employees.

Section 2 — Supervisory Trainees

The Company Supervisory Training Program may make it necessary to give mill experience to persons for specialized training or education. Such trainees are not under the scope of this Agreement but may, during the course of training, perform work in any classification covered by the bargaining unit. An employee who would otherwise be working on the affected job will stand by during this training period.

Section 3 — Union Security

All employees of the Company within the bargaining unit must be members in good standing of the Union. Seven (7) days prior to the completion of a new employee's sixty (60) calendar day probationary period, the Company will notify the Union of his progress and if he is likely to be accepted as a permanent employee. The Company agrees that it will deduct from the pay of each permanent employee the monthly dues payable by him to the Union and will forthwith remit money so deducted to the Financial Secretary of the Union specifying the employees from whose pay such deductions were made.

Section 4 — Summer Help

Employees who are hired between April 1st and September 30th for special work such as construction, vacation and other instances of a temporary or seasonal nature, have the status of summer help and are covered by the terms of this Agreement except Article 12, Group Insurance and Article 13, Pension Plan. In the event of a permanent Mill opening, the

Company will offer the position of these employees on the basis of Mill seniority. Any such employees permanently hired shall have their seniority revert to their latest date **of** hire. Regardless of circumstances, all such employees will be considered permanent after September 30th.

Section 5 – Cessation of Work

The Union agrees to protect the Company against walkouts, strikes, slowdowns or boycotts. The Company agrees to protect the Union against lockouts by the Company.

The Union agrees that it will not involve the **Com-**pany in any controversy or dispute arising outside of this Agreement.

Prior to a legal strike, the parties shall meet to discuss procedures to ensure the essential services and complete security of the Mill property and facilities and to discuss the procedures relative to the status of the employees under employee benefit programs.

Section 6 – Authorized Representatives

At all meetings between representatives of the Union and the Company, the local shall have one or more representatives present chosen from the bargaining unit and employed in the bargaining unit for at least two (2) years. All such representatives shall, if required, present written authority from the Local Office.

Section 7 – Work by Excluded Persons

Under normal operating conditions, persons whose regular jobs are not in the bargaining unit will not work on any jobs for which rates are established by this Agreement, except for purposes **of** instruction, experimenting or in emergencies.

Article 3

MANAGEMENT RESPONSIBILITIES

Section 1 – Operating Control

It is the exclusive function and right of the Company to operate and manage its business in all respects, except where any right to do so has been specifically restricted by the terms of this Agreement.

Section 2 – Rules and Regulations

The Company reserves the right to formulate and publish, from time to time, rules and regulations regarding the use and operation of equipment and plant facilities and the conduct of employees in the plant. It is agreed that no formal disciplinary action will be taken against an employee without Union representation.

Article 4

HOURS OF WORK

Section 1 – Hours of Work

The purpose of this Article is to establish hours of work and shall not be construed as a guarantee or limitation of the hours of work per day or per week. The Mill, or individual departments therein, will normally be operating on a five (5), six (6) or seven (7) day schedule.

For purposes of payroll computation, the normal week is from 7:00 a.m. Monday until 7:00 a.m. of the following Monday. The hours of work are from 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m. and 11:00 p.m. to 7:00 a.m. except when and as mutually agreed. The work day for day workers shall be 7:00 a.m. to 3:30 p.m. 7:30 a.m. to 4:00 p.m.; or 8:00 a.m. to 4:30 p.m. as required with one-half (1/2) hour off for lunch, when and as mutually agreed.

The normal operation of the Mill will be a seven (7) day schedule with four (4) crews. When business conditions cannot sustain a seven (7) day schedule, the Company will give the Union and the employees fifteen (15) calendar days advance notice of the return to a three (3) crew operation on a five (5) or six (6) day schedule. When returning to a seven (7) day, four (4) crew operation, the Company will give the Union and the employees seven (7) calendar days advance notice.

During certain business conditions which cannot sustain a six (6) or seven (7) day operation, at least one (1) weekend of work may be scheduled by mutual agreement between the Company and the Union. The Company will define the proposed weekend work at least seven (7) calendar days in advance to the Union and agreement must be obtained at least four (4) calendar days prior to the scheduled weekend.

When the Sheeting, Finishing and Receiving Departments are operating on a five (5) day or six (6) day operation, the Company will give five (5) days notice of a change in schedule.

The usual wash-up, felt changes and maintenance may follow the last operating day and may be in addition to the work week.

Section 2 – Scheduled Days Off

When on a five (5) day schedule, the normal days off for employees will be Saturday and Sunday, or as mutually agreed. When on a six (6) or seven (7) day schedule, employees may have scheduled days off other than Saturday or Sunday.

Section 3 – Successive Shifts

It is the responsibility of the employees in each job to keep that job manned for successive shifts. Each employee is to remain on the job until relieved by his mate or released by his supervisor.

Employees shall not be required to work more than 16 hours on any given day. An employee may be requested to work overtime during unscheduled and scheduled downtime until such time as the Mill is operating. An employee working this overtime must be away from the Mill property for at least 8 hours and shall not lose any pay.

The relief period(s) will be as follows: 3:00 p.m.; 11:00 p.m.; 7:00 a.m. The employees recognize the need for adherence to these times (ie on the job, on the hour).

Regarding a 2 shift operation, the relief period(s) will be as follows:

7:00 a.m.; 3:00 p.m. if lunch taken while operating.
7:00 a.m.; 3:30 p.m. if shutdown for lunch.

The supervisor and the Union Steward will make every effort to locate a suitable relief employee to lessen the need of employees working overtime, guided by the following principles:

- (1) No employee will be required to work more than one (1) double shift per week.
- (2) Should a qualified spare man be available he may be used to replace an absent employee.
- (3) It is agreed that if two (2) employees in the same line of progression must be replaced, the most senior employee to be replaced will have the first option to work the double shift.
- (4) It is agreed that an employee who is on training should not be considered as a spare man and cannot be utilized as a replacement while on training except when all other manning alternatives have been exhausted.

Article 5
OVERTIME

Section 1 – Overtime Premium

The normal hours of work per week for all employees covered by this Agreement shall be forty (40). A rate of time and one-half shall be paid to all permanent and temporary employees for all hours worked over eight (8) hours per day or forty (40) hours per week. Payment of overtime rates will not be duplicated for the same hours worked.

Section 2 – Saturday and Sunday Premiums

(a) On a five (5) day schedule:

- (1) When the board machine is not operating, Saturday work will be paid for at the rate of time and one-half and Sunday work will be paid for at the rate of double time.
- (2) When the board machine is operating, Saturday work will be paid for at the rate of time and one-half and Sunday work will be paid for at the rate of double time.

(b) On a six (6) day schedule:

- (1) Saturday work will be paid for at the straight time rate.
- (2) When the board machine is not operating, Sunday work will be paid for at the rate of double time.
- (3) When the board machine is operating, Sunday work will be paid for at the rate of double time.

(c) On a seven (7) day schedule:

- (1) Saturday work will be paid for at the straight time rate.
- (2) Sunday work will be paid for at the rate of double time.

Section 3 – Meal Allowance

When an employee is requested to work two (2) or more hours overtime at the end of his regular shift and was not notified prior to coming to work, he shall be granted a meal allowance of **\$6.50**. Effective May 1, 1986, this allowance shall be \$7.00.

Section 4 – Change in Shift Schedule

If an employee's shift schedule, as posted the previous week, is changed by the Company, time and one-half shall be paid for all regular hours worked on the first shift outside of the posted schedule. This section will not apply in the event of a major breakdown or emergency outside of the control of the Company.

Section 5 – Assignment of Overtime

When the Company schedules overtime work, such overtime shall be offered first to the employee with the greatest department seniority who is qualified to perform the work. Overtime shall be rotated among the employees in the department concerned.

Article 6

RATES OF PAY

Section 1 – Classification Rates

Appendix "A" records the rate for all classifications named but constitutes no guarantee of the continuance of such classifications

Section 2 – New Classification

If any new classifications are added or if existing classifications are substantially changed, the parties shall negotiate the rates for the new or revised classifications.

The Company will notify the Union as far as possible in advance **but not later than sixty (60) days** of the **planned introduction of automation or technological** changes which may result in layoffs or which may affect the status of employees. During the period following such notice, the Company and the Union shall meet as required to consider the various alternatives available to employees who may be displaced.

Within one (1) month after the Company establishes a new job resulting from equipment or process changes, the Company and the Union will negotiate a permanent rate for that job. In the event that agreement on a satisfactory rate cannot be reached, the matter will be referred to the grievance procedure and the date of the new rate will be effective from the date the new job is filled.

Section 3 – Rate Retention Due to Job Elimination

When a permanent employee with at least one (1) year of continuous employment is set back permanently to a lower paid job due to job elimination under the conditions set forth in Section 2, he shall retain his classified rate for a period of six (6) months and for a further period of six (6) months he will be paid an adjusted rate which will be midway between the rate for his permanent job at the time of the set back and the rate for his new permanent job. At the end of the twelve (12) month period, the rate for the job to which he is assigned will apply.

Section 4 – Rate Retention

If an employee is transferred to a lower rated job, he will retain his present rate for a period of eight (8) weeks, except that there will be no rate retention in the following circumstances:

- (a) An employee is placed on a higher rated job for four (4) weeks or less.

- (b) **An** employee is transferred to a lower rated job at his own request, or is unsuccessful during the posting trial period.
- (c) **An** employee is placed **on** a higher rated job replacing for sickness or approved leave of absence which does not exceed four **(4)** weeks.
- (d) **An** employee is placed **in** a higher rated job replacing for vacation.
- (e) **An** employee ~~demoted~~ for refusal to fill a temporary vacancy.
- (f) **An** employee filling a position created through (a), (b), ~~(c)~~ or ~~(d)~~.

Section 5 -- Probationary and Summer Help Employee Rate

A rate of twenty-five cents (25¢) below the classification rate may ~~be paid to~~ new, inexperienced employees during their probationary period and to inexperienced summer help employees during the first sixty **(60)** calendar days of ~~the~~ term of their employment.

Section 6 -- Shift Premium

Effective May 1, 1988, the third shift will be increased from 50¢ to 55¢.

Effective May 1, 1989, the second shift will be increased from 35¢ to 40¢.

Section 7 -- Report Pay

It is the responsibility of employees to supply the Company with specific instructions as to how they may be reached. The Company will not be responsible for giving notification to employees who are not at work and who fail to leave specific instructions as to how they may be reached or who cannot be reached after such instructions have been followed.

An employee reporting for work on his scheduled shift, unless otherwise instructed by the Company, shall receive not less than four (4) hours straight time pay at his current classified rate. This section shall not apply in the case of a major breakdown or other emergencies beyond the control of the Company.

Section 8 – Call-In Pay

No employee who, after punching out, is called back on duty for repair or other work shall receive less than six (6) hours straight time pay. This shall only apply when an employee is called and punches in more than one (1) hour prior to the starting time of his regular shift.

Section 9 – Temporary Transfer

Employees may only be transferred from their department to another department when their department is on a reduced or non-operating situation.

Employees may be transferred from their normal work to other work within their department to meet the necessary operating needs of the Mill, giving regard to the ability and experience of the employees. The Company agrees that the transfer will be temporary and will not be abused.

Machine crews and Beater Room crews will, under normal operating conditions, only be used on work directly related to the process.

An employee transferred to a higher rated function on a temporary basis will receive the higher rate of pay for the hours of work actually worked in any day on the higher rated function.

Should the employee work on the higher rated function in excess of four (4) hours in any day, he shall be paid at the higher rate for all hours worked on that day.

This section will not apply when such transfers result from employee convenience or lunch breaks, etc.

Section 10 -- Pay on Day of Injury

An employee losing time during his shift because of an injury occurring on the job will receive his regular pay for that shift.

Article 7

SERVICE

Section 1 -- Promotions and Demotions

Promotions and Demotions shall be based on job seniority, department seniority and Mill seniority when employees are equal in knowledge, skill, training, ability, efficiency and physical fitness.

Job Seniority shall accrue from the latest date of permanent entry into a given job classification. An employee can only have job seniority on the job he currently holds.

Department Seniority shall accrue from the latest date of permanent entry into a given department. An employee can only have department seniority in the department in which he currently works.

Mill Seniority shall be determined by an employee's length of continuous service computed from his latest date of hire.

When employees are equal in knowledge, skill, training, ability, efficiency and physical fitness, job seniority shall prevail.

When job seniority is equal, departmental seniority shall prevail and when departmental seniority is equal, Mill seniority shall prevail.

An employee who is promoted will be given a trial period of up to ninety (90) calendar days to demonstrate his ability to perform the job.

Section 2 – Lines of Progression

Vacancies at the bottom of the line of progression for **each departmental group shall be** posted for four (4) working days and a copy of the posting shall be given to the Union. **All** interested employees must complete the required application forms and senior applicants with the necessary qualifications will be given preference. The Group Manager shall consult with the Union Executive before finalizing his decision on the successful applicant. The Company will be required to train and these employees will be required to work in each job at each level as part of their progression. Promotion to a higher job in the progression will only occur after all jobs at the lower levels have been worked and the promotion will be in accordance with Section 1.

Section 3 – Temporary or Permanent Vacancy

When a permanent vacancy is created in the line of progression, employees must move up to fill this vacancy. Refusal to do so will demote them to the bottom of the progression. If he refuses the promotion, he will do so in writing. When a temporary promotion occurs, an employee must move up, except for medical reasons.

If a temporary vacancy occurs for a period of more than three (3) weeks, the Union president or his designate will meet with the Industrial Relations Manager to determine whether this temporary vacancy will exist for a period of more than four (4) months and they will jointly decide whether or not a temporary posting is necessary.

Section 4 – Causes for Loss of Seniority and Continuous Service

An employee will lose **all** seniority and continuous service if such service is interrupted for any of the following reasons:

- (a) He quits his employment.
- (b) He is discharged.
- (c) He is absent for three (3) consecutive working days unless excused for reasonable cause.
- (d) He does not return to work within three (3) consecutive working days after being recalled by the Company by registered mail or telegram addressed to him at his address last known to the Company, unless excused for reasonable cause.
- (e) He has been continuously unemployed by the Company for any reason for a period equal to his current period of consecutive employment with the Company, but in no event to exceed nine (9) months.
- (f) He does not report for work upon expiration of an authorized leave of absence unless excused for reasonable cause.

When an employee has lost his seniority rating and is subsequently rehired, his seniority shall be accumulated from the date of his rehire.

Section 5 – Maintenance Reclassification

It is agreed that an employee in the Maintenance Department, desiring a review of his ability and qualifications for purposes of possible reclassification to a higher position, shall submit in writing to his supervisor, notice of his request. If the employee is dissatisfied with his supervisor's decision, the matter will be discussed between the plant management and the Union Executive. It is not the intent of this clause to create job vacancies where they do not exist.

Maintenance vacancies will be posted for four (4) working days and will be filled by persons who possess the necessary skills, credentials and experience.

Section 6 – Transfer Outside Bargaining Unit

An employee transferred to a job outside of the bargaining unit will continue to accumulate service and seniority for up to a maximum of one (1) year.

When an employee re-enters the bargaining unit within 180 days of his transfer, he will return to his former function and all other movement which occurred at the time of the transfer will automatically revert with no loss in seniority.

If the employee re-enters the bargaining unit after 180 days, but less than one (1) year from the date of his transfer, he will return to a function mutually acceptable to the Company and the Union.

After one (1) year outside of the bargaining unit, his return to the bargaining unit and his eligibility for any job must be mutually acceptable to the Company and the Union.

Section 7 – Job Posting Trial Period

The successful applicant to a job posting shall be given a trial period of up to sixty (60) working days. If, during the sixty (60) working day period, the employee chooses not to remain in that position, or if the Company judges him not suitable, he shall return to his previous position without loss of seniority.

Section 8 – Lay-Off

Lay-offs shall be on a Mill seniority basis with the last person hired being the first laid off, providing the persons remaining have the qualifications and ability to do the job. Laid off employees shall be recalled to jobs in the reverse order of their lay-offs.

Lay-offs due to reduced operation or job elimination begin at the level where the change occurs. The employee having the least job seniority bumps into the next lowest job level until the lowest job in the progression is reached.

The employee displaced from the bottom job in his line of progression displaces an employee with lesser Mill seniority who is at the bottom of his job progression provided he has the qualifications.

Regular employees permanently laid off from their jobs will be provided with the opportunity for on the job training to enable them to fill jobs at the bottom of a job progression provided they are entitled to do so on the basis of their seniority.

Article 8
LEAVES OF ABSENCE

Section 1 – Bereavement Leave

The purpose of this bereavement leave is to reimburse an employee with a minimum of sixty (60) days continuous service for wages lost in the event of a family death as outlined below.

- **An** employee will be paid at straight time for normally scheduled time lost up to but not exceeding five (5) days when such lost time is necessitated by arrangement for and attendance at the funeral and the settling of affairs in the event of death of the employee's spouse, child, father or mother.
- **An** employee will be paid at straight time for normally scheduled time lost up to but not exceeding three (3) days when such lost time is necessitated by arrangement for and attendance at the funeral and the settling of affairs when death occurs in the employee's immediate family. Immediate family is limited to grandmother, grandfather, father-in-law, mother-in-law, brother, sister, stepfather, stepmother, stepbrother, stepsister, brother-in-law and sister-in-law.
- In the event that an employee is unable to attend the funeral of his mother, father, mother-in-law

or father-in-law, the Company will grant leave of absence for one (1) day with pay at his current **base rate in order that he may participate in a** religious ceremony on the day of the funeral.

It is understood that the employee must attend the funeral or services to be eligible for the wage loss reimbursement outlined in this section.

Section 2 – Jury Duty

Employees required to serve on jury duty shall be paid the difference between the straight time rate they would have earned and the amount they receive for jury duty.

Section 3 – Personal Leave

An employee with at least one (1) year of continuous service may be granted a leave of absence without pay for a maximum period of sixty (60) calendar days. The employee shall submit in writing to the Company his request for a leave of absence. The Company shall approve this leave if it is for good personal reasons and does not interfere with plant operations. A leave of absence may be extended for one (1) additional thirty (30) calendar day period, providing the employee requests the extension in writing before the expiration of the first thirty (30) calendar day leave and the Company approves the reason for the extension.

Section 1 — Holidays		Article 9	
		RECOGNIZED HOLIDAYS	
Day	Total Hours	Time Limits	
New Year's	40	The forty (40) hour production period preceding the normal mill start-up time on the day following the holiday.	
Good Friday	24	7:00 a.m. Friday to 7:00 a.m. Saturday.	
Victoria Day	24	7:00 a.m. Monday to 7:00 a.m. Tuesday.	
Dominion Day	24	The closest Monday to Dominion Day, July 1, Statutory holiday shall be considered the holiday for the purpose of mill shutdown and computing holiday pay. 7:00 a.m. Monday to 7:00 a.m. Tuesday.	
Civic Holiday	24	7:00 a.m. Monday to 7:00 a.m. Tuesday.	
Labour Day	24	7:00 a.m. Monday to 7:00 a.m. Tuesday.	
Thanksgiving Day	24	7:00 a.m. Monday to 7:00 a.m. Tuesday.	
Christmas	48	The forty-eight (48) hour production period preceding the normal mill start-up time on the day following the holiday.	

By mutual agreement, the Company and the Union may choose to celebrate any holiday on a day other than specified in the article.

It is agreed that production will not be scheduled on the above recognized holidays unless the Union membership gives its consent. Should the Company find it necessary to schedule production on such a day, it will meet with the Union to explain the circumstances.

Section 2 – Holiday Pay

All permanent **and** summer help employees are eligible for holiday pay and will receive eight (8) hours holiday pay at their current straight time rate, subject to the conditions outlined in this section. This pay is in addition to any pay for work performed on any of the eight (8) holidays as described in Section 1.

An additional eight (8) hours pay at the straight time rate will be paid for the New Year's Day and Christmas Day holidays.

Holiday pay is conditional that the employee must have worked his last scheduled day preceding and first scheduled day following the holiday. If the employee works less than his scheduled hours on either of these days, he will receive holiday pay less the hours absent on these days unless such absence has been approved by management.

Other conditional requirements that must be met to receive holiday pay are as follows:

- (a) The employee must report for work on the holiday if so scheduled by posting on the bulletin board on the work day preceding the holiday.
- (b) The employee absent due to documented illness or a compensable injury must have worked some-time within the sixty (60) calendar day period immediately preceding the holiday.

Section 3 – Holiday During Vacation

If a paid holiday falls in a week when an employee is on paid vacation, he shall receive eight (8) hours straight time pay for the holiday in addition to his vacation pay, providing the employee works his full scheduled day both prior to and immediately following his vacation leave.

In addition to maintenance work required by a total Mill shut-down, other maintenance work must be performed on Mill statutory holidays to sustain the opera-

tions to the mutual advantage of the employees and the Company. Where sufficient help is available, crews will be set up on a voluntary basis. Seven (7) days advance notice will be given of the work required and meetings will be held to discuss the repairs to be done during the shutdown except for last minute emergencies. Double time will be paid to all employees who work on a statutory holiday.

Article 10
VACATIONS

Section 1 – Vacation Entitlement

Employees shall receive an annual vacation with pay in accordance with the following schedule:

Less than one (1) year of service by May 1st but hired prior to the previous October 1st: one (1) week vacation and 4% of earnings.

Less than one (1) year of service by May 1st but hired after the previous October 1st: 4% of earnings.

One (1) to three (3) years of service completed by May 1st: two (2) weeks vacation with eighty (80) hours pay at the employee's classified rate or 4% of the previous year's earnings, whichever is the greater.

Four (4) to eight (8) years of service completed by May 1st: three (3) weeks vacation with one hundred and twenty (120) hours pay at the employee's classified rate or 6% of the previous year's earnings, whichever is the greater.

Nine (9) to seventeen (17) years of service completed by May 1st: four (4) weeks vacation with one hundred and sixty (160) hours pay at the employee's classified rate, or 8% of the previous year's earnings, whichever is the greater.

Eighteen (18) to twenty-six (26) years of service completed by May 1st: five (5) weeks vacation with **two hundred (200)** hours pay at the employee's classified rate, or 10% of the previous year's earnings, whichever is the greater.

Twenty-seven (27) years or more of service completed by May 1st: six (6) weeks vacation with two hundred and forty (240) hours pay at the employee's classified rate, or 12% of the previous year's earnings, whichever is the greater.

Section 2 – Vacation Scheduling

Vacations will commence on a Monday and will not be interrupted.

Vacations must be taken in the vacation year applicable and cannot be accumulated.

When an employee's anniversary date qualifies him for additional vacation entitlement, this additional vacation can only be taken after his anniversary date.

Vacations of one (1) or two (2) weeks duration may be taken consecutively. Vacations of three (3) or more consecutive weeks will depend on the work schedule and are at the discretion of management.

By November 1st of each year, the Company will post on the Mill bulletin boards a list indicating which employees have yet to select vacations in accordance with their entitlement under the contract. Employees who subsequently fail to indicate which weeks of vacation they desire will have their vacations scheduled for them by the Company. It is understood and agreed that all selections made will be subject to the established principles of vacation administration and, where it is necessary to assign vacations, the Company's decision shall be final.

Section 3 – Vacation Pay on Termination

On termination of employment, the employee shall be entitled to receive 4%, 6%, 8%, 10% or 12% of his earnings from the preceding May 1st in accordance with his years of service on the date of termination.

Section 4 – Length of Service

Years of service shall include all time worked without interruption of continuous service with the Company or its predecessors. Length of service shall not be broken by an approved leave of absence of up to six (6) months.

Section 5 – Supplemental Vacation Plan

An employee who is eligible to receive vacation with pay and who does not leave the service of the Company for any reason will receive a supplemental vacation subject to the following conditions. Beginning in the vacation year in which he completes twenty-five (25) or more years of continuous service with the Company and he has reached:

60 years of age 1 week supplemental vacation
61 years of age 2 weeks supplemental vacation
62 years of age 3 weeks supplemental vacation
63 years of age 4 weeks supplemental vacation
64 years of age 5 weeks supplemental vacation

in addition to the employee's regular vacation entitlement. The basis for payment of the supplemental vacation plan shall be similar to the regular vacation plan, that is 4% of gross earnings or forty (40) hours pay, whichever is the greater, for each week of supplemental vacation entitlement.

Section 6 – Vacation Pay

Vacation pay shall be computed in accordance with Section 1 and shall include any premium rate being

paid. Any deductions normally taken from the employee's regular pay will also be deducted from vacation pay.

Vacation pay will not be paid in lieu of time off for vacation entitlement.

Section 7 – Vacation Administration

The Company and the Union will meet as far in advance as deemed necessary to draw up rules for the administration of the vacation plan. Vacations will be scheduled to the convenience of the employees whenever possible and practical. It is also agreed and understood that Mill seniority must apply in the selection of vacation dates.

Article 11 GRIEVANCE PROCEDURE AND ARBITRATION

Section 1 – Stewards

A member of each department chosen by the employees of that department shall be the recognized official representative of the Union provided, however, that he shall have been a member of the bargaining unit for a period of at least two (2) years.

The Union Steward concerned with a grievance shall be present at all meetings dealing with a grievance in his area of responsibility.

Section 2 – Definition

Any written dispute regarding the application, administration, interpretation or alleged violation of this Agreement shall be considered a grievance and shall be dealt with according to the following procedure.

Section 3 – Procedure

When an employee has a dispute, he has three (3) working days from the date of the dispute in which to bring it to the attention of his supervisor. The supervisor then has an additional three (3) working days in which to resolve the dispute. If the dispute is not resolved, the employee may then initiate a grievance by putting the dispute in writing within two (2) working days of receiving the supervisor's decision and thereby enter step one of the grievance procedure.

Step 1

Within three (3) working days after receiving the written grievance, the supervisor shall reply in writing. If the grievance is not settled it may be presented to the appropriate superintendent within two (2) working days after receipt of the supervisor's written answer.

Step 2

A grievance submitted to this step shall be the subject of a meeting between the appropriate superintendent, the Manager of Industrial Relations, the Department Steward and the Union President. Either party may request the presence of the grievor and/or the supervisor concerned at this meeting. This meeting will be held within five (5) working days of the receipt of the grievance by the appropriate superintendent. Within five (5) working days after this meeting the superintendent will reply in writing. If the grievance is not settled, it may be presented to the Mill Manager within two (2) working days after receipt of the superintendent's written answer.

Step 3

Within seven (7) working days of receipt of the written grievance, the Mill Manager shall reply in writing. If the grievance is not settled, it may proceed to Step 4.

Step 4

The National Representative of the Union shall advise the Manager of Industrial Relations in writing within fifteen (15) working days from the date of the Mill Manager's reply that the Union is appealing the Mill Manager's decision. A grievance submitted to this step shall be the subject of a meeting between the parties. The meeting shall be scheduled within twenty (20) working days or other mutually satisfactory date following receipt of the National Representative's letter. Either party has the right to request the presence of persons who might add clarity to the issues that are raised during the meeting. The Company will give its reply in writing within seven (7) working days of the meeting.

If the grievance is not settled, it may proceed to Step 5.

Step 5

Within thirty (30) days of receiving the written answer of the Company's Manager of Industrial Relations, the Union will advise the Manager of Industrial Relations by letter of the decision to submit the matter to arbitration, at the same time naming the Union's nominee to the Board of Arbitration.

Within seven (7) calendar days of receipt of the Union's letter, the Company will reply naming its nominee to the Board of Arbitration.

The two (2) nominees shall attempt to select a Chairman of the Board. In the event of failure to do so, they shall request the Provincial Minister of Labour to appoint an impartial Chairman of the Board. No person shall be selected as a member of the Board who has been directly involved in attempts to negotiate or settle the grievance.

The authority of any such Board shall be limited to the rendering of decisions of the interpretation and

application of the provisions of this Agreement with respect only to the specific grievance or grievances referred to such Board by the parties.

No Board of Arbitration shall have authority to change or modify in any respect the terms of this agreement except in cases of disciplinary action. If in the opinion of the Board a lesser penalty is justified, the Board shall have the authority to amend such penalty.

The decision of a Board of Arbitration shall be final and binding upon the Company and the Union and the employee or employees concerned.

The expense of the Chairman of each arbitration proceeding shall be divided equally between the Company and the Union.

By mutual agreement and for good cause, reasonable extensions of time will be given either party in writing at any step in the Grievance Procedure. Any grievance that is not appealed to the next step within the specified time limits or extension of time limits will be considered settled on the basis of the last decision given.

Article 12 GROUP INSURANCE

The Company agrees to amend the group insurance plan in accordance with the Memorandum of Agreement of October 2, 1987. A description of the Group Insurance Plans is included in this Collective Agreement. The payment of benefits under these plans is subject to the terms and conditions of the Group Insurance contract between the Company and the insurance carrier.

Article 13
PENSION PLAN

The Company agrees to incorporate the provisions of the Pension Plan as amended by the Memorandum of Agreement of October 2, 1987, in a pension agreement to be signed by the parties and which will be included in this Collective Agreement.

Article 14
ONTARIO HEALTH INSURANCE PLAN

Effective September 1, 1984, the Company will pay the premiums for this plan for the term of the Agreement.

Article 15
SEVERANCE ALLOWANCE

For purposes of this article, the Company is the corporation Paperboard Industries Corporation.

Should the Company decide to permanently close the Toronto Board Mill and terminate the services of employees, such employees who are terminated will be entitled to a severance pay, subject to the provisions of this article.

For each year of continuous service, an active permanent employee shall receive one (1) week of severance pay for each full year of service to a maximum of twenty-six (26) weeks.

A week's severance pay shall be determined by calculating the employee's posted straight time pay rate for a forty (40) hour work week. The above severance pay will be paid to the employee in a lump sum at the time of termination.

Acceptance of severance pay by the employee will terminate his status as an employee and the Company will cease any further obligation to the employee.

In no event will the Company or its affiliates pay severance pay more than once to an employee.

Article 16
DISCIPLINE

An employee's record of disciplinary measures, except for those involving suspension or discharge, will be cleared if after twelve (12) consecutive months there are no further such disciplinary measures.

Article 17
EMERGENCY SHUTDOWN

The Company will notify the Union President or his designate of an emergency shutdown and the reasons for it if such shutdown may affect the the operating work force.

Article 18
EXTENDED MAINTENANCE SHUTDOWN

The Company and the Union shall meet as far in advance as possible to discuss the procedures to be taken on an extended maintenance shutdown. If extra work is required, it will be made available on the basis of seniority to employees who apply.

Article 19
UNION BUSINESS

The President or his designate shall be entitled to leave his work during working hours in order to con-

duct legitimate Union business. Permission to leave his work for such purposes shall first be obtained from **his immediate supervisor. Such permission will not be unreasonably withheld.**

Article 20
CONTRACTING OUT

The Company will not normally contract out on-site repair and maintenance work for which employees are available and capable of performing. Should the Company deem it necessary to engage outside contractors to perform such work, all options in the Agreement will be discussed and considered with the Union president or delegate before the contractors come on-site.

In the event of an emergency requiring a contractor, the Union will be notified in accordance with the provisions of Article 17.

Article 21
SAFETY FOOTWEAR

The Company will pay fifty dollars (\$50.00) for one pair of shoes per calendar year to each employee upon presentation of a receipt by an employee who purchased safety footwear.

Article 22
HEALTH AND SAFETY

The Company and the Union agree to co-operate in maintaining proper standards of safety and health procedures in the plant and the compliance of such as required by the existing legislation.



Article 23
COMMON-LAW RELATIONSHIPS

Common-law relationships will be considered under the applicable articles in the Collective Agreement when the common-law relationship has been previously registered with the personnel department and the employee automatically relinquishes their previous husband or wife relationship. There will be no duplication of any type of benefits due to an in-law situation.

Article 24
DURATION

This Agreement will remain ~~in effect until April 30, 1990, and~~ will be automatically renewed thereafter for successive periods of twelve (12) months. Either party may request revisions in the Agreement by giving written notice to the other party specifying the desired changes not less than sixty (60) days prior to the expiry date of any succeeding anniversary thereof.

If either party shall notify the other of the desire for revision or renewal in accordance with the preceding paragraph, the parties shall meet within sixty (60) days and attempt to reach agreement upon the changes proposed.

In witness hereof, the parties have signed this 2nd day of October, 1987, at Toronto, Ontario.

**FOR PAPERBOARD INDUSTRIES
CORPORATION ,TORONTO MILL DIVISION**

G. Boudreau
N. Prentice
L. Easton
A. Moyer
K. Wenske

**FOR THE CANADIAN PAPERWORKERS' UNION
AND ITS AFFILIATED LOCAL 1112**

R. Bowman
T. Mitchell
J. Rydzkowski
D. Sooley
W. J. McLean

MEMORANDUM OF AGREEMENT

Between the Paperboard Toronto Mill and the Canadian Paperworkers Union Local 1112 (herein called the Union).

Effective November 23rd, 1987, the following changes will take place in the Beater Room department. The lines of progression and rates in the Beater Room will be as follows:

Refiner Co-ordinator	\$16.16 per hour
Top Liner Stock Processor	15.73 per hour
Effluent Operator	15.68 per hour
Filler Stock Processor	15.63 per hour
Back Liner Material Handler	14.65 per hour
Top Liner Material Handler	14.65 per hour
Filler Material Handler	14.65 per hour

It is understood and agreed on that if batch pulping is required, the Back Liner Material Handler will bring the required stock from the Raw Stock.

When necessary, the Top Liner Material Handler will assist the Back Liner Material Handler while making Batch Pulpers.

DATE NOVEMBER 20th, 1987
AGREED UNION

W. J. McLean
W. T. Mitchell
D. Sooley
J. Rydzkowski

DATE NOVEMBER 20th, 1987
AGREED COMPANY

N. Prentice
Leo A. Easton
Klem Wenske
M. Moyer

LETTER OF INTENT
Re: Laminator
(as amended)

August 16, 1984

Mr. C. Branton
President
Local 1112, C.P.U.
Toronto Paperboard

This letter is to advise that the Laminator operation will consist of a crew of three (3) Laminator Operators and will be part of the Sheeter line of progression.

The established rate for the Laminator Operator is \$14.06 per hour.

K. Wenske
Manager, Industrial Relations

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made and entered into this ninth day of January, 1981, by and between Paperboard Industries Corporation, Toronto Mill Division and the Canadian Paperworkers' Union, Local 1112 and confirm the agreements reached with respect to the introduction of a Trades Apprenticeship Plan.

PREAMBLE:

1. Apprentices are subject to the provisions of the Collective Agreement governing lay-off and recall and seniority.
2. If either party to this Agreement decides to suspend this Plan in respect to the selection of future apprentices, they must give the other party a minimum of six (6) months prior notice. Upon such suspension, the previous practice of selecting helpers and tradesmen will be reinstated.
3. If the program is suspended any time after six (6) months, the apprentice will bump into the bottom of a line of progression.

1. APPRENTICESHIP ADVISORY COMMITTEE

- A. The Apprenticeship Advisory Committee normally will consist of two (2) members of Local 1112, two (2) Company representatives and a representative of the Industrial Relations Department who will act as Secretary-Chairman. This Committee will deal with such things as checking on course coverage, progress of apprentices and solving of problems that may arise.
- B. The final selection of an apprentice shall be done by the Company after consultation with the Apprenticeship Advisory Committee.

- C. The Committee will meet regularly at not more than six (6) month intervals and, in any event, when an apprentice moves from one half period to another.

2. REQUIREMENTS

- A. Applicants for apprenticeship in the Electrical and Instrument Trades must have graduated from Grade 11 as a minimum requirement. A minimum of Grade 10 will be required for all other trades.
- B. Applicants will be required to successfully complete an appropriate mechanical aptitude test as approved by the Apprenticeship Advisory Committee.
The aptitude test results, the applicant's Mill seniority, work performance, previous work experience and interview results will be supplied to the Apprenticeship Advisory Committee.
- C. To qualify for the apprenticeship program, the applicant must have at least five (5) years Mill seniority.
- D. Applicants will also be expected to show interest and/or aptitude and/or experience related to the field in which they have applied.

3. TERMS OF APPRENTICESHIP

- A. The period of apprenticeship will be that as specified by the Ontario Ministry of Colleges and Universities, Manpower Training Branch.
- (1) Millwright - Practical experience including Trade School Training
4 periods of 2,000 hours (4 years)
3 Training Periods - Basic - 7 weeks;
Intermediate - 7 weeks; Advanced - 8 weeks.

- (2) Pipefitters – Practical experience including Trade School Training
5 periods of **1,800** hours (**4½** years)
3 Training Periods – Basic – 7 weeks;
Intermediate – 7 weeks; Advanced – 8 weeks.
 - (3) Machinists – Practical experience including Trade School Training
4 periods of **2,000** hours (**4** years)
3 Training Periods – Basic – 7 weeks;
Intermediate – 7 weeks; Advanced – 8 weeks.
 - (4) Electricians – Practical experience including Trade School Training
4 periods of **2,000** hours (**4** years)
3 Training Periods – Basic – 7 weeks;
Intermediate – 7 weeks; Advanced – 8 weeks,
 - (5) Welders – Proposed Program
Practical experience including Trade School Training
4 periods of **2,000** hours (**4** years).
 - (6) Instrument Technician – Practical experience including Trade School Training
4 periods of **2,000** hours (**4** years).
- B. During the first six (6) month period, the apprentices entering the Electrical and Instrument trades will immediately start in the appropriate field. Apprentices entering trades in the Mechanical field will rotate on a six (6) week basis through the following trades: – Pipefitter, Welder, Millwright, Machinist and Preventive Maintenance.

4. **TRADE SCHOOL ATTENDANCE**

When an apprentice is attending a trade training course at a Government Trade School, the following pay arrangement will apply:

- (a) While the apprentice is receiving a weekly training allowance from the Ontario Ministry of Colleges and Universities or the Federal Manpower Office and he ~~is~~ attending School, the Company will supplement this allowance to provide the apprentice with a total weekly income equal to forty (40) times his regular hourly rate of pay.
- (b) Payment of supplementary pay will be made on regular pay days. To receive this pay, the apprentice must maintain satisfactory attendance and performance records at school during his training course.
- (c) An apprentice's entitlement to vacation with pay, statutory holiday pay, Weekly Indemnity or funeral leave will not be affected by his attendance at Trade School nor will his participation in any of the employee benefits plans under which he is covered. Permission of the school authorities must be obtained for all absences.

5. LOSS OF WORKING TIME

Any apprentice may lose up to a maximum of five (5) scheduled working days due to sickness or accident during any six (6) month period of apprenticeship without having to serve additional time. Extension of the term of apprenticeship will be considered by the Apprenticeship Advisory Committee in the event that an apprentice loses more than a total of fifty (50) working days. Any lost time over fifty (50) working days may be allowed if the Apprenticeship Advisory Committee agrees that the employee is absent with a bonafide reason and his absence has not detracted from his progress as an apprentice.

6. ADVANCEMENT

- A. The first six (6) months shall be considered entirely a probationary period and the apprentice's continuance in the program depends upon ability, progress and performance as demonstrated during the trial period. If dropped from the Apprenticeship Program, he returns to his former job without loss of seniority.
- B. To be eligible for advancement at the end of any six (6) month period, an apprentice must have completed his shop work to the satisfaction of management, his technical training to the satisfaction of the Trade School or in the case of a correspondence or similar course, he must have completed an acceptable number of lesson assignments and have satisfactory grades on those completed.
- C. Following the completion of his six (6) month probationary period, an apprentice who does not qualify for advancement at the end of any six (6) month period, shall be considered as continuing on a trial basis and shall be notified as to the nature of his unsatisfactory work by his supervisor. If he does not qualify, after three (3) additional months, he shall be dropped from the apprenticeship course. In such a case, the apprentice will bump into the bottom of a line or progression.
- D. Apprentices will have their own line of progression and will be members of the Machine Shop.
- E. Upon successful completion of his program, an apprentice's departmental seniority in the Maintenance Department will be retroactive to the time he entered the Apprenticeship Program.

I. **WAGES**

Appendix "A" records the wage progression schedule for trades apprentices.

An apprentice will be eligible for a rate increase at the end of every six (6) month period until completion of Apprenticeship Program. This increase shall be granted on the first of the month nearest the anniversary date.

Whenever there is a change in the Apprenticeship Wage Progression Schedule and/or the Tradesman Class "A" rate, the apprenticeship rate will be updated to reflect such changes.

Upon successful completion of the eighth (8th) period of apprenticeship, the employee will be eligible to become a certified Journeyman.

APPENDIX "A"

Maintenance

There shall be:

one (1) Group Leader – Maintenance

one (1) Group Leader – Electrical

Assistant Master Mechanic category to be deleted from agreement and present Assistant Master Mechanics to become Lead Hands at rate of Assistant Master Mechanic.

Lead Hands will work in their own trades on assigned jobs giving direction to ensure proper completion of the job. Group Leaders and Lead Hands shall not act in a supervisory capacity or maintain discipline.

In the event that the one Group Leader – Maintenance or Electrical, is absent, then the designated certified journeyman (Lead Hand) will take over and receive the applicable rate of pay.

APPENDIX "A"

WAGE RATES

	25¢ May 1, 1987	45¢ May 1, 1988	4.5% May 1, 1989
Machine Room			
Machine Tender	\$17.21	\$17.66	\$18.45
Back Tender	16.10	16.55	17.29
3rd Hand	15.63	16.08	16.80
4th Hand	14.84	15.29	15.98
5th Hand	14.58	15.03	15.71
6th Hand	14.40	14.85	15.52
Beater Room			
Refiner Co-ordinator	16.16	16.61	17.36
Top Liner Stock Processor	15.73	16.18	16.91
Effluent Operator	15.68	16.13	16.86
Filler Stock Processor	15.63	16.08	16.80
Back Liner Material Handler	14.65	15.10	15.78
Top Liner Material Handler	14.65	15.10	15.78
Filler Material Handler	14.65	15.10	15.78
Sheeting			
No. 1 Operator Laminator	15.82	16.27	17.00
No. 1 Operator	15.53	15.98	16.70
No. 2 Operator	15.13	15.58	16.28
Material Handler	14.30	14.75	15.41
Technical Services			
Senior Chief Inspector	16.30	16.75	17.50
Chief Inspector	15.97	16.42	17.16
Dry End Tester	14.94	15.39	16.08
Clay Mixer	14.85	15.30	15.99

	25¢ May 1, 1987	45¢ May 1, 1988	4.5% May 1, 1989
Shipping & Finishing			
Asst. Shipper	15.22	15.67	16.38
Loader	14.75	15.20	15.88
Asst. Loader	14.40	14.85	15.52
Lift Truck Operator	14.36	14.81	15.48
Material Handler	14.30	14.75	15.41
Maintenance			
Group Leader:			
Maintenance	18.49	18.94	19.79
Group Leader: Electrical	18.21	18.66	19.50
Lead Hand	17.80	18.25	19.07
Certified Journeyman	16.78	17.23	18.01
Journeyman	15.86	16.31	17.04
Storekeeper	15.55	16.00	16.72
Utility 1	14.85	15.30	16.00
Utility 2	14.48	14.93	15.60
Janitor	14.11	14.56	15.22
Apprentices			
Upon Certification	16.78	17.23	18.01
Period 8	16.41	16.86	17.62
Period 7	16.08	16.53	17.27
Period 6	15.74	16.19	16.92
Period 5	15.38	15.83	16.54
Period 4	15.03	15.48	16.18
Period 3	14.69	15.14	15.82
Period 2	14.36	14.81	15.48
Period 1		Classified Rate	

APPENDIX "B"

WAGE RATES

	25¢ May 1st 1987	45¢ May 1st 1988	4.5% May 1st 1989
Toronto Paper Stock Division			
Baler Operator	\$11.59	\$12.04	\$12.58
Utility Operator	10.50	10.95	11.44
Labourer	9.31	9.76	10.20

July 8, 1982

Mr. W. C. Oliver,
Representative,
Canadian Paperworkers' Union,
604 Carlton Street,
Cornwall, Ontario
K6H 4Y3

Dear Mr. Oliver:

As discussed during the 1982 negotiations, the Company is willing to make the following commitments with respect to the Sheeting Department.

1. In the event of any reduction in sheeting activities at the Toronto Mill, the Company will provide a maximum of six (6) months rate retention to employees of the Sheeting Department directly affected.
2. The Company and the Union shall co-operate to the fullest extent in minimizing the adverse effects on employees resulting from such changes. The Company shall inform the Union as soon as practicable of plans or developments which directly affect the Sheeting Department.

No. 1 Operator

E. Pitcher
R. Doiron
W. Arsenault
L. Gulia
H. Whiteway
W. Bourgeois
C. Glenister

No. 2 Operator

L. Penny
A. Coffin
D. Sooley
R. Walbourne
B. Welsh

3. It is further understood and agreed that this period of rate retention is not intended to insulate these employees from change in mill operating needs but rather to encourage employees to place themselves in other areas of the mill.

Mill Manager.

July 8, 1982

Mr. W. C. Oliver,
Representative,
Canadian Paperworkers' Union,
604 Carlton Street,
Cornwall, Ontario
K6H 4Y3

Dear Mr. Oliver:

During the 1980 negotiations the parties discussed the development and implementation of a program to identify and assist employees with alcohol or drug dependency problems.

This letter confirms the Company's position that it agrees that a program of this type would be of great benefit to all of its employees. It is therefore agreed that within the term of this contract, Company representatives will work jointly with representatives of the Union at the local level to develop a program that will identify employees with alcohol or drug dependency problems and that will provide them with every reasonable assistance and opportunity to learn to effectively and permanently control their condition.

Mill Manager.

July 8, 1982

Mr. W. C. Oliver,
Representative,
Canadian Paperworkers' Union,
604 Carlton Street,
Cornwall, Ontario
K6H 4Y3

Dear Mr. Oliver:

This letter confirms the Company's intention to continue its practice of replacing tools owned by employees which become worn or damaged or are lost when being used in the normal performance of the employee's duties for the Company.

Mill Manager.

October 5, 1984

Mr. C. Branton
President, Local 1112
Canadian Paperworkers' Union

This letter is to confirm that the Company will make every effort to maintain all lines of progression filled.

Yours truly
K. Wenske
Manager, Industrial Relations

LETTER OF INTENT

between

PAPERBOARD INDUSTRIES CORPORATION

- and -

CANADIAN PAPERWORKERS' UNION
LOCAL 1112

This Letter of Intent confirms the parties understanding with respect to those employees of Toronto Paper Stock Division who come under the jurisdiction of the Union.

Except as specified in this Letter of Intent, the employees of Toronto Paper Stock under the jurisdiction of the Union, will be covered by the terms and conditions of the above mentioned Collective Agreement.

The following articles of the Collective Agreement will not be applicable or will be amended as specified below.

Article 4

HOURS OF WORK

Section 1: Hours of work

- Delete and replace with:

"The Purpose of this article is to establish hours of work and shall not be construed as a guarantee of limitation of the hours of work per day or per week. The normal operation will be on a five (5) day schedule.

For purposes of payroll computation, the normal week is from 7:00 a.m. Monday until 7:00 a.m. of the following Monday. The work day shall be 7:00 a.m. to

3:30 p.m. or 9:00 a.m. to 5:30 p.m. as required, with one-half (1/2) hour off for lunch, when and as mutually agreed.”

Section 2: Scheduled Days Off

- Does not apply

Section 3: Successive shifts

- Does not apply

**Article 5
OVERTIME**

Section 2: Saturday and Sunday Premium

“Saturday work will be paid for at the rate of time and one-half. Sunday work will be paid for at the rate of double time.”

**Article 6
RATES OF PAY**

Section 1: Classification Rates

- Refer to Appendix “A” addition

Section 9: Temporary Transfers

- Does not apply

**Article 7
SERVICE**

Section 1: Promotion and Demotions

Promotions and demotions shall be based on Toronto Paper Stock seniority when employees are equal in knowledge, skill, training, ability, efficiency and physical fitness.

An employee who is promoted will be given a trial period of up to ninety (90) calendar days to demonstrate his ability to perform the Job.

Section 1 (a): It is recognized that five (5) employees (B. Bailey, E. McRae, R. Balfour, D. Gavin, and J. Wheeler of Paperboard Industries Corporation, Toronto Paper Stock Division at 475 Commissioners Street will be allowed a one time opportunity during the life of the Agreement to successfully post into Mill jobs. If the employee is successful, the Toronto Paper Stock seniority will cease and his new plant seniority at the Mill will include that period of service with Toronto Paper Stock. In addition, the five (5) employees will be given a hiring preference taking into consideration the operating needs of Toronto Paper Stock.

Section 2: Lines of Progression

- Does not apply

Section 3: Vacancy

- Does not apply

Section 8: Lay-Off

- Delete and replace with:

“Lay-offs shall be on the basis of seniority with Community Paper Recycling with the last person hired being the first laid off, providing the persons remaining have the qualifications and ability to do the required jobs. Laid-off employees shall be recalled to jobs in the reverse order of their lay-offs.”

Article 12

GROUP INSURANCE

Subject to the approval of the carrier, eligible employees will be covered by the Group Insurance plan.

MEMORANDUM OF AGREEMENT

Between

PAPERBOARD INDUSTRIES CORPORATION
- TORONTO MILL DIVISION -

&

CANADIAN PAPERWORKERS' UNION AND ITS
LOCAL 1112

The parties agree to recommend the following terms of settlement of their principals for approval regarding the renewal of the 84/87 Collective Agreement. It is agreed that other than those changes reflected in this document, the old Collective Agreement remains intact:

Signed this 2nd day of October, 1987.

FOR THE COMPANY:

G. Boudreau
K. Wenske
L. Easton
M. Moyer

FOR THE UNION:

R. Bowman
J. McLean
D. Sooley
T. Mitchell
J. Rydzkowski

SCHEDULE OF BENEFITS
For
PAPERBOARD INDUSTRIES CORPORATION
GROUP POLICY NO. 132068

Employees	
Life Insurance*	\$25,000.00 \$30,000.00 May 1/88
AD&D Insurance (Principal Sum)'	\$11,000.00
Weekly Income Insurance	70% of weekly insurable earnings Maximum - \$318.00 Nov. 1/87 - \$338.00 May 1/88 - \$358.00 May 1/89
Long Term Disability	55% of monthly earnings Maximum - \$2,000.00 per month

*An employee's amount of Life Insurance shall reduce when he is retired on pension to 25%. (Minimum \$1,000.00; Maximum \$5,000.00). His AD&D terminates at age 65.

Employees and Dependents	
Hospital Room and Board (per day)	Semi-private
Hospital Room and Board (overall)	Unlimited
Healthcare Maximum	\$10,000.00
Dentalcare – Routine & Major Treatment	\$1,500.00 annual maximum
– Orthodontic	\$1,000.00 per course of treatment
Fee Guide	1986 O.D.A. Nov. 1/87 1987 O.D.A. May 1/88 1988 O.D.A. May 1/89

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ELIGIBILITY

If You are a new employee, You are **eligible** to join the group insurance plan after you have completed three months of continuous service.

Temporary employees and part-time employees working less than 20 hours per week may not join.

- You and your dependents will be covered by the insurance plan automatically as soon as you become eligible.
- If you are away from work on the date when your insurance would normally start, it will not become effective until you return to work.

INSURANCE FOR YOUR FAMILY

The Health insurance part of this insurance plan will also cover:

- Your spouse (legal or common-law).
- Your unmarried children or your spouse's unmarried children (including any child of a minor female dependent) who are chiefly dependent on you for support and for whom you are entitled to any income tax exemption, provided they are
 - under 21 years of age, or
 - 21 but under 25 years of age and in full-time attendance at a university or similar institution.
- Your unmarried children or your spouse's unmarried children who are physically disabled or mentally retarded (who may be 21 or over but who are chiefly dependent on you for support), provided any such child was insured under this plan immediately prior to his or her 21st birthday.

Please Note:

- If your spouse or child is in hospital when your insurance becomes effective, he or she is not covered by insurance until released from hospital.

LIFE INSURANCE FOR EMPLOYEES

- In the event of your death, your beneficiary will be paid the amount of your group life insurance. (See the **Schedule of Benefits** at the front of this booklet for the amount.)
- Should you become totally disabled while insured and before reaching the age of 65, and such disability continues without interruption for at least six months, your life insurance will remain in force without further premium payment. After you have been totally disabled for six months, you should submit the appropriate claim forms to the insurance company. Your premiums will be waived upon satisfactory proof of your disability but only until you reach age 65. Proof of continued disability may be required each year.
- If you are not approved for waiver of premium, your life insurance will be continued with premium payment until the earliest of the following:
 - (1) the date your insurance is terminated by your Employer,
 - (2) the date your insurance would normally terminate as shown on the Schedule of Benefits,
 - (3) the date which is 12 months from the date you last worked.
- If any or **all** of your insurance terminates, prior to **your** 65th birthday, you may be able to apply for a conversion policy. See your Employer for complete details about the types of conversion policies that are available.

- Application for an individual policy must be made within 31 days after termination of insurance, during which period your life insurance under this plan will remain in force free of charge.

ACCIDENTAL DEATH, DISMEMBERMENT AND SPECIFIC LOSS INSURANCE

Should you suffer the loss of life, limb or sight as the result of an accident while insured, the insurance company will pay up to the "Principal Sum". (The Principal Sum is listed in the Schedule of Benefits at the front of this booklet.)

TABLE OF LOSSES

For loss of:	The Amount Payable will be:
Life	The Principal Sum
Both hands or both feet	The Principal Sum
Sight of both eyes	The Principal Sum
One hand and one foot	The Principal Sum
One hand and sight of one eye	The Principal Sum
One foot and sight of one eye	The Principal Sum
Speech and hearing in both ears	The Principal Sum
One arm or one leg	The Principal Sum
One hand or one foot or sight of one eye	½ Principal Sum
Speech	½ Principal Sum
Hearing in both ears	½ Principal Sum
Thumb and index finger or at least four fingers of one hand	¼ Principal Sum
All toes of one foot	¼ Principal Sum
For loss of use of:	
Both legs or both arms or both hands	The Principal Sum
One leg or one arm	¾ Principal Sum
One hand	½ Principal Sum

Points to Note about AD&D Insurance

- e The Principal Sum is the maximum amount that would be paid for injuries to any one person resulting from any one accident. This means that if an employee were to lose both hands and both feet in an automobile accident, he would receive the Principal Sum only, not double the Principal Sum.
- e **AD&D** Insurance would not be paid in the event of injury or death resulting from intentional self-mutilation, suicide, viral infection, bacterial infection, any form of disease or illness or physical or mental infirmity, medical or surgical treatment, participation in a riot, war or any act incident thereto, insurrection, service in the armed forces of any country, air travel serving as a crew member, air travel in aircraft owned, leased or rented by the employer, or air travel where the aircraft is not properly licensed or the pilot is not properly certified to operate the aircraft.
- **AD&D** Insurance will not be paid if loss of life, limb or sight occurs more than 365 days after the accident or if **loss** of use continues for less than one year.
- For the purposes of this **AD&D** Insurance, "loss" means complete loss by severance except that in the case of loss of sight, speech or hearing, it means loss beyond remedy by surgical or other means.
- In the case of loss of use, "**loss**" means total loss of ability to perform every action and service the arm, hand or leg was able to perform before the accident.

WEEKLY INCOME INSURANCE

Should you be unable to earn your living because of some accident or illness, your Weekly Income Insurance would provide you with a weekly income. (See the **Schedule of Benefits** at the front of this booklet for the amount.)

- To receive Weekly Income benefits, you need not **be confined at home**, but your disability must be **severe enough to prevent you from performing** your regular work, and you must be under the continuous care and personal attendance of a qualified doctor.
- Weekly Income benefits begin with the first day of disability due to injury or the 4th consecutive day of disability due to sickness, but in no event prior to the date of the first treatment by the doctor. If you are hospitalized for at least 24 hours prior to the 4th consecutive day of sickness, benefits will begin on the first day of hospitalization.
- Weekly Income benefits will be paid for a total of not more than 104 weeks for each period of disability.
- Benefits for disability due to pregnancy will also be paid for up to 104 weeks but pregnancy benefits are not payable during the period you receive or are entitled to receive U.I.C. maternity benefits or during the period you are on maternity leave.
- The insurance company will not pay for
 - (1) disability due to injury sustained while working for pay or profit or illness for which you are covered under Workmen's or Workers' Compensation or similar program, or
 - (2) disability due to cosmetic surgery except where the surgery is required to correct a deformity resulting from illness or injury or a congenital defect that interferes with function, or
 - (3) disability during a period you are serving a prison sentence
 - (4) disability resulting from self-inflicted injury, war or engaging in a riot or insurrection.
- In the event that your insurance terminated while you were disabled, you would still continue to receive Weekly Income benefits during that period

of disability up to the maximum noted above, except that, if you become disabled after receiving notice of layoff, Weekly Income benefits shall terminate on the date of layoff if you have been disabled for less than two months.

- Successive absences from work are considered to be in the same period of disability unless separated by
 - (1) two complete consecutive weeks of active, full-time work, or
 - (2) one full day of work and due to wholly different causes.
- Your Weekly Income benefits will be reduced by any amounts payable under a government Automobile Insurance Plan which is approved as a reduction by the Unemployment Insurance Act.

LONG TERM DISABILITY INSURANCE

Long Term Disability Insurance provides you with regular income to replace salary or wages lost because of a lengthy disability due to accident or sickness.

Commencement and Duration of Benefits

Your first benefit is payable after you have been disabled for more than 730 days (called the Elimination or Waiting Period), and you will continue to receive L.T.D. payments for as long as your disability continues, but not beyond your 65th birthday.

L.T.D. benefits will be paid for the first two years following commencement of payments if you are unable to perform your regular work. After two years, L.T.D. benefits will continue as long as your disability prevents you from performing any work for which you are or can become reasonably suited by your education, training or experience, but not beyond your 65th birthday.

Amount of Monthly L.T.D. Benefit

The plan will provide you with a monthly benefit before co-ordination with other income, of **55% of** your regular monthly salary or **wages**, up to a **maximum** benefit of \$2,000.00 per month.

No medical examination is required for amounts of L.T.D. Insurance up to \$1,300.00 (No Evidence Maximum). If you are eligible for an amount in excess of \$1,300.00, you will be required to provide the insurance company with "evidence of good health", which means you may be required to pass a medical examination.

Please Note:

Employees who at any time prior to an increase in the No Evidence Maximum have been declined for Excess Insurance will be limited to the No Evidence Maximum in effect at that time, until the insurance company subsequently approves evidence of your good health submitted at a later date.

Your L.T.D. Insurance payments will be co-ordinated with other income or benefits you may receive during disability. This is done as follows:

If you receive payments from:

- Workmen's or Workers' Compensation or similar program
- the Canada or Quebec Pension Plan
- any other disability insurance or retirement plan available through employment
- No-Fault Auto Insurance
- rehabilitative employment (excluding 50% of earnings during the first 24 months of rehabilitative employment),

your L.T.D. Insurance amount will be adjusted if necessary so that your monthly income from these sources together with your L.T.D. insurance amount

does not exceed **80%** of your monthly earnings when last at work.

It is further provided that total income from all sources including your L.T.D. benefit under this plan and your rehabilitative employment income cannot exceed your pre-disability income.

Please Note:

Once benefits commence under this plan, your L.T.D. benefit will not be further reduced by any increases in your Canada or Quebec Pension Plan benefits which result from an increase in the Pension Index.

Rehabilitation Feature

As an incentive to encourage you to return to gainful employment, prior to full recovery after a total disability, you may perform certain work without forfeiting benefits under this program. This plan allows you to receive increased income in connection with work performed in an approved rehabilitation program. Great-West Life co-ordinates your L.T.D. Insurance with only **50%** of the earnings you receive during the first 24 months of rehabilitative employment provided your total income during a rehabilitative program does not exceed pre-disability income.

Pre-Existing Conditions

Benefits for disability from a health condition which exists on the date your coverage commences will be paid only if you have not received any treatment, services or supplies because of disability resulting from such pre-existing condition for any uninterrupted period of three months ending on or after the date you become covered.

Other Benefit Provisions and Limitations

To qualify for L.T.D. benefits, you need not be confined **to your home, but you must be under the continuous care and personal attendance of a physician (M.D.).**

This Plan provides coverage for disability resulting from an accident or from sickness (except certain mental disorders). While the plan does cover absence from work due to psychosis (i.e. a serious mental disorder) for which continuous treatment is received from a physician who is certified in psychiatry, it does not cover absence from work due to any other mental illness, such as psychoneurosis, emotional disorders, personality problems, behavioral disorders or anxiety reactions.

Benefits for disability due to pregnancy will also be paid. However, no L.T.D. benefits will be paid during the period you receive or are entitled to receive U.I.C. maternity benefits or during the period you are on maternity leave.

This plan does not provide benefits for disability resulting from intentionally self-inflicted injury, war or injury sustained while working for another employer or while committing or attempting to commit an assault or crime.

Successive Disabilities

Successive absences from work are considered to be in the same period of disability unless separated by:

- (1) six months of active full-time work while insured
or
- (2) one full month of work while insured and due to wholly different causes. Work performed under a rehabilitation program will not be considered in determining successive periods of disability.

Conversion Privilege

If you change jobs, you may apply for an individual L.T.D. policy (one of the standard conversion policies offered by Great-West Life), without taking a medical examination. You must apply within one month of the date you start your new job, however, and you must start your new job within six months of the date you leave your present one.

HOSPITAL INSURANCE

Should you incur hospital expenses for room and board and other necessary services and supplies above those paid by your provincial government hospital plan, your health insurance will pay the reasonable and customary charges incurred, provided the confinement is medically necessary and is not for chronic or custodial care.

- For regular hospital room and board, the insurance company pays up to the usual daily charge of the hospital concerned for semi-private care.
- The plan will also pay for charges for confinement in an Intensive Care Unit.
- If you or one of your dependents are confined in a convalescent hospital, the insurance company will pay up to the usual daily charge of the hospital concerned for semi-private convalescent care, provided the confinement
 - (1) is recommended by your physician, and
 - (2) follows a three-day confinement in a hospital as a registered bedpatient and is for the same condition.
- If you or one of your dependents require treatment as an outpatient, the insurance company will pay the actual charges incurred for services and supplies received for such treatment.

- Hospital charges shall include an inpatient admission charge, hospital users fee or outpatient visit charge made by your home province (except Alberta which prohibits insurance coverage for these charges).
- Hospital confinement for pregnancy is covered and benefits for such confinement are the same as they would be for any other disability.

Out-of-Province Expenses

Expenses incurred outside the person's province of residence are covered only:

- (1) for an emergency or unexpected sudden illness if the insured person is temporarily out-of-province for business, vacation or furthering education, or
- (2) if the required medical treatment is not readily available in the province of residence and the person is forced to seek such treatment elsewhere.

If you seek treatment outside Canada that is not readily available in your home province, benefits will be limited to the reasonable and customary charges of the nearest Canadian medical centre equipped to provide the necessary treatment. It is suggested you submit a Treatment Plan; in this way you will know the amount of your coverage before you incur the expense.

Continuation of Hospital Insurance

If you are totally disabled when your Hospital Insurance terminates, and you have expenses for that illness which would have been paid had your coverage continued, your benefit payments will continue until the earliest of the following:

- the date your disability ceases,
- the date which is 90 days after the group policy terminates.

- the date on which you have received benefits for a period equal in length to the period for which you were insured,
- the end of the calendar year next following the calendar year in which your insurance terminates.

HEALTHCARE INSURANCE

Healthcare Insurance is designed to assist you with the payment of your larger medical bills. It does not pay the total cost of medical services and supplies. In effect, the insurance company share with you the payment of your medical bills. Healthcare Insurance covers only those medically necessary expenses which are considered reasonable and customary for the service provided, in the area where the expenses are incurred.

- You pay the first \$25.00 (the "Deductible") of covered expenses and 50% of psychologic covered expenses and 10% of the balance except for drug covered expenses, which the insurance company pays the rest.
- The deductible is paid only once in any one calendar year for any one person or any one family.
- So that you will not have to pay the deductible twice in a short period, any expenses applied against it in the last three months of a calendar year may also be applied against the deductible for the next calendar year.

Please Note:

- The Maximum Healthcare Benefit for each person is \$10,000.00. (If some or all of this maximum is used up, it will be increased by up to \$1,000.00 each January. If this does not bring your maximum up to the full amount, you may have it brought up to the full amount by providing "evidence of your good health".)

- The insurance company covers out-of-hospital psychologists' fees up to a maximum of \$6.00 for each treatment to a maximum of \$180.00 a year. After you have met your deductible, you will be reimbursed at 50%.

Covered Expenses

The following services and supplies are covered by your Healthcare Insurance where permitted by law and to the extent they are not covered under your Provincial Medicare Plan (excluding confinement which is primarily for chronic or custodial care).

- Doctors' services for treatment provided outside the province in which you reside
- Physiotherapists' services provided the physiotherapist is not a member of the patient's family
- Radio-active materials
- Oxygen
- Blood transfusions
- X-rays and lab tests if not covered by Medicare
- Ambulance transportation to the nearest centre where adequate treatment is available (including licensed air ambulance)
- Injectable drugs when administered by a physician for which no non-injectable alternative is available
- Out-of-hospital treatment of accidental injury to natural teeth completed within six months after the accident
- Rental or, at the Company's discretion, purchase of the following supplies, appliances and prosthetic devices prescribed by a physician or surgeon:
 - standard wheelchairs, (excluding electric wheelchairs except for quadriplegics)
 - standard hospital beds (excluding electric hospital beds), bed rails, trapeze bars and traction apparatus

- transutaneous nerve stimulator for up to six months
- intermittent positive pressure breathing machine
- aerosol equipment, mist tents and nebulizers for cystic fibrosis, acute emphysema, chronic obstructive bronchitis, or chronic asthma
- non-union bone stimulators
- apnea monitors for respiratory dysrhythmias
- PUVA therapy for psoriasis, when administered by a dermatologist
- enuretic devices
- splints (excluding dental splints), canes, walkers, crutches and casts
- orthotic appliances which are specifically designed and constructed for the insured or dependent
- Jobst sleeves for lymphoedema following mastectomy, Jobst burn garments and Jobst support hose
- braces with rigid supports (excluding lumbar supports)
- orthopedic shoes, if an integral part of a brace
- artificial eyes, including repairs
- one pair of eyeglasses or contact lenses following cataract surgery
- artificial limbs (including repairs and replacement but excluding myoelectrical limbs), stump socks and shoulder harnesses
- head halters
- cervical collars
- colostomy apparatus, ileostomy apparatus and catheters
- external breast prostheses, once per calendar year, post-mastectomy
- pacemakers
- insulin, insulin syringe, Clinitest, Dextrose Sticks, or similar chemical testing supplies for diabetics

- iron lung
- Out-of-hospital services of a registered nurse, **licensed practical nurse, or registered nursing assistant**. However, covered expenses do not include:
 - services of any person who is a member of the employee's family, or
 - services of a custodial nature or which do not require the specific skills of a registered nurse, licensed practical nurse or registered nursing assistant
- Drugs and medicines prescribed by a doctor and dispensed by a licensed pharmacist (including oral contraceptives). However, covered drug expenses do not include:
 - vitamins, food and food products including diet and infant foods, contraceptive devices
 - any single purchase of drugs or medicines which would not be used within a 90-day period
 - any drug or item which does not have a drug identification number as required by Section 005 of Division I of the Food and Drugs Act, Canada
 - drugs that are registered under Division 10 of the Food and Drugs Act, Canada
- Services of the following legally licensed paramedical practitioners up to a maximum for each type of practitioner of \$6.00 per treatment, \$180.00 per year
 - osteopath
 - chiropodist/podiatrist
 - naturopath
- Services of a legally licensed acupuncturist up to \$7.00 per treatment to a maximum of 30 visits per year.
- Services of a legally licensed chiropractor up to \$15.00 per treatment, \$300.00 per year.

Pregnancy

- Healthcare Insurance pays for medical expenses related to pregnancy as it would for any other type of disability.

Services not Paid by Healthcare Insurance

- Services not listed as covered expenses
- Delivery and transportation charges
- Hospital charges

Continuation of Healthcare Insurance

If you are totally disabled when your Healthcare Insurance terminates, and you have expenses for that illness which would have been paid had your coverage continued, your benefit payments will continue until the earliest of the following:

- the date your disability ceases
- the date which is 90 days after the group policy terminates
- the date on which you have received maximum benefits
- the date on which you have received benefits for a period equal in length to the period for which you were insured
- the end of the calendar year next following the calendar year in which your insurance terminates

If your Healthcare Insurance terminates due to termination of the policy or this Healthcare benefit, benefits for out-of-hospital treatment for accidental injury to natural teeth shall be paid after termination provided

- (1) the accident occurs prior to such termination and while the person is insured, and
- (2) the treatment is completed within six months after the accident

Out-of-Province Expenses

Under Healthcare Insurance, if an expense **would** have been covered if incurred inside the person's province of residence, such expense will also be covered if incurred outside the province of residence but only

- (1) for an emergency or unexpected sudden illness if the insured person is temporarily out-of-province for business, vacation or furthering education, or
- (2) if the required medical treatment is not readily available in the province of residence and the person is forced to seek such treatment elsewhere.

If you seek treatment outside Canada for treatment that is not readily available in your home province, benefits will be limited to the reasonable and customary charges of the nearest Canadian medical centre equipped to provide the necessary treatment. It is suggested you submit a Treatment Plan; in this way, you will know the amount of your coverage before you incur the expenses.

DENTALCARE INSURANCE

Dentalcare Insurance has been designed to help you pay for your family's dental expense, both for routine care and for expensive and unforeseen treatment.

To be considered as a "covered expense", the charge for a particular service must be reasonable and customary for the service provided in the area where the expense is incurred.

The Plan covers necessary dental treatment by a dentist, physician or other qualified personnel under the direct supervision of the dental or medical profession (e.g., dental assistants and dental hygienists) and will also cover services rendered by specialists, dental mechanics, denturologists, denturists, denture therapists, etc., where permitted by law to deal directly

with the public. If there is no fee schedule for these practitioners in your province, payment will be based on the appropriate General Practitioners' schedule.

- The plan pays 100% of covered Routine Treatment – Class A expenses.
- **You** pay the first 15% of covered Routine Treatment – Class B expenses and 50% of Major Treatment and Orthodontic Treatment expenses. The insurance company pays the rest.
- The maximum amount that the plan will pay for Routine and Major Treatment expenses in any one year is \$1,500.00 for any one person.
- The maximum amount that the plan will pay for each complete course of Orthodontic Treatment is \$1,000.00.

Treatment Plan

- Before your dentist starts a course of treatment, he will, upon request, prepare a “treatment plan” – a written report describing his recommendations as to necessary treatment and cost.
- **You** will be required to submit a “treatment plan” to the insurance company before treatment commences for any Routine or Major Treatment expected to cost more than \$200.00 and for all Orthodontic Treatment. This enables the insurance company to determine in advance its share of the cost of the proposed treatment and thus allows you to know the extent of any part of the cost you will have to pay.
- If you do not submit a “treatment plan” where required, you may find that your claim, or a portion of it, may not be covered.

Please Note:

- If the proposed course of treatment does **not** commence within 90 days, a new Treatment Plan will be required before benefits will be paid.

Orthodontic Treatment Only

- Because orthodontic treatment is normally rendered over a long period, in calculating the insurance benefits such expenses are considered to be spread over the treatment period in the manner specified below, regardless of the way in which the orthodontist's bill is actually paid.

(1) Single Charge Basis

If your orthodontist submits a cost estimate showing a single charge for the total treatment, then the single charge is divided by the number of months of the treatment period. This amount is then paid on a quarterly basis subject to the deductible and co-insurance, if any, under this plan.

(2) Itemized Basis

If your orthodontist estimates a separate cost for initial appliances (e.g. braces) the first month's covered expense for orthodontia is considered to be

- (a) the estimated cost of these appliances, or
- (b) 25% of the total estimated orthodontic covered expense,

whichever is the smaller amount. The remainder of the orthodontic expenses are averaged over the remaining months of the treatment period.

Covered Expenses

The following items are considered Covered Expenses under this Dentalcare benefit:

Routine Treatment**Class A – Preventative Care (paid at 100%)**

- oral examinations, cleaning teeth, once in any six month period
- topical application of fluoride solutions
- emergency treatment for relief of dental pain
- space maintainers that replace permanent lost teeth (only for children under age 19)

Surgical Services

- Surgical expense payable at 100% of the reasonable and customary fee, but not charged against the \$750.00 available for dental services each year are as follows:
 - (1) surgical removal of impacted teeth
 - (2) dental root resection alveolectomy (area occupied by not less than six teeth)
 - (3) excision of a cyst attached to or containing a tooth
 - (4) X-rays and general anesthetics required in connection with the above surgical procedures (1) to (3) above.

Class B – Restorative Care (Paid at 85%)

- bite-way X-rays, once in any six month period
- full mouth series of X-rays once every 36 months
- extractions
- oral surgery
- diagnostic X-ray and laboratory procedures required in relation to oral surgery

Please Note:

Extractions and dental surgery are paid at 50% if they are part of an Orthodontic course of treatment.

- general anaesthesia required in relation to oral or dental surgery other than under (4) above
- amalgam, silicate, acrylic, synthetic porcelain and composite fillings
- inlays, onlays, gold fillings or crown restorations where the tooth cannot be restored with amalgam, silicate, acrylic, synthetic porcelain or composite fillings
- cost of antibiotic medication and its administration when provided by injection in the dentist's office
- denture relines and rebases only after six months following the installation of an initial or replacement denture but not more than once in any period of 36 consecutive months
- repair or recementing of crowns, inlays, onlays, bridgework or dentures
- endodontics (root canal therapy)
- periodontal treatment

Major Treatment

- crowns and jackets
- initial fixed bridge restorations including inlays and crowns asabutments
- initial partial or complete dentures including precision attachments and any adjustments during the six month period following installation
- treatment involving the use of gold when such treatment cannot be rendered as a lower cost by means of a reasonable substitute consistent with generally accepted dental practice

Orthodontic Treatment

- Orthodontic treatment (the correction of malposed teeth) for children over six years of age but under 19 at the time of commencement of treatment

Exclusions

Covered Dental Expenses do not include and no payment is made for:

- treatment furnished without charge or paid for directly or indirectly by any government or for which a government prohibits payment of benefits
- cosmetic treatment, experimental treatment, dietary planning, plaque control, oral hygiene instructions, congenital or developmental malformation
- treatment received from a dental or medical department maintained by the employer, a mutual benefit association, labour union, trustee or similar type of group
- replacement of existing dentures or bridgework including additions of teeth to a denture or bridgework, unless
 - (1) they are required because of the extraction of one or more natural teeth after the date the existing appliance was installed and the existing appliance could not be made serviceable
 - (2) the existing denture or bridgework is at least five years old and cannot be made serviceable
 - (3) the existing denture or bridgework was temporarily installed and replacement takes place within 12 months of the temporary installation
 - (4) if a fixed bridgework is installed to replace a denture, it was not possible to **use** a replacement denture
- expense of dentures which have been lost, mislaid or stolen
- expense of dental treatment required as a result of any self-inflicted injury, war or of engaging in a riot or insurrection
- charges for dental treatment involving the use of gold which are in excess of the charges that would have been made if a reasonable substitute could have been used

- services or supplies rendered for full mouth reconstructions, for vertical dimension correction or for correction of temporal mandibular joint dysfunction
- expenses for accidental injury to natural teeth incurred more than 12 months after the accident

Continuation of Dentalcare Insurance

If the insurance company has commenced payment for Orthodontic treatment and the insurance for the person receiving the treatment terminates, orthodontic benefits will be continued during the three month period immediately following termination of insurance.

If your Dentalcare Insurance terminates due to termination of the policy or this Dentalcare benefit, benefits for accidental injury to natural teeth shall be paid after termination provided the accident

- (1) occurs prior to such termination and while the person is insured, and
- (2) is reported to the insurance company within the time shown in the Accident and Sickness Insurance Act of your home province.

CO-ORDINATION OF BENEFITS

In addition to the benefits payable under this plan, sometimes an employee or dependent is entitled to benefits for the same expenses under an automobile insurance plan or another group insurance plan. Should this type of duplication occur, the benefits under this plan will be co-ordinated so that the total benefits from all plans will not exceed the expenses actually incurred.

GENERAL LIMITATIONS

Your Health insurance does not cover services and supplies in the following situations:

- Injury sustained while working for pay or profit
- Illness for which you are or your dependents are covered under Workers' or Workmen's Compensation or similar program
- Services received in a government hospital unless you are required to pay for such services
- Services to which the patient is entitled without charge, or ~~for~~ which there would be no charge if there were no insurance
- Services or portion thereof provided under any government sponsored hospital or medical-care program
- **Aesthetic surgery** (cosmetic surgery for beautification purposes)
- Services furnished without charge or paid for directly or indirectly by any government or for which a government prohibits payment of benefits
- Services received from a medical department maintained by the employer, a mutual benefit association, labour union, trustee or similar type of group
- Service, including part-time or temporary service in the armed forces of any country
- Services required due to war (declared or undeclared), insurrection or participation in a riot
- Services required due to any intentional self-inflicted injury or disease, while sane or insane

TERMINATION OF INSURANCE

Unless otherwise specified in this booklet, insurance coverage for yourself and/or your dependents ceases:

- when you leave your job, or
- when the group policy expires

CONTINUATION OF HEALTH BENEFITS FOR DEPENDENTS

In the event of your death, the Health benefits for your dependents (other than Dentalcare) as described in this booklet will be continued for a period of one year or until your spouse remarries, whichever is the earlier.

- If your surviving children cease to qualify as eligible dependents (as defined earlier in this booklet), the Health benefits being continued for your children under this provision will terminate automatically on the date they no longer qualify.
- If a dependent is disabled on the date his insurance under this continuation provision would otherwise terminate, his insurance payments will be continued until the earliest of the following:
 - the date on which his disability ends,
 - the date on which he has received maximum benefits,
 - the date which is 90 days from the date his insurance terminated.

Please Note:

- If he is in the hospital on the last day of this 90 day period, his insurance payments will be continued until he recovers, or until maximum benefits have been paid.

HOW TO MAKE YOUR CLAIMS

Life Insurance

- For Disability Waiver of Premium benefits, contact your Employer for claim forms and procedures.
- In the event of your death, your Employer will explain the claim requirements to your beneficiary.

AD&D Insurance

- For accidental dismemberment or other loss as defined, ask your Employer for the proper claim forms. Be sure these are completed correctly and return them to your Employer.
- In the event of your accidental death, your Employer will explain the claim requirements to your beneficiary.

Weekly Income Insurance

- Ask your doctor to complete a standard claim form.
- Send the completed claim form to your Employer.
- From time to time, other forms will be sent to you for completion. Fill them in and return them to your Employer promptly.

Long Term Disability Insurance

- Obtain claim forms **M542** and **M543** from your Employer.
- Ask your Doctor to complete the **M543** (Attending Physician's Statement) and forward to your Employer.
- Complete the employee portion of the **M542** and send to your Employer as well.
- From time to time, other forms will be sent to you for completion. Fill them in and return to your Employer promptly.

Hospital Insurance

- **Ask** the hospital to complete a standard "hospitalization Claim" form.
- Send the completed form to your Employer.

Healthcare Insurance

- Save your medical receipts.
- When these **receipts exceed** the deductible amount, obtain form M635 from your Employer.
- Complete **Form M635**, attach your receipts and send these to your Employer.
- Be sure that each bill shows:
 - (1) Patient's name
 - (2) Date of service
 - (3) Nature of service
 - (4) Complete itemization of charges
 - (5) Prescription numbers for drug expenses

Dentalcare

- Ask your Employer for form M445D.
- Have your dentist complete this form and forward it to the Benefit Payments Office shown below.

BENEFIT PAYMENTS OFFICE
Great-West Life Assurance Company
365 Bloor St. East
P.O. Box 5, Suite 300
Toronto, Ontario
M4L 3L4

BENEFIT PAYMENTS OFFICE
Great-West Life Assurance Company
P.O. Box 400
Place Bonaventure
Montreal, P.Q.
H5A 1B9

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AMENDING AGREEMENT

PENSION AGREEMENT

BETWEEN

PAPERBOARD INDUSTRIES CORPORATION,
TORONTO MILL DIVISION,
COMMISSIONERS STREET

- AND -

CANADIAN PAPERWORKERS UNION,
LOCAL 1112

EFFECTIVE MARCH 27, 1981

PENSION AGREEMENT

This Pension Agreement is made and entered into this 27th day of March, 1981, between Paperboard Industries Corporation, Toronto Paperboard Division, Commissioners Street, (hereinafter referred to as "the Company") and The Canadian Paperworkers Union, Local 1112, (hereinafter referred to as "the Union"), to become effective as of March 27, 1981, (hereinafter referred to as "the Effective Date"). This Pension Agreement shall supersede any previous Pension Agreement between the Company and the Union and shall constitute the entire Pension Agreement between the parties with respect to the provision of retirement income for employees covered hereby.

PENSION PLAN

Article 1

ESTABLISHMENT OF THE PLAN

Establishment of the Plan

1.01 Coincident with the purchase on March 27, 1981 of the paperboard operations of The Continental Group of Canada Ltd., located at 495 Commissioners Street, Toronto, Ontario, the Company has established the Pension Plan embodied in the Agreement, and hereinafter referred to as the "Plan", to provide the benefits set forth herein for Employees listed in Schedule "B", appended hereto, and for all such other Employees who first became Employees after March 27, 1981 under terms of this Agreement and of the Plan.

The Plan is contingent upon and subject to obtaining and retaining such approval of the Minister of National Revenue, as the Company may find necessary to establish the deductibility for income tax purposes of any and all contributions made by the Company under the Plan as being qualified for tax exemption under the provisions of the Income Tax Act, as now in effect or as it may be hereafter in effect, or any other applicable Federal or Provincial income tax law, ruling or regulation. Any modification or amendment of the Plan may be made retroactively by the Company, with the consent of the Union, if necessary or appropriate to qualify or maintain the Plan as a plan and trust meeting the requirements of the Income Tax Act, or any other applicable Federal or Provincial income tax law, ruling, or regulation, as now in effect or hereafter amended or adopted, provided that pension benefits under the Plan are not diminished.

Article 2
DEFINITIONS

2.01 The following terms, for the purposes of this Agreement only, shall have the meaning set forth below unless the context clearly indicates otherwise:

- (a) **“Actuarial Equivalent”** or **“Actuarially Equivalent”** shall mean an actuarially equal value, or of actuarially equal value, such value being computed at the rate of interest, using the actuarial tables last adopted by the Company on the recommendation of the Actuary for the purposes of the Plan and this Agreement.
- (b) **“Actuary”** shall mean the actuary, or firm of actuaries, retained by, but independent of, the Company and qualified through Fellowship in the Canadian Institute of Actuaries.
- (c) **“Agreement”** or **“Pension Agreement”** shall mean this Pension Agreement between the Company and the Union, effective March 27, 1981, or any renewal thereof or any successor Agreement thereto.
- (d) **“Collective Agreement”** shall mean the collective bargaining agreement between the Company and the Union respecting the Employees represented by the Union.
- (e) **“Company”** shall mean Paperboard Industries Corporation, Toronto Mill Division.
- (f) **“Continuous Service”** shall mean an Employee’s period of service, as determined in accordance with Article 5 hereof, for purposes of the Plan.
- (g) **“Effective Date”** shall mean March 27, 1981, and, in respect of this most recent Amending Agreement, shall mean May 1, 1987.
- (h) **“Employee”** shall mean any person, as listed in Schedule “B” appended hereto, who, on March 27, 1981, has seniority status under the Collective

- Agreement and shall also mean such other person who after March 27, 1981, attains seniority status under the Collective Agreement.
- (i) **“Group Annuity Policy”** shall mean Group Annuity Policy No. **GA-363N**, issued by the London Life Insurance Company to The Continental Group of Canada Ltd., as it continues in effect, for purposes of this Plan, in accordance with Article 6 herein.
 - (j) **“Pension Benefits Act”** shall mean The Pension Benefits Act of Ontario and Ontario Regulation 654 thereunder, as amended from time to time.
 - (k) **“Pension Trust Fund”** shall mean the trust fund established in accordance with Article 9 herein.
 - (l) **“Pensioner”** shall mean a former Employer whose employment with the Company has been terminated and who is receiving a pension under the terms of this Agreement.
 - (m) **“Plan”** shall mean Paperboard Industries Corporation, Toronto Mill Division, Pension Plan embodied in this Agreement covering Employees who are members of the Union.
 - (n) **“Prior Employer”** shall mean The Continental Group of Canada Ltd., as it pertains to the Group Annuity Policy and any Prior Pension Agreement, and from whose employ the Employees, as outlined in Schedule **“B”** appended hereto, were transferred on March 27, 1981.
 - (o) **“Prior Pension Agreement”** shall mean the pension Agreement entered into between the Prior Employer and the Union, as in effect from May 1, 1980 to March 27, 1981, or any such other preceding pension agreement in effect before May 1, 1980.
 - (p) **“Total and Permanent Incapacity”** or **“Totally and Permanently Incapacitated”** shall have the

meaning attached thereto under Article 3.05 herein.

- (q) **“Trust agreement”** shall mean the agreement or agreements entered into between the Company and the Trustee respecting the Pension Trust Fund.
- (r) **“Trustee”** shall mean (1) an insurance company designated by the Company or (2) a Canadian trust company or companies, as the case may be, with whom the Company may enter into a deed of trust, and with whom the Company may establish a Pension Trust Fund for the provision of benefits pursuant to the Plan.
- (s) **“Union”** shall mean The Canadian Paperworkers Union, Local 1112.
- (t) **“Vesting Service”** shall mean the sum of Continuous Service, as determined in Article 5 herein and, in addition, shall include any other period of service with the Company, the Prior Employer, any associated or subsidiary company of the Company, and any subsidiary or associated company of the Prior Employer, calculated from the last date of hire.
- (u) **“Consumer Price Index”** means the consumer price index for Canada, general index (1981 = 100), as produced by Statistics Canada.
- (v) **“Post-Retirement Adjustment”** means, in respect of any calendar year, 50% of the percentage increase in the Consumer Price Index during the 12-month period ending October 31 of the preceding year, subject to a maximum adjustment of 5%. The Post-Retirement Adjustment shall be rounded to the nearest one-tenth of one percent. However, in the case of a new retiree, the first adjustment is further multiplied by the fraction obtained by dividing by twelve the number of

months elapsed between his retirement and the effective date of the first adjustment.

- (w) **“Basic Monthly Pension”** means the amount of monthly pension to which the employee is entitled under Section 3.02, 3.04 or paragraphs (a) or (d) of Section 3.07 and which is paid under his elected option.

The masculine pronoun wherever used herein shall include the feminine pronoun, and the singular shall include the plural, unless a different meaning is plainly required by the context.

Article 3 RETIREMENT DATES AND AMOUNT OF PENSION

Normal and Postponed Retirement

3.01 (a) Any present Employee who shall have had at least 10 years of Continuous Service and shall have attained the age of 65 years shall be retired with a normal pension on the first day of the calendar month next following the month in which he shall have attained age 65.

(b) A present Employee who has attained the age of 65, but who has not completed 10 years of Continuous Service, shall be retired with a normal pension on the first day of the calendar month next following the month in which he shall have completed 10 years of Continuous Service. However, the commencement of such pension will occur prior to the date the Employee attains the age of 71.

Normal and Postponed Retirement Pension

3.02 The monthly amount of any normal pension under this Agreement shall equal \$10.50 in the case of Employees retiring prior to May 1, 1981, \$12.00 in the case of Employees retiring on or after May 1, 1981 and

prior to May 1, 1982, \$13.00 in the case of Employees retiring on or after May 1, 1982 and prior to May 1, 1983, \$14.00 in the case of Employees retiring on or after May 1, 1983 and prior to May 1, 1984, \$18.00 in the case of Employees retiring on and after May 1, 1984 and prior to May 1, 1985 and \$20.00 in the case of Employees retiring on or after May 1, 1985 and prior to May 1, 1987, \$27.00 in the case of Employees retiring on or after May 1, 1987 and prior to May 1, 1988, \$31.00 in the case of Employees retiring on or after May 1, 1988 and prior to May 1, 1989 and \$40.00 in the case of Employees retiring on or after May 1, 1989, multiplied by the number of years of the Employee's Continuous Service.

Disability Retirement

3.03 Any present Employee under the age of 65 years who shall have had at least 15 years of Continuous Service and shall have become, through some unavoidable cause, Totally and Permanently Incapacitated shall be entitled to retire with a disability pension granted by the Company.

Disability Pension

3.04 The monthly amount of disability pension under the Plan shall equal the pension amount calculated in accordance with Section 3.02, based on the Employee's Continuous Service and the applicable benefit rate in effect on his disability retirement date, or \$120.00 whichever shall be the larger except that, for any month which he receives, or would receive upon application, governmental disability pension, or for any month after which he has reached the age at which unreduced pensions become payable under the Old Age Security Act, the monthly amount of such disability pension shall equal the pension amount calculated in accordance with Section 3.02, based on his Continuous Service and the applicable benefit rate

in effect on his disability retirement date but in case of payments before the age unreduced pensions become payable under the Old Age Security Act, not thereby to reduce his combined income when taken with such governmental disability pension. Each Employee applying for a disability pension shall also apply for any applicable governmental disability income benefit at the same time, or as soon thereafter as he reaches eligibility.

Determination of Total and Permanent Incapacity

3.05 An Employee shall be deemed to be Totally and Permanently Incapacitated, as the term is used in the Plan, only:

- (a) if he has been totally disabled by bodily injury or disease so as to be prevented thereby from engaging in any occupation or employment for remuneration or profit, and
- (b) if such total disability shall have continued for a period of 6 consecutive months and, in the opinion of a qualified physician, it will be permanent and continuous during the remainder of his life.

An incapacity shall be deemed to have resulted from an "unavoidable" cause unless it:

- (a) was contracted, suffered, or incurred while the Employee was engaged in or resulted from his having engaged in a criminal enterprise, or
- (b) resulted from his habitual drunkenness or addiction to narcotics, or
- (c) resulted from an intentionally self-inflicted injury which prevents him from returning to employment with the Company and for which he receives a pension from the Government of Canada.

It is understood that a pension shall not be granted pursuant to the provisions of Section 3.03 for the purpose of providing an Employee relief from unemploy-

ment or any condition other than Total and Permanent Incapacity for medical reasons. Any pension for Total and Permanent Incapacity shall continue only so long as the Pensioner shall be Totally and Permanently Incapacitated. Such incapacity may be verified by the Company through medical examination prior to attainment of the age unreduced pensions become payable under the Old Age Security Act at any reasonable time.

If, during the term of this Agreement, any difference shall arise between the Company and any applicant for a disability pension as to whether he shall have become Totally and Permanently Incapacitated, such difference shall be resolved as follows:

- (a) He shall be examined by a physician who shall have been appointed for the purpose by the Company and by a physician who shall have been appointed for the purpose by the President of the Union or his designee.
- (b) If they shall disagree, the questions shall be submitted to a third physician who shall be selected by such two physicians and who is mutually agreeable to the Company and the Union.
- (c) The medical opinion of such third physician, after examination of the Employee and consultation with such two other physicians, shall decide such question conclusively.

The fees and expenses of such third physician shall be shared equally by the Company and the Union.

Early Retirement

3.06 (a) Any present Employee under the age of 65 who shall have had at least 15 years of Continuous Service and shall have attained the age of 55 years, but who is not eligible for an unreduced pension under paragraph (b), (c) or (d) hereof, may apply for early retirement at any time thereafter up to the attainment

of the age of 65 years, and retire with a reduced early pension granted by the Company.

(b) Any present Employee under the age of 65 who, on or after May 1, 1973 prior to May 1, 1981, shall have reached the 62nd anniversary of his birth and shall have had at least 20 years of Continuous Service shall be retired from service on an unreduced early pension commencing with the calendar month next following receipt by the Company of written application made therefor by the Employee.

(c) Any present Employee under the age of 65 who, on or after May 1, 1981 and prior to May 1, 1982 shall have had 20 years of Continuous Service and shall have obtained the age of 61 years may apply for early retirement at any time thereafter up to the attainment of the age of 65 years and retire with an unreduced early pension granted by the Company.

(d) Any present Employee under the age of 65 who, on or after May 1, 1982 shall have had 20 years of Continuous Service and shall have obtained the age of 60 years may apply for early retirement at any time thereafter up to the attainment of the age of 65 years and retire with an unreduced early pension granted by the Company.

(e) Any present Employee who retires with an unreduced early pension under paragraph (c) hereof, shall receive an additional pension supplement granted by the Company.

(f) Any present Employee who retires with an unreduced early pension under paragraph (d) hereof, shall receive an additional pension supplement granted by the Company.

Early Retirement Pension

3.07 (a) The monthly amount of any reduced early retirement pension becoming payable under the Plan shall equal the pension amount calculated in accor-

dance with Section 3.02, based on the Employee's Continuous Service and the applicable benefit rate in effect on his early retirement date, and then reduced by $\frac{1}{2}$ of 1% per each month in the period from the first day of the calendar month in which the first payment of a monthly pension is due to the first day of the calendar month next following the attainment of the age of 65 years, because of his commencing to receive payments prior to age 65.

If a Pensioner retired on a reduced early pension shall have been reemployed by the Company, the monthly amount of any pension payable to him, upon subsequently becoming entitled to a normal or early pension or to any deferred benefit under the Plan shall equal the amount of the early retirement pension previously payable to him plus an additional amount of pension or deferred benefit based on his Continuous Service accumulated after reemployment, anything in this Agreement to the contrary notwithstanding.

(b) The monthly amount of any **unreduced** early retirement pension payable under paragraph (b) of Section 3.06 of this Article 3 shall be equal to \$10.50 multiplied by the number of years of the Employee's Continuous Service.

(c) The monthly amount of any **unreduced** early pension payable under paragraph (c) of Section 3.06 of this Article 3 shall be equal to \$12.00 multiplied by the number of years of the Employee's Continuous Service.

(d) The monthly amount of any **unreduced** early retirement pension payable under paragraph (d) of Section 3.06 of this Article 3, shall equal the pension amount calculated in accordance with Section 3.02, based on the Employee's Continuous Service and the applicable benefit rate in effect on his early retirement date.

(e) The monthly amount of any additional pension supplement payable under paragraph (e) of Section 3.06 of this Article 3 shall be equal to \$3.00 multiplied by the number of years of the Employee's Continuous Service, subject to a maximum of 30 years.

(f) The monthly amount of additional pension supplement payable under paragraph (f) of Section 3.06 of this Article 3 shall be equal to \$4.00 in the case of Employees retiring on or after May 1, 1982 and prior to May 1, 1983, \$5.00 in the case of Employees retiring on or after May 1, 1983 and prior to May 1, 1984, \$6.00 in the case of Employees retiring on or after May 1, 1984 and prior to May 1, 1987 and \$7.00 in the case of Employees retiring on or after May 1, 1987, multiplied by the number of years of the Employee's Continuous service, subject to a maximum of 30 years.

Retention of Deferred Benefit If Continuous Service is Broken

3.08 Any Member of the Plan who ceases to be employed by the Company or any associated or subsidiary company thereof, and who (i) has at least fifteen (15) years of Continuous Service or (ii) has at least ten (10) years of Vesting Service and has attained the age of forty-five (45) years, shall, if not entitled to retire under the Plan, be entitled upon application to the Company to a deferred benefit granted by the Company. For the purposes of this Section 3.08, the term "Member" shall include Employees and Prior Employees who continue to be employed by the Company or any associated or subsidiary company thereof.

Deferred Benefit

3.09 The monthly amount of any deferred benefit under Section 3.08 of this Article 3 shall equal the pension amount calculated in accordance with Section 3.02, based on the Employee's Continuous Service

and the benefit rate in effect on the date the Employee sustained a break in his Continuous Service.

Application for and Commencement of Deferred Benefit

3.10 Any deferred benefit granted to an Employee by the Company under Section 3.08, shall commence during the month next following the month in which he shall attain the age of 65 years, or during the month next following the month in which he shall file his application with the Company, whichever shall be later; provided that the application for such deferred benefit is filed not earlier than 90 days before attainment of the age of 65 years and not later than attainment of the age of 70 years.

In the event the Pensioner's commencement date of the first pension payment is delayed, the pension benefit shall be paid retroactive to such date.

If, prior to filing application for a deferred benefit, a person who would be eligible for a deferred benefit after the attainment of the age of 65 years shall be reemployed by the Company, his Continuous Service to the date previously broken shall not be restored nor increased thereafter from the date of reemployment. He shall continue to be entitled to a deferred benefit.

Reductions in Pension or Deferred Benefit In Respect of Similar Service

3.11 (a) If any Pensioner, or person entitled to a deferred benefit, is or shall become, or upon application would become, entitled to any other pension or payment in the nature of a pension from any source or fund (other than a pension trust established in accordance with Section 9.01 of Article 9) to which source or fund the Company, Prior Employer or predecessor of the Prior Employer, or subsidiary company shall have directly or indirectly contributed, then the amount of any pension or deferred benefit payable, as

may otherwise be provided in this Plan, for any period shall be reduced by the amount of any such other pension paid or payable to him or that would upon application become payable to him for the corresponding period (prior to any optional election, if applicable); provided, however, that if such source or fund is the Group Annuity Policy, then the amount by which the pension or deferred benefit otherwise payable, as provided in this Plan for any period, shall be reduced, shall be the amount, as detailed in column (4) of Schedule "B" appended hereto, of such other pension provided by contributions made by the Company, Prior Employer or predecessor to the Prior Employer, or subsidiary company.

Any such other pension shall not include payments under the Old Age Security Act, the Canada/Quebec Pension Plan (or other Provincial Plan, if any) or any governmental disability income law, and shall not include Workers' Compensation or a pension granted for or on account of military or other governmental service.

Special Adjustment

3.12 An Employee who retires on or after May 1, 1987 and who is paid a pension pursuant to Sections 3.01, 3.03 or paragraphs (a) or (d) of Section 3.06 will have the amount of his Basic Monthly Pension, paid under his elected option, increased on January 1, 1988 and annually on January 1st of each year thereafter until the expiration of the Collective Agreement immediately following the 1987 Collective Agreement. This increase will be equal to the Post-Retirement Adjustment multiplied by the amount of Basic Monthly Pension being paid.

If an Employee elects to receive a reduced early pension pursuant to paragraph (a) of Section 3.06, the increase in the amount of Basic Monthly Pension to which he is entitled pursuant to this Section 3.12,

calculated from his retirement date, will be equal to the Post-Retirement Adjustment multiplied by the amount of his reduced early pension.

If applicable legislation requires the Company to provide compulsory post-retirement pension adjustments, the Company will only be required to increase the amount of pension payable to a retired Employee pursuant to this Section 3.12 by the greater of the legislated or negotiated pension adjustment.

Article 4

PERIOD OF PENSION PAYMENT

First Pension Payment

4.01 The **first** monthly payment of any pension (or additional pension supplement) shall be payable for the month next following the later of the month in which the Pensioner shall have retired, filed his application for benefits or exhausted any weekly disability benefits under the Company's Group Insurance program; provided, however, the first monthly payment of any disability pension due a Pensioner shall be payable not earlier than for the month in which disability is deemed to be total and permanent as defined in Section 3.05 of Article 3. In the event the Pensioner's commencement date of the first pension payment is delayed, the pension benefit shall be paid retroactive to such date.

Last Pension Payment

4.02 (a) The last monthly payment of a pension (or a deferred benefit) shall be payable for the month in which death shall occur, except as may be otherwise provided in the Plan. If an optional form of normal pension shall have been elected as provided in Section 4.05 of this Article, the provisions thereof shall apply.

(b) The last monthly payment of an additional pension supplement shall be payable for the earliest of:

- (i) the month before the month in which the Pensioner attains the age of 65 years,
- (ii) the month before the month in which the Pensioner is first eligible to receive retirement benefits under the Canada/Quebec Pension Plan,
- (iii) the month before the month in which the Pensioner is first eligible to receive benefits under the Old Age Security Act, or,
- (iv) the month in which death shall occur.

Re-Employment

4.03 If a Pensioner is reemployed by the Company, all payments of any pension shall cease, commencing with the payment otherwise due for the month following such reemployment, and the monthly amount of any pension payable to him upon subsequently becoming entitled to a pension shall be the amount of pension previously payable to him plus:

- (i) an amount of pension based on his Continuous Service accumulated after reemployment; and
- (ii) an amount of pension where the value of all such future amounts is the Actuarial Equivalent of the pension payments he would have received from the date of his reemployment to the date of his subsequent retirement.

The commencement of the above pension must resume on a date no later than as provided in Section 3.10 of Article 3.

Payment to Others

4.04 If any payment remains unpaid at the death of a Pensioner or other payee, or if the Pensioner or other payee is unable to take care of his affairs because of ill-

ness or accident, the Company may in its discretion make payment, in full satisfaction, for such Pensioner's benefit to his spouse, a child, a parent or other blood relative, or to a person with whom he shall have resided, or to any of them in shares, unless claim shall have been made therefor by a duly appointed legal representative.

Optional Form of Pension

4.05 (a) Subject to the provisions of this Section 4.05, an Employee entitled to a normal pension under the Plan may, by written notice received by the Company prior to his retirement, but subject to evidence of his good health satisfactory to the Company, unless he shall have filed such written notice prior to attainment of the age of 64 years, elect to convert his normal pension into an Actuarially Equivalent optional form of pension, determined on the basis of ages, nearest birthday, at the Employee's retirement in accordance with Schedule "A" attached to this Agreement, using one of the following options:

Option 1

A reduced normal pension payable during the Pensioner's life with the provision that after his death it shall be paid during the life of and to the dependent pensioner nominated by him in writing when he elected the option, if such dependent pensioner survives him; or

Option 2

A reduced normal pension payable during the Pensioner's life, with the provision that after his death a pension at $\frac{1}{2}$ the rate of his reduced normal pension shall be paid during the life of and to the dependent pensioner nominated by him in writing when he elected the option, if such dependent pensioner survives him.

(b) If the Employee or the dependent pensioner should die prior to the Employee's retirement, any election of an optional form of pension shall thereby be revoked.

(c) An election may be revoked or changed by the Employee only by written notice received by the Company prior to his retirement together with evidence satisfactory to the Company of the good health of the dependent pensioner previously nominated, but the consent of the dependent pensioner previously nominated shall not be required.

(d) If a Pensioner shall have elected an optional form of normal pension and the dependent pensioner nominated under the option shall die after the Pensioner's retirement but prior to the death of the Pensioner, the Pensioner shall continue to receive payments in the reduced amount in accordance with the option.

(e) The first monthly payment of any pension due a dependent pensioner shall be payable during the month next following the month in which the Pensioner shall have died provided the dependent pensioner shall be living in such next following month.

(f) The last monthly payment shall be payable for the month in which the death of the dependent pensioner shall occur.

(g) Other than the benefits that may be payable under this Section 4.05 and Section 6.04 of Article 6, there are no benefits payable under any provisions of the Plan on the death of an Employee covered hereunder, either prior to or after retirement.

Article 5

CREDITING OF CONTINUOUS SERVICE

Definition and Determination of Continuous Service

5.01 The term Continuous Service, as used in the Plan, means, unless otherwise specified, service prior to last retirement calculated from the Employee's last hiring date (that is, in the case of a break in Continuous Service, Continuous Service shall be calculated from the date of reemployment following the last break in Continuous Service), such date being that detailed in column (1) of Schedule "B" appended hereto for present Employees on March 27, 1981, in accordance with the established practices of the Company, before the effective date of any applicable Prior Pension Agreement and thereafter until the Effective Date of this Pension Agreement in accordance with the Continuous Service provisions of any applicable Prior Pension Agreement and on and after the Effective Date of this Pension Agreement in accordance with the following provisions:

- (a) There shall be **no** deduction for any time lost which does not constitute a break in Continuous Service except the portion of any continuous absence in excess of 2 years (in event of removal of a break in Continuous Service) and except time on pension under the Plan or any other pension or retirement plan of the Company.
- (b) Continuous Service shall be computed to the nearest full month, with any fractional part of a month of less than 15 days disregarded.
- (c) Continuous Service shall be broken by:
 - (i) quit, or
 - (ii) discharge, provided that if the Employee is not entitled to a deferred benefit and is rehired within 6 months, the break in Continuous Service shall be removed, or

- (iii) permanent plant shutdown with respect to which the Employee is entitled to and elects to receive a severance allowance under the provisions of a plan of the Company; provided, however, that an Employee who elects to receive a severance allowance shall nevertheless be entitled to retire on an Actuarially Equivalent reduced pension or to receive an Actuarially Equivalent reduced deferred benefit if he was otherwise eligible to retire or to establish a deferred benefit entitlement on the effective date of payment of the severance allowance, or
 - (iv) absence due to lay-off, approved leave of absence, physical disability or lay-off due to permanent plant shutdown with respect to which the Employee does not elect to receive a severance allowance, any of which continues for more than 2 years; provided that if the Employee is not entitled to a deferred benefit and is rehired within a period from the time the absence commenced equal to his Continuous Service when the absence commenced, up to a maximum of 5 years, the break in Continuous Service shall be removed, and provided that absence in excess of 2 years due to compensable disability incurred in the course of employment shall not break Continuous Service provided the Employee is returned to work within 30 days after final payment of statutory compensation for such disability;
- provided, however, that Continuous Service shall not be considered to be broken by absence of any Employee who entered Her Majesty's Forces, and who shall return to the employ of the Company with reemployment rights under the Reinstatement in Civil Employment Act, 1946.

- (d) Continuous Service shall include employment with the Company or Prior Employer, in any subsidiary of the Company and in any company whose stocks or properties shall have been acquired before the Effective Date. Continuous Service shall include service of Employees in the employ of any company whose stocks or properties shall have been acquired thereafter, only if and to the extent that credit for Continuous Service shall be granted by the Company to such Employees.

Article 6

GROUP ANNUITY POLICY BENEFITS

Continuation of Coverage

6.01 The provisions of the Group Annuity Policy shall continue in effect, but with premium payments suspended as therein provided and as set forth below effective following the pay period that ended July 12, 1970, for present Employees who are employed by the Company on March 27, 1981 and who were contributing participants under the Group Annuity Policy.

Benefits from Prior Employer Contributions

6.02 Payments of benefits provided by contributions made by the Prior Employer under the Group Annuity Policy shall be an "other pension" as referred to in Section 3.11(a) of Article 3 of this Agreement. The amount of such other pension shall be the amount payable on account of contributions made by the Prior Employer, as outlined in column (4) of Schedule "B" appended hereto, under the Group Annuity Policy (prior to any optional election of a last survivor annuity), notwithstanding commencement of the payments under the Group Annuity Policy prior to retirement or commencement of a deferred benefit under this Agreement.

Benefits if Continuous Service is Broken before Retirement

6.03 (a) If the Continuous Service of an Employee who was a contributing member of the Group Annuity Policy shall be broken prior to the time he is eligible to retire on a pension or is entitled to a deferred benefit as provided in Article 3 of this Agreement, he shall be paid the amount of his contributions to said Group Annuity Policy with interest thereon at 2½% per annum (or such higher rate as may be determined by the London Life Insurance Company), compounded annually (hereinafter referred to as "accumulated contributions"), unless he elects within 90 days to receive at age 65 (age 60 for a female who commenced participation prior to January 1, 1966) an annuity equivalent to such accumulated contributions; provided, however, that if the sum of the period of his contributions to the aforesaid Group Annuity Policy plus the period of his Continuous Service after the Effective Date of this Agreement aggregates at least 5 years, he shall be entitled to the percentage, determined from the table below, of the portion of his benefit payable under such Group Annuity Policy applicable to contributions by the Prior Employer made on his behalf prior to January 1, 1966, and in addition, if he elected an annuity in lieu of the payment of his accumulated contributions, the percentage, determined from the table below, of the portion of this benefit payable under such Group Annuity Policy applicable to contributions made on his behalf after December 31, 1965, by the Prior Employer, determined as follows:

Years of Participation and Continuous Service	Percentage of Prior Employer - Provided Group Annuity Policy Benefit
Less than 5	0%
5	25%
10	50%
15	75%
20 or more	100%

Age 55 or more (age 50 in the case of a female who commenced participation prior to January 1, 1966)

100%

Such benefits shall be payable commencing at age 65 (age 60 in the case of a female who commenced participation prior to January 1, 1966); provided, further, that if he shall have reached his 55th birthday (50th birthday in the case of female who commenced participation prior to January 1, 1966) and shall receive Company consent, he may elect to have the benefit payable under the Group Annuity Policy applicable both to his own and contributions by the Prior Employer (or, if he elects a return of his accumulated contributions, applicable to contributions by the Prior Employer only) commence immediately in a reduced amount of equivalent actuarial value as computed under the Group Annuity Policy.

(b) A former Employee who is entitled to a deferred benefit as provided in Section 3.08 of Article 3 of the Plan must elect to receive his accumulated contributions under the Group Annuity Policy in the form of an annuity, as set forth in paragraph (a) above, or he shall be paid the amount of his accumulated contributions in lieu of such deferred benefit. Notwith-

standing the above, if such an Employee has both attained age forty-five (45) and completed ten (10) years of Vesting Service, he will receive 100% of any benefit accrued after December 31, 1965 in the form of an annuity as set forth in paragraph (a) above. In no event shall he be paid the amount of his accumulated contributions, if any, made after December 31, 1965 in lieu of such deferred benefit.

(c) If the Continuous Service of an Employee formerly a contributing participant under the Group Annuity Policy shall be broken prior to retirement and without future entitlement to a deferred benefit under the Plan, his Continuous Service from the time his active participation in the Group Annuity Policy was suspended shall be years of participation under the Group Annuity Policy for computing vesting in any annuities purchased thereunder by Prior Employer contributions.

Benefits on Death before Retirement

6.04 Upon receipt of proof, satisfactory to the Company, of the death of an Employee (or a former Employee entitled, had he lived, to a deferred benefit or to a life annuity under Section 6.03(a) above which has not commenced), the amount of his accumulated contributions at the time of death shall be payable in one sum to his designated beneficiary if living, otherwise to such Employee's legal representative. Such beneficiary must have been designated in writing and duly acknowledged. A beneficiary may be changed by similar written designation, to take effect as of the date of execution thereof, but without prejudice on account of any payments made before receipt of such designation.

Benefits in Payment on and after March 27, 1981

Benefits in **Payment on March 27, 1981**

6.05 (a) Payments commenced, pursuant to the aforesaid Group Annuity Policy, prior to the Effective Date of this Agreement to an Employee who is employed by the Company on March 27, 1981, shall continue as provided in that policy notwithstanding the Employee's continued active service, and upon his retirement the portion of such payments provided by contributions made by the Prior Employer shall be an "other pension" as referred to in Section 3.11(a) of Article 3 of the Plan.

(b) All other benefits attributable to participation, by Employees employed by the Company on March 27, 1981, in the Group Annuity Policy shall be payable only upon retirement, or as provided in Sections 6.03 or 6.04 of this Article.

General Provisions Regarding the Group Annuity Policy

6.06 (a) Notwithstanding any provision of this Agreement to the contrary, all benefits payable in respect of participation in the Group Annuity Policy shall be paid only in accordance with the provisions thereunder and any options available to, elections to be exercised by or rights conferred upon any Employee with respect to benefits under the Group Annuity Policy shall be selected, exercised or conferred only in accordance with the terms thereof.

(b) In no event shall any benefits, determined and payable under the provisions of the Group Annuity Policy be paid other than in accordance with the provisions of the said Policy and other than by the London Life Insurance Company.

Article 7
ADMINISTRATION

General Administration

7.01 Notwithstanding any other provision contained herein, the Company shall be the designated administrator of the Plan and as such shall be responsible for the overall operation and administration of the Plan, as it concerns the Minister of National Revenue, or such other provincial or federal regulatory body, and shall conclusively decide all questions relating to the interpretation, application and administration of any provision of the Plan, including the determination of any Employee's eligibility for retirement and benefits, his Continuous Service and the amount of any and all benefits to be paid hereunder, provided, however, that such decisions and determinations are made consistent with the then existing terms of the Plan and are uniform in their nature and application to all pensions similarly situated.

The Company shall enact such rules and regulations relating to the administrative operation of the Plan as it deems necessary for the transaction of the Plan's business and shall be empowered to amend such rules and regulations from time to time.

Records

7.02 The records of the Company concerning service of an applicant for benefits under this Plan shall be conclusive, unless shown, beyond a reasonable doubt, to be incorrect.

Disputes

7.03 If, during the term of this Agreement, any differences shall arise between the Company and any Employee, who shall be an applicant for a pension, deferred benefit or additional pension supplement as provided in the Plan, as to whether or not such

Employee is entitled to, or as to the amount of, such **pension, deferred benefit or** additional pension supplement, such differences, **except as provided in Section 3.05** of Article 3, may be taken up as a grievance in accordance with the applicable provisions of the Collective Agreement beginning at step 3 of the Grievance Procedure.

If any such grievance shall be appealed to arbitration in accordance with such provisions, then the arbitrator, insofar as shall be necessary to the determination of such grievance, shall have the authority only to interpret and apply the provisions of this Agreement, but he shall not have authority in any way to alter, add to or subtract from any of such provisions, and his decision on any such grievance which shall properly have been referred to him shall be binding on the Company, the Union, and the Employee concerned therein.

The Company and the Union shall share equally the costs of the arbitrator's charge and fees along with any other expenses which it may be mutually agreed to incur.

Information to Employees

7.04 (a) Each Employee covered hereunder shall be provided with a written explanation of the terms and conditions of the Plan, and the amendments thereto which are applicable to him, together with an explanation of his rights and duties with respect to the benefits available to him under the Plan and any amendments thereto.

(b) Each Employee covered hereunder shall be provided with such annual statistical and financial information regarding the Plan as may be prescribed by the Pension Benefits Act.

(c) Each Employee covered hereunder shall be permitted to examine a copy of the Agreement and the

Trust Agreement, and such other documents as may be prescribed by the Pensions Benefits Act, at any time during normal business hours in the office of the Company.

Article 8
GENERAL PROVISIONS

Applicable Law

8.01 This Agreement shall be construed and enforced according to the laws of the Province of Ontario. If any provision of this Agreement is illegal under an applicable Ontario law or any applicable Federal Act, such provision shall be deemed severable from this Agreement without invalidating the remaining provisions of this Agreement.

Maximum Benefit

8.02 Notwithstanding any other provision of the Plan to the contrary, it is understood that the annual pension provided under this Plan at retirement, termination of employment or termination of the Plan, as the case may be, when added to the annual pension provided under the Group Annuity Policy and that provided by any other registered pension plan (other than the Canada or Quebec Pension Plan) to which the Company contributes or has contributed, will not exceed the lesser of

- (a) 2% of the average of the Pensioner's best three consecutive years' earnings multiplied by his years of Continuous Service, not exceeding 35 years; and
- (b) \$1,715 multiplied by the Pensioner's years of Continuous Service, not exceeding 35 years;

provided, however, that the above prohibitions will not apply to annual pensions of \$275 or less per year of Continuous Service.

Information from Applicants

8.03 The Company may require any applicant for benefits or any Pensioner to furnish such information and certificates as may reasonably be required, including, but not limited to, proof of age. If such applicant or Pensioner fails or refuses to furnish such information, certificates or other evidence, his benefit hereunder may be determined on the basis of information estimates which, in the judgement of the Company, are reasonable.

Protection Against Creditors – Non-Assignability of Benefits

8.04 Assignment, pledge, or encumbrance of any kind, except as provided in Section 4.04 of Article 4, of pensions, deferred benefits or additional pension supplements will not be permitted or recognized under any circumstances, nor shall they be subject to attachment or other legal process for the debts of Pensioners.

Returned Cheques

8.05 Each Pensioner shall furnish the Company with any change of address to which his benefit cheques should be mailed. If any benefit cheque mailed by regular Canadian mail to the last address appearing on the Company's records is returned because the addressee is not at that address, and if the person entitled to such cheque does not contact the Company for a period of three months thereafter, there shall, beginning with the first such payment which was returned, be no obligation under this Plan to pay benefits until the Company is notified of the correct address of the Pensioner. Once the Company is notified of the correct address of the Pensioner, the Plan will make payment to the Pensioner for any benefits not paid because of the incorrect address.

Notice of Retirement and Applications

8.06 Whenever an Employee is to be retired pursuant to any provision hereof, the Company shall give such Employee 30 days' written notice of his retirement. Any Employee who desires to retire shall make written application to the Company on forms to be provided by the Company. Such application shall be made not less than 30 days in advance of requested retirement date.

Small Benefits

8.07 If the amount of any pension, deferred benefit or additional pension supplement payable, after any deductions, is less than \$25.00 per month, the Company may direct that payment be made quarterly, semi-annually or annually in advance, or by an Actuarially Equivalent lump sum payment.

No Reduction or Discontinuance of Benefits

8.08 Neither any pension becoming payable hereunder by the Company during the term of this Agreement, nor any deferred benefit payable pursuant to Section 3.08, 3.09 and 3.10 of Article 3 of the Plan nor any additional pension supplement payable pursuant to Section 3.06 and 3.07 of Article 3 of the Plan, shall be discontinued or reduced except as provided in the Plan, notwithstanding expiration or termination of this Agreement.

Article 9

PENSION TRUST FUND

Establishment of the Pension Trust Fund

9.01 The Company has established and agrees to maintain during the term of the Plan a Pension Trust Fund into which all contributions shall be paid. The

Company, however, reserves the right to select any corporate Canadian Trust Company to act as Trustee of such Pension Trust Fund, and upon such selection, the Company will enter into an appropriate Trust Agreement. Subject to the requirements of any applicable provincial legislation and any other legislation governing the investment of pension funds, such trustee shall have the sole responsibility for the investment of the Pension Trust Fund. Benefits shall be payable only from the Pension Trust Fund, as authorized by the Company, in accordance with the provisions of the Plan. All expenses of the Plan, including expenses of the Trustee and legal, administrative, actuarial and other expenses, shall be deemed to be a charge against the Pension Trust Fund, unless paid by the Company. A copy of the Trust Agreement, and all amendments thereto, shall be on file with the Company.

Company Contributions

9.02 During the term of this Agreement, the Company shall, from time to time, but not less frequently than annually, make contributions for deposit in the Pension Trust Fund in such total amount, based on the advice of the Actuary, as is required to provide the current service cost of the benefits accruing to Employees in accordance with the provisions of the Plan, and is required to provide for the proper amortization of any unfunded liability or experience deficiency with respect to benefits previously accrued in accordance with the requirements of the Pension Benefits Act, after taking into account the assets of the Pension Trust Fund and all other relevant factors.

As or before Employees retire during the term of this Agreement, such contributions by the Company to the Pension Trust Fund, shall be at least an amount of monies which in the aggregate and on a sound actuarial basis shall be estimated to be sufficient to pay

the pensions, deferred benefits or additional pension supplements which shall have been granted as provided in the Plan.

Fiscal year of Pension Trust Fund

9.03 The fiscal year of the Pension Trust Fund shall be on a calendar year basis.

Article 10

TERMINATION OF THE PLAN

Pension Benefits Act

10.01 Anything in this Article 10 to the contrary notwithstanding, any distribution of assets of the Pension Trust Fund arising from the termination of this Plan, whether in whole or in part, shall be subject to the provisions of the Pension Benefits Act.

Termination of the Plan

10.02 In the event of the discontinuance of the Plan, the assets then remaining in the Pension Trust Fund, after providing the expenses of the Plan, shall be allocated by the Company to the extent that they shall be sufficient, for the purpose of paying benefits (the amount of which shall be computed on the basis of Continuous Service to the date of discontinuance of the Plan) in the following order or precedence:

- (a) to provide benefits to Pensioners who shall have retired under the Plan prior to its discontinuance, without reference to the order of retirement;
- (b) to provide normal retirement pension benefits to Employees aged 65 or over on the date of discontinuance of the Plan, without reference to the order in which they shall have reached the age of 65;
- (c) to provide early retirement pension benefits at age 65 to Employees age 60 or over but less than 65 on the date of discontinuance of the Plan, without

reference to the order in which they shall have reached the age of **65**;

- (d) to provide pension benefits at age 65 to Employees aged 50 or over but less than 60 on the date of discontinuance of the Plan, without reference to the order in which they shall have reached the age of **65**;
- (e) to provide pension benefits at age **65** to Employees below the age of 50 on the date of discontinuance of the Plan, without reference to the order in which they shall have reached the age of **65**;
- (f) within subparagraphs (c), (d) and (e) shall be included such former Employees within the applicable age group who are eligible for a deferred benefit under Section 3.08 of Article 3.

Such allocation shall be accompanied through either (i) continuance of the Pension Trust Fund or a new Pension Trust Fund, or (ii) purchase of annuity contracts, or (iii) such other disposition as may be mutually agreed between the Company and the Union, subject to the provisions of the Pension Benefits Act and the rules and regulations of Revenue Canada, Taxation. If, after having made provisions in the above order of precedence for some but not all of the above categories, the assets then remaining in the Pension Trust Fund are not sufficient to provide completely for the benefits for Employees in the next category, such benefits shall be provided for each such Employee on a pro rated basis. For the purpose of determining whether or not an Employee has, on the date of discontinuance of the Plan, sufficient years of Continuance Service to be eligible to receive a retirement benefit under the provisions of subparagraphs (c), (d), and (e) of this Article (but for no other purpose and in particular not for the purposes of determining the amount of benefit) each Employee who is on such date less than the age of **65** shall receive credit

as though his period of service included the period between the date of discontinuance and age 65.

Full Disbursement

10.03 In the event of the discontinuance of the Plan, no part of the corpus or income of the Pension Trust Fund shall be used for, or diverted to, purposes other than the payment of expenses of the Plan and the payment of benefits to Employees, Pensioners and dependents. If, after provision for the satisfaction of all liabilities under the Plan has been made, there should remain a surplus in the Pension Trust Fund, such surplus shall revert to the Company, or be used as the Company may direct, subject to the provisions of the Pension Benefits Act and the rules and regulations of the Minister of National Revenue, as amended from time to time. Notwithstanding the foregoing provisions of this Section 10.03, should the Company elect to distribute such surplus to the Employees, former Employees and Pensioners, and, if applicable their respective beneficiaries and estates, in the form of increased benefits hereunder, any such surplus, which when distributed would result in the benefits then payable being in excess of the limitations imposed under Section 8.02 of Article 8, shall revert to the Company.

Article 11

RIGHTS AND OBLIGATIONS AS TO BARGAINING AND TERMS OF THIS AGREEMENT

Rights and Obligations **as to** Bargaining

11.01 During the term of this Agreement, neither the Union nor any of the Employees shall:

- (a) make any request that this Agreement be changed in any respect or terminated, or that the amount

which the Company is required by the provisions of the Plan and of this Agreement to pay or provide for pensions, deferred benefits or additional pension supplements for the Employees, be increased; or

- (b) engage or continue to engage in or in any manner encourage or sanction any strike or other action which shall interfere with work or production at any of the plants of the Company specified in the Collective Agreement for the purpose of securing any such increase of any such change or any other action with respect to lump sum retirement allowances, pensions, deferred benefits or additional pension supplements.

During the term of this Agreement, the Company shall not have any obligation to negotiate or bargain with the Union with respect to any of the matters covered by paragraphs (a) and (b) of this Section **11.01**.

During the term of this Agreement, the Company shall not change or request any change in this Agreement, or engage in or sanction any lockout for the purpose of securing such change.

Term of this Agreement

11.02 (a) This Agreement is subject to acceptance by the Minister of National Revenue of the Plan and the Pension Trust Fund established pursuant to Section 9.01 of Article 9 as a registered pension fund or plan for the purposes of the Income Tax Act, and in the event the Minister will not accept or continue such registration, then upon failure of the Company and the Union to reach mutually satisfactory alternate arrangements within 30 days thereafter which will qualify for such registration, this Agreement shall terminate, and the Union may strike or the Company may lockout (subject to the provisions of any Federal or Provincial laws) notwithstanding paragraph (b) of this Section **11.02**.

(b) This Agreement is made with the understanding that it will duly become effective as of March 27, 1981, except as may be specifically otherwise provided herein, and will remain in effect through April 30, 1984 and will be automatically renewed for successive periods of 12 months unless either party requests a change in this Agreement or the negotiation of a new Agreement by giving written notice to the other party not less than 60 calendar days before April 30, 1984 or April 30 of any year thereafter; provided that in any event this Agreement shall remain in effect only as long as a Collective Agreement continues to exist between the parties.

**PAPERBOARD INDUSTRIES CORPORATION, TORONTO MILL DIVISION
PENSION PLAN FOR C.P.U. 1112 EMPLOYEES
CONVERSION FACTORS FOR OPTIONAL FORMS
SCHEDULE "A" – OF PENSION PURSUANT TO ARTICLE 4.05
100% DEPENDENT PENSIONER OPTION**

Age of Dependent Pensioner Female	Age of Male Pensioner					
	65	66	67	68	69	70
55	67.8%	65.9%	64.1%	62.2%	60.3%	58.4%
56	68.5%	66.7%	64.8%	62.9%	61.0%	59.1%
57	69.3%	67.5%	65.6%	63.7%	61.8%	59.9%
58	70.1%	68.3%	66.4%	64.5%	62.6%	60.7%
59	71.0%	69.1%	67.2%	65.4%	63.4%	61.5%
60	71.8%	70.0%	68.1%	66.2%	64.3%	62.4%
61	72.7%	70.9%	69.0%	67.2%	65.2%	63.3%
62	73.6%	71.8%	70.0%	68.1%	66.2%	64.3%
63	74.6%	72.8%	71.0%	69.1%	67.2%	65.3%
64	75.6%	73.8%	72.0%	70.1%	68.2%	66.3%
65	76.5%	74.8%	73.0%	71.2%	69.3%	67.4%
66	77.5%	75.8%	74.1%	72.2%	70.4%	68.5%
67	78.6%	76.9%	75.1%	73.4%	71.5%	69.6%
68	79.6%	78.0%	76.3%	74.5%	72.7%	70.8%
69	80.7%	79.1%	77.4%	75.6%	73.9%	72.0%
70	81.7%	80.1%	78.5%	76.8%	75.1%	73.3%

Factors for ages not shown and for female pensioners will be computed on the same actuarial basis.

**PAPERBOARD INDUSTRIES CORPORATION, TORONTO MILL DIVISION
PENSION PLAN FOR C.P.U. 1112 EMPLOYEES
CONVERSION FACTORS FOR OPTIONAL FORMS
SCHEDULE "A" (Continued) – OF PENSION PURSUANT TO ARTICLE 4.05
50% DEPENDENT PENSIONER OPTION**

Age of Dependent Pensioner Female	Age of Male Pensioner					
	65	66	67	68	69	70
55	80.8%	79.5%	78.1%	76.7%	75.2%	73.7%
56	81.3%	80.0%	78.7%	77.2%	75.8%	74.3%
57	81.9%	80.6%	79.2%	77.8%	76.4%	74.9%
58	82.4%	81.1%	79.8%	78.4%	77.0%	75.5%
59	83.0%	81.7%	80.4%	79.0%	77.6%	76.4%
60	83.6%	82.4%	81.0%	79.7%	78.3%	76.8%
61	84.2%	83.0%	81.7%	80.4%	79.0%	77.5%
62	84.8%	83.6%	82.3%	81.0%	79.7%	78.3%
63	85.4%	84.3%	83.0%	81.7%	80.4%	79.0%
64	86.1%	84.9%	83.7%	82.4%	81.1%	79.7%
65	86.7%	85.6%	84.4%	83.2%	81.9%	80.5%
66	87.4%	86.3%	85.1%	83.9%	82.6%	81.3%
67	88.0%	86.9%	85.8%	84.6%	83.4%	82.1%
68	88.6%	87.6%	86.5%	85.4%	84.2%	82.9%
69	89.3%	88.3%	87.2%	86.1%	85.0%	83.7%
70	89.9%	89.0%	88.0%	86.9%	85.8%	84.6%

Factors for ages not shown and for female pensioners will be computed on the same actuarial basis.

**PAPERBOARD INDUSTRIES CORPORATION, TORONTO MILL DIVISION
PENSION PLAN FOR C.P.U. 1112 EMPLOYEES
EMPLOYEES TRANSFERRED FROM THE CONTINENTAL GROUP
OF CANADA LTD.
SCHEDULE "B" - ON MARCH 27, 1981**

Name	Continuous Service Dates From (1)	Cert. No. (2)	London Life Group Annuity Policy GA-363N Monthly Pension	
			Employee (3)	Employer (4)
Aldred, R.W.	September 15, 1952	11		.47
Blazina, W.	April 14, 1941	26		13.53
Bloomfield, R.	June 2, 1959	27		.78
Boucher, L.	May 8, 1951	29		1.21
Carpenter, D.A.	March 3, 1962	38		.95
Charette, V.	August 28, 1947	41		6.34
Frame, D.M.	May 24, 1957	57		17.68
Grace, W.G.	May 20, 1947	64		10.88
Gronow, H.	January 23, 1953	66		13.21
Hilz, K.	July 19, 1954	71		9.28
Hogan, W.F.	September 24, 1947	72		2.50
Idems, A.	June 18, 1954	76		9.39
Ildens, Z.	August 17, 1953	77		.47
Kane, J.D.	February 18, 1957	83		9.81

SCHEDULE "B" (Continued) – ON MARCH 27, 1981

Name	Continuous Service Dates From	Cert. No.	London Life Group Annuity Policy GA-363N	
			Monthly Pension Employee	Monthly Pension Employer
Luty, J.L.	October 4, 1965	92		4.63
McGowan, S.J.	July 14, 1948	98		3.35
Moyer, A.	November 9, 1961	108		16.67
Muir, A.	September 18, 1961	109		1.87
O'Neill, G.G.	October 3, 1950	114		10.55
Pickett, L.J.	April 24, 1967	124		1.02
Pullen, D.	February 23, 1953	132		10.38
Rix, L.	June 25, 1946	138	76.89	8.45
Rouleau, A.	June 26, 1949	142		2.90
Shepherd, D.G.	January 12, 1948	148		18.45
Shovlin, M.	May 24, 1955	149		2.20
Silver, G.C.	June 28, 1949	150		13.53
Stuckless, G.	March 26, 1947	160		13.19
Traill, H.G.	August 16, 1947	162		15.72
Whitehead, G.L.	March 19, 1948	173		9.77

**AMENDING AGREEMENT
TO THE PENSION AGREEMENT**

BETWEEN

PAPERBOARD INDUSTRIES CORPORATION,
TORONTO MILL DIVISION,
COMMISSIONERS STREET

- AND -

THE CANADIAN PAPERWORKERS' UNION,
LOCAL 1112

THIS AMENDING AGREEMENT is made and entered into this 2nd day of October, 1987, between Paperboard Industries Corporation, Toronto Mill Division, Commissioners Street, (hereinafter referred to as "the Company") and The Canadian Paperworkers Union, Local 1112, (hereinafter referred to as "the Union").

WHEREAS, the Company and the Union have agreed that the Pension Agreement effective March 27, 1981, concerning the Paperboard Industries Corporation, Toronto Mill Division, Commissioners Street, Pension Plan, (hereinafter referred to as "the Plan"), as embodied therein, shall be amended so that, effective May 1, 1984 the term of the said Agreement is extended with certain amendments thereto;

THIS AMENDING AGREEMENT amends, as at May 1, 1987, the said Agreement so that certain provisions of the Plan shall read as hereinafter set forth:

(1) 2.01(g) "Effective Date" shall mean March 27, 1981 and, in respect of this Agreement, shall mean May 1, 1987

Collective Agreement continues to exist between the parties.

This Amending Agreement is executed at Toronto, Ontario, this 2nd day of October, 1987.

J E OARD INDUSTRIES CORPORATION,
1 L VISION, COMMISSIONERS STREET

G. Boudreau,
V.P. Industrial R
N. Prentice,
Plant Manager
K. Wenske
L. Easton
A. Moyer

THE CANADIAN PAPERWORKERS UNION,
LOCAL 1112

R. Bowman
T. Mitchell
J. Rydzkowski
D. Sooley
Wm. J. McLean

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