

COLLECTIVE AGREEMENT

between

**BALL PACKAGING PRODUCTS
CANADA, INC.**

and

**THE UNITED STEELWORKERS
OF AMERICA**
(Local 2952)

December 3, 2000
to
November 30, 2003

01725 (07)

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AGREEMENT

**THIS AGREEMENT HAS BEEN MADE AND
ENTERED
INTO BY AND BETWEEN**

BALL PACKAGING PRODUCTS CANADA, INC.
(Richmond Plant)

and

**THE UNITED STEELWORKERS OF AMERICA
LOCAL 2952**

herein referred to as “the Union”

This Agreement covers those employees of the Company as defined in Article 3 of this Agreement represented by the United Steelworkers of America.

This Agreement shall be dated and effective December 3, 2000.

ARTICLE 1 - PURPOSE AND INTENT

1.1 Purpose:

It is the intent and purpose of the parties hereto that this Agreement will promote and improve industrial and economic relationships between the employees and the Company and to set forth herein the basic Agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties hereto.

1.2 Gender Clarification:

Wherever the term "he" or "she" appears in this Agreement it shall be interpreted as "employee".

ARTICLE 2 - RESPONSIBILITIES OF THE PARTIES

2.1 Recognition of Rights:

Each of the parties hereto acknowledges the rights and responsibilities of the other party and agrees to discharge its responsibilities under this Agreement.

2.2 No Strikes/Lockouts:

In addition to the responsibilities that may be provided elsewhere in this Agreement, the following shall be observed:

There shall be no Union activity on Company time which will interfere with or impede production. There shall be no strikes, work stoppages or interruption or impeding of work. No officer or representative of the Union shall authorize, instigate, aid or condone any such activities. No employee shall participate in any such activities.

There shall be no lockouts by the Company.

2.3 No Discrimination:

There shall be no discrimination against any employee because of race, creed, colour, sex, age, national origin, Union membership or Union activity.

It is the policy of the Company and the Union not to discriminate against any employee who may be disabled.

2.4 Employment Equity:

The Company and the Union agree that employment equity is a desirable objective. Accordingly, it is agreed that hiring for bargaining unit positions will be conducted on a gender neutral basis, subject only to the availability of applicants with the skills to do the job.

2.5 Sexual Harassment:

The Company and the Union recognize the right of an employee to work in an environment free from sexual harassment. Sexual harassment of another employee is defined as: .

- making unwelcome advances or
- requests for sexual favours or
- other verbal or physical conduct of a sexual nature.

Allegations of sexual harassment must be reported immediately to the employee's immediate supervisor or to the Human Resources Manager.

The Human Resources Manager and the highest elected Union representative within the bargaining unit at the Richmond Plant, or their named designate, who will retain this responsibility for the duration of this Agreement, will investigate allegations of sexual harassment in an objective, humane, timely and confidential manner.

Any employee found to have sexually harassed another employee will be subject to discipline up to and including discharge.

Where investigation reveals that an allegation of sexual harassment is false, the employee making the accusation will be subject to disciplinary action up to and including discharge.

ARTICLE 3 - BARGAINING AGENCY AND RECOGNITION

3.1 Bargaining Agent Recognition:

The Company recognizes the Union as the sole and exclusive bargaining agency for its employees, as described in the current Certification issued by the British Columbia Department of Labour, for the purpose of collective bargaining with respect to rates of pay, hours of employment and other conditions of employment.

3.2 Definition of Employee:

The term "employee" as used in and for the purpose of this Agreement shall include those employees of the Company at and from the Company's present or relocated premises for which the Union is certified, except those employees excluded by the Industrial Relations Act of British Columbia.

3.3 Bargaining Unit Work:

Persons whose regular jobs are not in the bargaining unit will not work on any job for which rates are established by this Agreement, except for purposes of instruction, experimenting, management training (in which case such trainees shall not displace or replace any employee in any classification), work of an incidental nature (e.g. clearing minor jams, stopping equipment, safety) or in emergencies when regular employees are not available.

Grievances arising over an alleged violation of this clause must be filed within eight (8) calendar days of the date on which the occurrence became known. Such grievances will be heard initially in the Second Stage of the Grievance Procedure. In the event work is performed in violation of this section by supervisory or Management personnel or by persons whose regular jobs are not in the bargaining unit when directed by supervisory or Management personnel to perform such work, a monetary penalty shall be paid to the Local Union Unit. In no event shall the penalty be less than four (4) hours pay.

3.4 Contracting Out:

1) The Company will not contract out work which is normally performed by employees at the particular location when there is appropriate equipment, skills, necessary time and qualified employees to perform such work. Before the Company decides to contract out work not prohibited by the preceding sentence the Union President or his designee will be notified as soon in advance as is practicable as to the nature of the work and the reasons for contracting out such work. Local Management will give due consideration to the suggestions of the Local Union before making its final decision as to whether or not such work will be contracted out.

2) A Contracting Out Committee composed of three Company and three Union representatives shall meet on an as needed basis to discuss any concerns arising out of issues respecting Articles 3.3 and 3.4.

In particular this Committee will address:

- (a) proposed contracting out by the Company.
- (b) suggestions from the Union concerning having such work done by employees.
- (c) the dates that contractors are expected to commence a particular project and an estimated completion date.
- (d) any concerns about safe work practices by contractors' employees.

The Company will post a list describing which contractors are on the premises and what projects they are performing.

Where circumstances dictate that appropriate prior notice or discussion cannot take place, the Company will immediately advise an on-shift representative of the Union (as designated by the Union).

3.5 Skilled Can Maker:

The Company, without limiting the Company's rights under Section 3.3, may assign "Skilled Can Makers" for the purpose of instruction as to the maintenance and improvement of production and quality. Such employee, may as required, in connection therewith, perform work for which rates are established by the Agreement; but he shall not thereby displace any employee in the bargaining unit nor because of his performance of work cause any reduction in the work time which would otherwise be available for employees.

It is understood that the Skilled Can Maker will not be utilized for such purposes as absentee replacement, vacation replacement, relief periods, etc.

ARTICLE 4 - MANAGEMENT

4.1 Management Rights:

The management of its plant and the direction of the working force is vested exclusively in the Company, and indicates but is not limited to, the right to hire; to promote and demote, to transfer; to discipline or discharge for proper cause and to relieve employees from duty because of lack of work or for other legitimate reasons.

The Company, in exercising its rights, will observe the provisions of this Agreement.

ARTICLE 5 - UNION MEMBERSHIP AND SERVICE CHARGES

5.1 General:

The provisions of this Article shall be effective with respect to the employees as defined in Article 3.

5.2 Membership:

All employees covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall maintain their membership in good standing for the duration of this Agreement. All employees who are not members of the Union in good standing and all employees hired on or after the effective date of this Agreement shall become members of the Union on the effective date of this Agreement or date of employment, whichever is the later, and

thereafter shall maintain Union membership in good standing for the duration of this Agreement. For the purpose of this Agreement, the term “good standing” is defined to refer only and be limited to the payment of Union membership dues and initiation fees.

For the purposes of this Section, an employee shall not be deemed to have lost his membership in the Union in good standing until the International Treasurer of the Union shall have determined that the membership of such employee in the Union is not in good standing and shall have given the Company a notice in writing of that fact.

5.3 Copy of Agreement:

In order to promote harmonious relations between the parties, the Company shall give all new employees a copy of this Agreement and shall make available to them application cards, furnished by the Union, for membership in the Union and for authorization of dues check-off. The Company shall furnish the Local Union financial secretary each month with a list of all employees hired or recalled within the preceding 30 days.

5.4 Deductions:

Union members are to be supplied with Union deduction totals for income tax purposes. The Company agrees to show on employees’ “T4” slips the total Union deductions for the previous taxation year.

ARTICLE 6 - CHECK-OFF

6.1 Deductions:

Upon receipt of voluntary authorization in writing by an employee covered by this Agreement, the Company will make deductions from the employees’ wages for Union initiation fees, monthly membership dues, and assessments. These deductions will be in amounts designated to the Company in writing by the International Treasurer of the Union in accordance with the Constitution of the International Union.

6.2 Form:

The authorization for the deductions made in accordance with the foregoing Section 6.1 shall be in the form provided by the Union.

6.3 Dates of Deductions:

The Company will deduct the foregoing authorized amounts on a weekly basis. When an employee quits, is discharged or is laid off,

any of the foregoing amounts due for either the preceding or current month will be deducted from the last pay payable,

6.4 Company Saved Harmless:

The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company in reliance upon signed authorization cards furnished to the Company by the Union or for the purpose of complying with any of the provisions of this Article and Article 5.

ARTICLE 7 - WAGE SCHEDULE

7.1 Classifications and Rates:

(a) The job classifications and rates of pay are as follows:

	<u>Group Classifications</u>	<u>Current Rate</u>	<u>Dec. 3 2001</u>	<u>Dec. 2 2002</u>	<u>Dec. 1 2003</u>
5	Tool & Die Maker/Machinist	\$25.56	\$25.56	\$25.82	\$26.07
	Electronic Repairman Electrician	\$25.56	\$25.56	\$25.82	\$26.07
	Millwright	\$25.56	\$25.56	\$25.82	\$26.07
4	Mechanic Operator Welded	\$23.37	\$23.37	\$23.60	\$23.84
	Mechanic Operator Presses	\$23.37	\$23.37	\$23.60	\$23.84
	Mechanic Operator Packaging	\$23.37	\$23.37	\$23.60	\$23.84
	Mechanic - Rebuild	\$23.37	\$23.37	\$23.60	\$23.84
	Mechanic Operator Trainee < 1000 hrs.	\$22.76	\$22.76	\$22.99	\$23.22
	Mechanic Operator Trainee > 1000 hrs.	\$23.07	\$23.07	\$23.30	\$23.53
3	Quality Assurance Analyst	\$22.26	\$22.26	\$22.48	\$22.71
	Quality Assurance Analyst - Trainee < 500 hrs.	\$21.90	\$21.90	\$22.12	\$22.34
2	Industrial Truck Operator	\$21.58	\$21.58	\$21.80	\$22.01
1	Production Associate	\$21.00	\$21.00	\$21.21	\$21.42

The rates reflect roll in advance and any cost of living adjustment up to and including December 2, 2000.

- (b) The rates set forth in the preceding Wage Schedule may not be used in any way for the purpose of reducing the wage rate(s) presently received by an employee(s).
- (c) The rates for the classifications set forth in this Agreement, and for any subsequent mutually agreed upon additions thereto, are the agreed upon rates for those classifications and therefore no employee may perform work within the classifications for a rate other than the rate set forth in this Agreement subject only to the provisions of daily rate retention.
- (d) The above rates include Roll In Advance but are exclusive of any other Cost of Living Adjustments or Continuous Operating Premium as specified and defined in Sections 7.2 and 8.2(b) respectively.

7.2 Cost of Living Allowance (COLA):

DEC.3/00	YEAR 1 "Cola Advance" (\$.00)	
DEC. 2/01	Roll In (\$.00 "Advance" + Year 1 (\$.00) Cola Difference")	+ YEAR2 "Cola Advance"
DEC. 1/02	Roll In (\$.00 "Advance" + Year 2 "Cola Difference"	+ YEAR3 Cola Advance (\$.00)
NOV. 30/03		Roll In (\$.00 "Advance" + Year 3 "Cola Difference"

7.2 Cost of Living Allowance (COLA):

The wage rates specified in Section 7.1 are exclusive of any COLA. COLA Advances and Actual COLA Differences will be

“rolled-in” to the base rates only when and as specified elsewhere in Section 7.2.

“Consumer Price Index” (CPI) is the CPI for Canada-all items (1981=100) published by Statistics Canada.

“Consumer Price Index Base” (CPI Base): is the CPI for the month of October 1991, (published in November 1991.)

“COLA Adjustment Formula”: COLA adjustments will be made which will reflect a one cent per hour increase in COLA for each full .12 rise in the CPI over the CPI Base (less all previous Advances and COLA roll-ins.)

The first such Adjustment will occur on December 2, 2001, the second on December 1, 2002, and the final Adjustment on November 30, 2003

“COLA Advance” (Advance): Such advances are “Add-ons” and until such times as they are rolled-in will be used only in the calculation of pay for hours worked (including Overtime) and reporting pay.

Effective December 3, 2000, an Advance of \$0 will be paid. This \$0 will be rolled-in effective December 2, 2001.

Effective December 2, 2001, a second advance, this time of \$0 will be paid. This \$0 will be rolled-in effective December 1, 2002.

Effective December 1, 2001, a final advance of \$0 will be paid. This \$0 will be rolled-in effective November 30, 2003.

“Actual COLA Difference”: (Difference). On December 2, 2001 a calculation will be made which will determine any difference between the December 3, 2000 Advance (\$0) and the actual amount of COLA generated using the COLA Adjustment Formula and CPI Base. If the Difference exceeds \$0, such difference will be added to, and rolled into, the base rates effective December 2, 2001.

On December 1, 2002, a calculation will be made which will determine any Difference between the December 2, 2001 Advance and the actual amount of COLA generated using the COLA Adjustment Formula and CPI Base. If the Difference exceeds \$0 such Difference (less all previous Advances and COLA roll-ins) will be added to, and rolled into, the base rates effective December 1, 2002.

On November 30, 2003, a calculation will be made which will determine any Difference between the December 1, 2002 Advance and the actual amount of COLA generated using the COLA Adjustment

Formula and CPI Base. If the difference exceeds \$0, such Difference (less all previous Advances and COLA roll-ins) will be added to, and rolled into, the base rates effective November 30, 2003.

7.3 New or Changed Job Classification:

If any new job classifications are established, or if there is a significant change in the job content of any job classification(s) set forth in this Wage Schedule, or if any job classification(s) have been overlooked in this Wage Schedule, the parties hereto are agreed to negotiate a rate for the job(s) in question.

If the parties are unable to reach agreement then the dispute will be settled through the Grievance and Arbitration procedures of this Agreement.

7.4 Rate Retention - General Rule:

The general rule governing administration of the wage structure established under this Agreement is that a job rate has been negotiated for each job, and an employee will receive the negotiated rate for a particular job during the time he works on that job. When **an** employee is assigned to a different job carrying a different rate, his pay will change accordingly.

7.5 Rate Retention - Balance of Shift:

The rate retention rule in this Section applies to all employees. It operates only during the shift in which a change in job assignment is made.

When an employee's job assignment is changed to a job carrying a higher rate than the work he has previously done that shift, he will get the higher rate as soon as he starts work on the higher paying job.

When **an** employee's job assignment is changed to a job carrying a lower rate **than** the work he has previously done that shift, he will keep the higher rate of the previous assignment for the rest of that shift, including overtime, starting the next shift he will be paid the rate of the job to which he is then assigned.

When an employee's job assignment is changed between shifts, there will be no retention of the rate paid for the job assignment of the previous shift, in this case the employee will be paid the regular rate of the job to which he is assigned at the start of the new shift.

7.6 Rate Retention - Skilled Classifications:

The rate retention rule in this Section applies only to employees who are classified in one of the following skilled classifications:

Tool & Die Maker

Electronic Repairman
Mechanic Operator - Welded
Mechanic Operator - D&I
Mechanic Operator - Presses
Mechanic Operator - Packaging
Mechanic Rebuild
Quality Assurance Analyst

After an employee has been classified in one of the jobs listed above and when work in his classification is not available so that he is assigned by the Company to a lower rated job, he will keep the rate of his classification provided he has worked at least 500 hours in that classification within the twelve months preceding the change in assignment. Thereafter, as long as he continues on the lower rated job, his work assignments will be reviewed four times a year (January 1, April 1, July 1, and October 1). When a quarterly review shows that an employee has worked at least 500 hours in his classification during the proceeding twelve months, he will continue to keep the rate of his classification until the next review. However, if a quarterly review shows that the employee has not worked at least 500 hours in his classification in the preceding twelve months, he will then loose the rate of his previous classification and will thereafter receive the regular rate of the job he is currently assigned.

ARTICLE 8 - HOURS OF WORK AND OVERTIME

8.1 Purpose of Article:

This Article is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or days of work per week.

8.2 Continuous Schedules:

The standard plant hours of work will be established on the basis of a continuous operation. Each work week consists of seven (7) working days. There will be two (2) shifts per clay of twelve (12) hours each.

- a) **Schedules -** An employee will be scheduled to work either three (3) or four (4) shifts per calendar week. Normally, an employee will have four (4) days off following the completion of a four shift cycle of work. Such scheduling shall be carried out over a period of eight (8) consecutive weeks, in the manner set out in Schedule "A".

- b) **Continuous Operating Premium** - Employees working the 12 hour continuous operating schedule will receive a continuous operating premium. The premium will be 6% of the hourly base rate and calculated on the number of hours worked (including reporting pay.) Only employees eligible for COP on their regular hours are eligible for **COP** on overtime hours in the same week, (unless it is a schedule change in the same week, then all overtime hours are included).

8.3 Non-Continuous Schedule:

4/3 Schedule - On the 4/3 schedule when an employee works on the day shift, Friday, Saturday, and Sunday will be normal days off. When an employee works the night shift, Thursday, Friday, Saturday, and Sunday will be the normal days off, Rotation between days and nights will occur each week. There will be two (2) shifts per day of twelve (12) hours each, except Thursday.

5/2 Schedule - The work week shall consist of seven consecutive days. The standard plant work week schedule shall consist of five consecutive work days commencing with the day shift on Monday. Saturday will be the seventh twenty-four hour work day and Sunday the first twenty-four work day of the standard plant work week

8.4 Meals and Rest Periods:

The following applies to both the Continuous Schedule and the Non-Continuous (4/3) Schedule.

1. Meal Period -

4/4, 413: Employees will be scheduled a one-half hour unpaid meal period within each twelve (12) hour shift. Unless business commitments require otherwise, this unpaid meal period will be taken at a time between the fifth and seventh hours of the shift.

512: Employees will be scheduled a one-half hour unpaid meal period within each eight (8) hour shift. Unless business commitments require otherwise, this unpaid meal period will be taken between the third and fifth hours of the shift.

2. Rest Periods -

4/4, 4/3: Employees will be scheduled two (2) twenty (20) minute paid relief periods, one in the first half and one in the second half of the employee's shift.

5/2: Employees will be scheduled two fifteen (15) minute paid relief periods, one in the first half and one in the second half of the employees shift.

8.5. Overtime

1. Casual Overtime:

4/4, 4/3: An employee shall receive compensation at one and one half times the regular rate for all work performed in excess of eleven and one-half hours per day.

5/2: An employee shall receive coinpensation at one and one-half times the regular rate for all work performed in excess of eight hours per day.

5/2: An employee will be paid two times the straight time hourly rate for all overtime hours in excess of four overtime hours within any twenty-four hour period.

2. Overtime Premium -

4/4, 4/3: Any hours worked on an employee's scheduled day off shall be paid at one and one-half times the regular rate of the employee.

5/2: An employee shall be paid and one-half times the regular straight time hourly rate for all hours worked Saturday and two times the regular straight time hourly rate for all hours worked on Sunday.

The language contained in the following, namely 8.53) Scheduling of Overtime, 8.54) Recall Overtime, 8.6) Reporting Pay and 8.7) Back to Back Shifts shall apply to all employees regardless of their schedule.

3. Scheduling of Overtime:

- (a) Scheduled overtime on days off will be recorded by the Company commencing January 1st each year, starting with the senior employee in each classification and following a rotation system thereafter for the purpose of equalization. However, this does not obligate the Company to ensure all employees will work the same

number of overtime hours. Employees who refuse or are unavailable to work scheduled overtime shall nonetheless have their overtime record charged with those hours they could have been scheduled.

- (b) Casual overtime prior to or at the end of a shift will be assigned to those employees who are working on the specific job or equipment involved in the operation requiring overtime. The Company will not be required to keep record of this overtime.
- (c) Local Management will give consideration to any reasonable request of an employee to be excused from overtime work, but in any event will excuse an employee from overtime on occasions where the working of overtime would cause the employee hardship or serious inconvenience.
- (d) Without prejudice to the respective rights of parties as set out above, any discipline for failing to work the assigned overtime shall be preceded by notice to the employee and shall be made effective no earlier than five (5) working days after notice to the employee of such discipline. The employee may grieve the discipline before it is made effective and any such grievance shall serve to postpone the effective date of the discipline, if any, until the final resolution of the grievance.
- (e) If the Company has missed an overtime assignment, the affected employee will be offered make up overtime the next time he/she is on that job when overtime is required. In the event no make up overtime is available during the ensuing 12 month period, he/she will be paid accordingly.

4. **Recall Overtime:**

- (a) An employee who has already left the premises of the Company after completion of his scheduled shift and who is recalled for non-scheduled overtime work, without 36 hours notice shall be paid double his regular straight time hourly rate for a minimum of two (2) hours. He shall be required to remain at work for the two (2) hours.

Notwithstanding the above, the Company shall make a reasonable effort to fill crew shortages.

- (b) If the majority of the recall overtime hours are worked between 6 P.M. and 6 A.M. the night shift premium will be paid on all hours worked on that shift. When an employees recall hours are equally divided between two shifts, the higher shift premium shall apply.
- (c) The opportunities to work recall overtime shall be offered to the senior employee working in the job classification.

8.6 Reporting Pay:

An employee who reports for work at the time directed, unless notified to the contrary on the previous day or night, shall be paid, in the event no work is available, eleven and one-half hours report in pay at his regular straight time hourly rate; or if regularly scheduled on some shorter shift, report-in pay at his regular straight time hourly rate for the hours for which he is scheduled; provided, however, that this shall not apply to employees absent on such previous day or night without giving notice to the personnel department, nor shall it apply in cases of shut-down necessitated by emergencies beyond the control of the Company.

8.7 Back to Back Shifts - No employees will be allowed to work back to back shifts except in cases of emergency.

8.8 Transfers Between Any Schedules:

The parties recognize that employees may be required to transfer between schedules for purposes of training, relief, or "permanent" transfer. The Company will not transfer any employee onto two (2) different schedules in one week.

Employee Requested Transfers - Employees who request a change to a different schedule will not be entitled to overtime premium for the first cycle of transfer.

Company initiated Transfers - Should the Company initiate the transfer (including assignments at other locations):

Vacancies for a period of up to a full week/cycle will be covered by promoting the senior employee in the plant, at the time the vacancy arises, and/or assigning overtime. For posted classifications, vacancies for a period exceeding a full week/cycle will be covered by promoting the senior employee. A transferring employee who works one or more schedules in a calendar week shall be paid at overtime rates for all hours worked on any day that would, except for the transfer, have

been a designated day off. The provisions of the schedule from which the employee is transferring shall govern in determining overtime eligibility.

2. For employees on a “new” schedule the rules regarding transfer shall apply on return to the original schedule or any other schedule. Each time there is a transfer, the employee affected must review the impact on his/her vacation schedule. (Pay Group 2,3,4, & 5, with their immediate supervisor, and Pay Group 1 with the Human Resources Department).

When a plant or department schedule changes, the impact on an individual's vacation plans will be reviewed. Where it is established financial hardship (e.g. plane or cruise tickets) will occur to an employee as a result of the schedule changes, the Company will cooperate with the employee to arrange an appropriate schedule.

Employees will be required, in advance, to express their interest in changing schedules for Vacation/Absenteeism Relief for periods of greater than one cycle. Employees wishing to change must give two weeks notice.

For all schedules, preference will apply to preference of shift schedule, not preference of department. Transfers will take place as vacancies arise.

8.9 Changes in Starting Times:

Any change in the presently established starting time of all plant or department work schedules shall be discussed by local Management and the Local Union as far in advance of such change as possible.

The foregoing does not apply to changes in individual crew, or line schedules. The Union and the employees affected by such changes will be notified as far in advance as possible.

The Company will not stagger shift starting times for the purpose of avoiding overtime in meeting variations in the volume of production requirements. This provision is not intended to, and shall not be construed as, preventing the Company from staggering shift starting times whenever the physical nature of the productive or maintenance processes requires work either before or after the regular shift starting times.

8.10. Regular 5/2 Schedule:

It is understood that any references to payments of eleven and one-half hours for any benefits in this Collective Agreement shall not apply to those working the Regular 5/2 Schedule.

8.11. Schedule Changes:

Where production/operating volumes so require, changes between the Continuous Schedule, Non-continuous (413) and Regular 5/2 Schedule will be made. As much advance notice as possible will be given.

8.12. Other Schedules:

The Company and the Union may, as a further alternative, introduce other work schedules which are mutually negotiated between the parties.

ARTICLE 9 - SHIFT PREMIUMS

9.1 First Shift:

4/4 or 413: The first shift will be scheduled from 6:00 a.m. to 6:00 p.m. No shift premium will be payable for any hours worked on first shift.

5/2: All hours worked which start between 6:00 a.m. and 10:00 a.m. inclusive shall be considered a day shift. No shift premium will be payable for any hours worked on first shift.

9.2 Second Shift:

4/4 or 413: The second shift will be scheduled from 6:00 p.m. to 6:00 a.m. A shift premium of 55 cents per hour will be paid for all hours worked on second shift.

5/2: All hours worked which start between 2:30 p.m. to 6:00 p.m. inclusive shall be considered second shift. A shift premium of 55 cents per hour will be paid for all hours worked on second shift.

9.3 System of Rotation:

The Company will establish a rotating shift schedule.

ARTICLE 10 - HOLIDAYS

10.1 Recognized Holidays:

New Year's Day

Heritage Day (observed the third Monday in February)

Good Friday

Empire Day
Dominion Day
Civic Holiday (observed the first Monday in August)
Labour Day
Thanksgiving Day
Remembrance Day
Day Before Christmas
Christmas Day
Boxing Day (Day after Christmas)

10.2 Eligibility for Holiday Allowance:

Employees who do not work on these Holidays shall be paid a Holiday allowance provided that they work both their full normal scheduled work day immediately preceding the Holiday and their normal scheduled work day immediately following the Holiday. Exceptions to the foregoing will be where the employee is absent for a period of seven (7) days or less with the permission of the Company, or, is on lay-off or is absent due to illness or industrial injury on the day preceding or following the Holiday.

In such case of lay-off or absence due to illness or industrial injury, the employee, provided he worked at least one day within the thirty calendar days preceding the Holiday, shall be entitled to holiday allowance not to exceed two Holidays in such thirty day period,

10.3 Holiday Allowance:

Holiday allowance shall be an equivalent of eleven and one-half (11.5) hours or of eight (8) hours (depending upon the employee's shift schedule) at straight time based upon the employee's current straight time rate,

10.4 Work on Holiday:

Employees scheduled to work on any of the above named plant holidays, shall receive payment at one and one-half times their regular straight time hourly rate for the hours actually worked, in addition to receiving the total Holiday allowance,

Should an employee transfer between schedules it will not result in any duplication of pay for the same Holiday.

10.5 Holiday During Vacation Period:

4/4, 4/3: Where one of the above named plant holidays falls during an employee's approved vacation period, he shall be paid the holiday allowance in lieu of the holiday.

5/2: If any of the holidays occur during the employee's vacation period, the rate of holiday allowance payable shall *be* paid in addition to the employee's vacation pay; or at the employees option shall be granted an additional day off with holiday allowance either the day preceding or the day following the vacation period.

10.6 Holiday Observance on Non-Continuous (4/3) Schedule

Holidays occurring on a Saturday or a Sunday will be observed on the following Monday, with no production scheduled for that Monday. Should volumes so require, an additional shift will be scheduled (Thursday/night shift, Friday/day shift) and will be paid at time and one-half. When scheduled, the working of such shifts shall not be optional.

If an employee is not scheduled to work on that Monday designated as the holiday, he will, nevertheless, receive a holiday allowance as per Section 10.3.

10.7 Holiday Observance on 5/2 Schedule:

Holidays occurring on a Saturday or a Sunday will be observed on the following Monday with no production scheduled for that Monday.

ARTICLE 11 - VACATION PLAN

11.1 Purpose:

The purpose of this plan is to provide periods of rest and relaxation by the establishment of a system of vacations with pay for employees.

11.2 Eligibility for Vacation:

- (a) An employee is eligible for vacation when he completes a total of twelve months of employment with the Company and has worked a total of one thousand hours from the date of employment regardless of the plant or plants of the Company in which service is accumulated. If an employee works less than one thousand hours during his first twelve months of employment, he shall not become eligible for vacation until he has worked a total of one thousand hours.
- (b) Eligibility shall be canceled only by quit or discharge. An employee who quits or is discharged shall lose vacation eligibility, or if re-employed, he shall start as a new employee and must re-establish vacation eligibility.

11.3 Amount of Vacation:

The word "weeks" shall be substituted for the word "cycles" throughout this Article for those employees entitled to take vacation on the 5/2 Schedule.

An employee who has established vacation eligibility as provided in 11.2:

- (a) Shall be granted two (2) cycles of vacation to be taken prior to December 31st of the year in which eligibility is first established, the amount of vacation pay shall be 4% of his first twelve (12) months earnings, or two (2) cycles of vacation pay, whichever is greater.

Thereafter, during each calendar year an employee continues in employment with the Company, he shall be granted vacation on the following basis:

- (b) Until the employee attains five (5) years of service he shall be granted two (2) cycles of vacation in each calendar year, the amount of vacation pay shall be 4% of his previous calendar year's earnings or two (2) cycles of vacation pay, whichever is the greater.

- (c) After attaining five (5) years of service he shall be granted three (3) cycles of vacation in each calendar year. The amount of vacation pay shall be 6% of his previous calendar year's earnings or three (3) cycles of vacation pay, whichever is the greater.
- (d) After attaining ten (10) years of service) he shall be granted four (4) cycles of vacation in each calendar year. The amount of vacation pay shall be 8% of his previous calendar year's earnings, or four (4) cycles of vacation pay, whichever is the greater.
- (e) After attaining twenty (20) years of service he shall be granted five (5) weeks of vacation in each calendar year. The amount of vacation pay shall be 10% of his previous calendar year's earnings or five (5) cycles of vacation pay, whichever is the greater.
- (f) After attaining twenty-five (25) years of service he shall be granted six (6) cycles of vacation in each calendar year. The amount of vacation pay shall be 12% of his previous calendar years earnings or six (6) cycles of vacation pay, whichever is the greater.

Such vacations shall commence prior to December 31st of the year in which eligibility for vacation is established and thereafter during each calendar year the employee continues in the employ of the Company and performs work for which he is compensated.

11.4 Scheduling Vacation:

Vacations will, so far as practicable, be granted at times most desired by employees, (longer service employees being given preference as to choice); but the final right to allot vacation periods and to change such allotments is exclusively reserved to the Company in order to insure the orderly operation of the plant. A vacation granted to an employee in any calendar year must commence in that year and shall not accumulate from one calendar year to another.

Once an employee's vacation has been scheduled by the Company it shall not be postponed in the 30 day period immediately preceding the date the employee is scheduled to commence his vacation, except for emergency conditions clearly beyond the control of local Management, such as fire, flood, storm, utility failure or labour dispute. Notwithstanding the above, an employee's vacation can be postponed at any time by mutual agreement

11.5 Vacation Shut-Down:

The Company reserves the right to shut-down a part of or all of an operation for a part or all of a scheduled vacation, during the period of July 1st to August 31st. Should the Company exercise its right to shut-down during this period, no additional vacation will be granted during the period July 1st to August 31, unless Management determines that business conditions will allow limited flexibility. The date of the shutdown period will be announced by April 1st.

11.6 Allowance in Lieu of Vacation:

If it becomes necessary because of critical production requirements or other emergencies for the Company to request an employee to forego a part or all of the vacation period for which he is eligible and if the employee consents, the employee shall be paid vacation allowance in lieu of time off.

11.7 Time of Vacation Pay:

- (a) Vacation pay pertaining to previously scheduled vacation shall be paid no later than the pay period immediately preceding the pay period in which the vacation commences.
- (b) Any pay earned by an employee during the week immediately preceding his vacation period and which becomes payable on the pay day within such vacation period, shall be paid to him on the first day he returns to work after his vacation unless he chooses to call for it on pay day.

11.8 Vacation Allowance at Termination:

- (a) An employee who quits or is discharged before he has been granted a vacation as provided in Section 11.3 shall be paid vacation allowance at the time of such quit or discharge, limited to the vacation for which he was eligible at that time and would have been granted during the current year had he continued to work for the Company.
- (b) An employee who is laid off prior to October 1 will at his/her option be granted vacation allowance at the time of lay-off limited to the remaining vacation for which he/she is then eligible as provided in Section 11.3. Such employee who does not exercise this option and who remains on lay-off after October 1 will be paid a vacation allowance. An employee who is laid off after October 1 will be paid a vacation allowance at the time of lay-off limited to the remaining vacation for which he/she is then eligible as provided in Section 11.3.

11.9 Lost Time:

Hours worked for the purpose of computing average weekly number of vacation hours shall include all hours counted as hours worked for Company Service accrual (also see Section 25.2).

11.10 Additional Payment:

Each employee will be paid an additional payment of \$50.00 for each full week of regular vacation at the time he receives his regular vacation pay,

ARTICLE 12 - SENIORITY

12.1 Purpose:

The purpose of this Seniority Article is to provide the maximum job security and promotional opportunity for all bargaining unit employees, based on length of service, while giving full consideration to efficient plant operation. Seniority, as referred to in this Agreement, shall mean length of service in the employ of the Company not interrupted by any seniority break and shall be on a plant wide basis.

12.2 Probationary Period:

Each employee shall be a probationary employee and shall not attain seniority status until he has been an employee of the Company for a minimum of forty-five (45) days worked.

After attainment of seniority, the employee's seniority rating will be established from the date of employment, or, in the case of an employee re-employed following a break in seniority, from the date of re-employment.

12.3 Termination of Probationary Employee:

Notwithstanding any other provision of this Agreement, the employment of a probationary employee may be terminated at the sole discretion of Management and no Arbitrator or arbitration board shall have jurisdiction to entertain any grievance filed as a result of such termination.

12.4 Seniority Lists:

Seniority lists will be posted as soon as possible after the signing date of this Agreement and every six (6) months thereafter, including such revisions as are necessary. A copy of the list will be posted in the plant and a copy given to the Union. If an employee or the Union does not challenge his seniority standing as listed, within ten (10) days after the list is posted, then he shall be deemed to have proper seniority standing. If an employee is absent when the list is posted lie

shall have five (5) calendar days from the date of the return to work to challenge his seniority date.

12.5 Promotions and Transfers:

Promotions and transfers shall be made on the basis of seniority, provided the senior employee has the ability and physical fitness to perform the required work. This shall also apply to the selection of employees who have successfully completed required Company prescribed tests and wish to enter a Training Program, Promotional opportunities in the job classification, Industrial Truck Operator and above will be posted.

No individual may "post down" or laterally, (unless, in the case of a lateral posting, they had completed the requirements of a particular training program from which they would be posting).

12.6 Lay-Off

Seniority, as herein defined, shall apply in the case of lay-off resulting from a reduction of the work force. Probationary employees shall be laid off first. If it is necessary to make an additional reduction in the work force, employees with the least seniority shall be laid off and senior employees retained, provided however, the senior employees retained have the necessary ability to perform the normal requirements of the job.

- (a) Employees in Mechanic Operator or Mechanic Operator-Trainee classifications may not bump across technologies unless the employee had previously qualified as a Mechanic Operator in the technology into which he wishes to bump.
- (b) Employees in the Mechanic Operator classification may bump across technologies if the displacement from the current Mechanic Operator classification is permanent*, in which case the surplus qualified Mechanic Operator will displace the most junior Mechanic Operator Trainee in the plant. If there are no such Trainees, the surplus qualified Mechanic Operator will displace the most junior qualified Mechanic Operator in the plant. In the event there are no junior qualified Mechanic Operators in the plant, the surplus Mechanic Operator or trainee will displace the incumbent in the next highest rated job in the plant ~~with~~ his seniority without regard to whether or not he previously held the position.

*When the Company determines there is little likelihood of an imminent recall to the original Mechanic Operator or Quality Assurance Analyst

classifications or the expiry of rate retention rights under Section 7.6.

12.7 Transfer on Lay-Off:

- (a) When work is not available for an employee classified on one of the skilled jobs as set forth in Section 7.6 of this Agreement, such employee may be transferred to the next highest rated job which he has previously performed, provided he has greater seniority than the incumbent. In the event such employee has not previously performed another job, he nevertheless may be placed on a job in line with his seniority.
- (b) Employee in the Quality Assurance Analyst classification who have been displaced or bumped from their classification may be transferred to the next highest rated job provided he has greater seniority than the incumbent.

12.8 Emergency Conditions:

When emergency conditions such as mechanical breakdowns arise which necessitate a temporary lay-off, an employee may be laid off for the balance of his shift without regard to seniority.

12.9 Recall:

Seniority shall apply in the case of recall of employees after lay-off. Employees shall be recalled in the order of Plant Seniority, with the most senior employee being recalled first, and the least senior employee recalled last, in that order, provided, however, the senior employees recalled have the necessary ability to perform the normal requirements of the job.

12.10 Break in Seniority:

It shall be considered a seniority break and the employee's seniority shall terminate and the employee shall cease to be employed with the Company under any of the following circumstances:

- (a) he voluntarily quits his employment with the Company;
- (b) he is discharged and is not reinstated through the Grievance Procedure or Arbitration;
- (c) he is on lay off for more than twenty-four (24) months;
- (d) he fails to report to work for three (3) consecutive working days without giving a reason satisfactory to the Company for not reporting;

- (e) while on lay off, and not employed elsewhere, he fails to report within five **(5)** days following receipt of a registered letter or telegram sent to his last known address on the Company files, unless he gives a reason satisfactory to the Company for not reporting.
- (f) he fails to report to work following an authorized leave of absence unless he obtains an extension of the leave of absence or is able to give a reason satisfactory to the Company;
- (g) accepts gainful employment while on an authorized leave of absence, without first obtaining the consent of the Company in writing.

The Company, in applying this Section, will not act in an arbitrary or discriminatory manner.

12.11 Change of Address:

It shall be the duty of each employee to notify the Company promptly of any change in address or telephone number. If an employee fails to do this, the Company will not be responsible for failure of a notice to reach such employee.

12.12 Transfer to Salaried Job:

- (a) An employee who has attained seniority rights under the provisions of this Article shall, in the event he is transferred to a salaried job, or to an hourly job at another of the Company's plants not covered by this Agreement, retain his seniority in the bargaining unit for a period of one year.
- (b) If, during the periods specified above or an agreed upon extension, the employee is transferred back to a job in the bargaining unit, he shall receive seniority credit for all time spent on the job outside of the bargaining unit.
- (c) If an employee elects to return to the bargaining unit, he shall be responsible for payment of Union dues for the period of time he was outside the bargaining unit.

12.13 Super-Seniority:

Super-seniority, for the purpose of lay off and recall only, shall apply to a total of not more than ten Local Unit Officers and Grievance Committeemen, provided there is work available which they can

perform, and shall be limited to include the Local Unit President, Vice President, Recording Secretary, Grievance Coininittee Chairman and other elected members of the Grievance Committee. Those employees to whom super-seniority will apply will be designated, in writing, to the Company.

ARTICLE 13 - LEAVE OF ABSENCE

13.1 Purpose:

The provisions of this Article are for the purpose of maintaining uninterrupted seniority rating during authorized periods of leave of absence and for no other purpose.

13.2 Maximum Period:

When application is made for a temporary leave of absence and the request is for a justifiable reason, local Management will grant such leave without pay for a period not exceeding 14 weeks.

(a) If an employee is granted a leave of absence, the Company will require that the employee utilize some of the remaining vacation for which he/she is eligible before the leave is granted.

13.3 Exceptions to Maximum Period:

Exceptions to the 14-week limitation provided in Section 13.2 are as follows:

- (a) A pregnant employee will be granted a maternity leave when medical evidence dictates she is physically unable to perform the duties of her job. An employee who has been granted a maternity leave will return to work when medical evidence dictates she is physically able to perform the duties of her job.
- (b) An employee who takes employment elsewhere during an approved leave of absence shall be considered as having voluntarily quit unless local Management and the grievance committee give permission based upon exceptional conditions related to the circumstances under which the leave was originally granted.
- (c) An employee elected or appointed to a full-time Union office shall be granted leave of absence for a term not to exceed two (2) years. Not more than two employees from each plant may at any one time be on leave of absence granted under the provision of this sub-section.

- (d) Notwithstanding (b) above, an employee elected to a full-time federal, county, or municipal government office, or appointed to such an office, will, upon appropriate advance written application to the Company, be granted a leave of absence not to exceed six years or the term of that elected or appointed office or the date on which the employee leaves that office, whichever occurs first. Only one such leave shall be granted unless otherwise agreed to by local Management.

13.4 Extensions:

Extensions of authorized leaves of absence as provided for in Section 13.2 and 13.3 will be granted as circumstances warrant by agreement between local Management and the grievance committee.

13.5 Notification Requirements:

Local Management will confirm in writing all leaves of absence granted or denied for periods exceeding two (2) weeks and will give copies to the Local Union.

13.6 Failure to Report/Return:

If an employee fails to report for work within five (5) working days following expiration of an authorized leave of absence and does not give a satisfactory explanation for not reporting, he shall be considered as having voluntarily quit.

13.7 Group Insurance Coverage

For Those Off on Union Business:

Notwithstanding any provision contained in the Group Insurance Plan and Agreement, an employee who is granted a temporary leave of absence for Union Business will continue to be covered by the features of the Group Life Insurance Plan and Agreement as follows:

Life Insurance

Six Months

Weekly Sickness &

Accident Benefits

Two Weeks

All Other Coverage's

Three Months

All such continuances shall date from the first day of such leave.

ARTICLE 14 - ADJUSTMENT OF GRIEVANCES

14.1 Committeemen and Stewards:

Grievance Committeemen and Shop Stewards will be designated in writing by the Local Union to local Management. There shall be not more than one grievance committeeman for each

department, provided, however, that if the physical arrangement of the plant or the number of shifts in operation requires additional grievance committeemen, the limitation of one grievance committeeman to a department shall not apply.

For the purpose of meeting with Management representatives, the grievance committee will consist of not more than three coinittteemen, as designated by the Union, including the Local Union President, if he is not a grievance committeeman. The committee of no more than three in number for the purpose of meeting with the Company may be composed of any of the grievance coinittteeinen designated by the Union as identified in the paragraph above. The Union may change the personnel of this committee. The grievant, witnesses and members of the grievance committee will not loose pay for time spent during regularly scheduled working hours attending scheduled meetings with Management representatives.

14.2 Visits to Other Departments:

When the legitimate business of a grievance committeeman or steward requires him to leave his job or department, he shall first receive permission from his supervisor or department supervisor, which permission shall not be unreasonably withheld, After receiving permission to visit another department he shall report to the supervisor whose department he wishes to visit.

14.3 Definition of Grievance:

A grievance is defined as a coinplaint which involves the interpretation of or compliance with the provisions of this Agreement. Any dispute over whether a complaint is subject to these procedures shall be handled as a grievance in accordance with the procedures prescribed in this Agreement.

14.4 Filing of Complaints:

The purpose of this Article is to provide for the prompt adjustment of complaints by the immediate supervisor and the employee. It is agreed that prior to the filing of a grievance, an employee shall first state his complaint to his immediate supervisor who will, as promptly as reasonably possible, but no later than three (3) calendar days after he hears the complaint, give the employee an answer, together with the reasons for that answer. The employee or the supervisor may have the Steward present at this meeting. In the event there is more than one employee involved in the saine or identical complaint, the Union will designate one of the complaining employees to attend the meeting. The complaint must be filed within twelve (12) calendar days of the incident which prompted it, or when reasonably

should have become known to the employee or employees affected thereby.

14.5 Grievance Stages:

The aggrieved employee may review his complaint and the supervisor's answer with his Steward. If it is determined that the complaint is a grievance, the Union shall, within twelve (12) calendar days of the supervisor's answer, reduce the grievance to writing on the grievance form provided, together with pertinent facts, and present it to the Department Supervisor with a copy to Human Resources. The grievance will then be settled in the following manner.

First Stage: Between the **Department Supervisor** and/or immediate supervisor, the employee and one Union representative. The First Stage meeting will be held within twelve (12) calendar days after the date of the receipt of the written grievance, and will be answered on the grievance form by Management within five (5) calendar days after the date of the meeting. Grievances which are not appealed to the Second Stage within thirty (30) calendar days of the First Stage answer will be considered settled on the basis of the answer given in the First Stage.

Second Stage: Between no more than three (3) members of the Union Grievance Committee, the Plant Manager, and two other Management representatives. Any request for a Second Stage meeting shall be made by the Union within thirty (30) calendar days after the grievance has been answered in the First Stage. The Second Stage meeting will be held within fifteen (15) calendar days after receipt of the Union's request. Management will answer the grievance on the grievance form within five (5) calendar days after the meeting. Either party may have the right to call the grievant to give testimony at the meeting; however, the grievant's attendance will be limited to the time necessary to give his or her testimony. Grievances which are not appealed to the Third Stage within thirty (30) calendar days of the Second Stage answer will be considered settled on the basis of the answer given in the Second Stage.

Third Stage: Any request for a Third Stage meeting will be made by the Union's Staff Representative to the Director of Human resources and Communications at the Company's Head Office. Within thirty (30) calendar days after receipt of the Union's written request, a meeting will be held between the Staff Representative, the Director of Human Resources and Communications or his designate, members of the Grievance Committee, and local plant representatives of the Company. The Company will provide the Union with a written answer within eight

(8) calendar days after the meeting and the reply will include a summary of the Company's position and the reasons therefore. Either party may have the right to call the grievant to give testimony at the meeting; however, the grievant's attendance will be limited to the time necessary to give his or her testimony.

If the Union decides to arbitrate, it will make its appeal in writing as promptly as possible, but in no case (other than discharge) will this appeal be made more than sixty (60) calendar days after receipt of the Company's Third Stage answer. Appeal of a discharge case shall be made within thirty (30) calendar days of receipt of the Company's Third Stage answer.

Should either party fail to answer a grievance in writing within the time limits specified in the Second Stage and Third Stage, or an extension thereto, the grievance shall be considered settled, along with the appropriate remedy, in favour of the party writing the last answer, provided written notification is received (5) five calendar days prior to invoking the time limit for such answer.

14.6 Arbitration:

- (a) (a) Where a difference arises between the parties relating to the interpretation, application, or administration of this Agreement, including any questions as to whether a matter is arbitral, or where an allegation is made that this Agreement has been violated, either of the parties may, after exhausting the grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration.
- (b) Any matter referred to arbitration as provided in Section 14.6(a) hereof, shall be submitted to a single Arbitrator selected from the following list:
 - 1. Vince Ready
 - 2. Dalton Larson
 - 3. Colin Taylor
 - 4. Ron Karas
 - 5. Ken Albertini

OR

 - 6. Mutually Agreed To Arbitrator
- (c) The Arbitrator shall hear and determine the difference or allegation and shall issue a decision and the decision is final and binding upon the parties and upon any employee affected by it.

- (d) The Arbitrators shall rotate on each subsequent arbitration but should any one be unable to act within thirty (30) calendar days, he shall be passed over to the next on the list.
- (e) Subject to requesting permission from the Plant Manager in advance, the Arbitrator shall have the right to enter any premises where work is being done or has been done by the employee or in which the employer carries on business or where anything is taking place or has taken place concerning any of the differences submitted to him and inspect and view any work material, machinery, appliance or article therein, and interview any person respecting any such thing or any such differences provided that such visitation will not cause any inconvenience or disruption to the Company's operations.
- (f) If during the life of this Agreement, one of the Arbitrators named in Section 14.6(b) hereof withdraws from the list, the parties shall appoint a replacement by mutual agreement in writing.
- (g) The Union and the Company shall each pay one-half of the remuneration and expenses of the Arbitrator.
- (h) Notwithstanding any sanction attaching to any violation of the time limits for processing a grievance from Step to Step up to and including arbitration, the Arbitrator shall have the right to set aside such sanctions and deal with any grievance on its merits, provided that the delay in time complained of by the protesting party is not unreasonable and provided further that such delay has not prejudiced the party making the protest.
- (i) A claim by an employee that he has been unjustly discharged, suspended or laid off may be settled by confirming the Company's decision in discharging, suspending or laying off the employee, or by reinstating the employee with such compensation, either full or partial, as may be agreed upon by the conferring parties or determined by the Arbitrator, as the case may be.
- (ij) It is hereby agreed by both parties that the Company shall not subpoena or call as a witness in any arbitration proceedings any employee from the bargaining unit, or use a signed affidavit or a deposition from a bargaining unit employee. It is also agreed that the Union shall not subpoena or call as a witness in such proceedings any supervisor of the

Company, or use a signed affidavit or a deposition from a supervisor of the Company.

14.7 Expedited Arbitrations:

Notwithstanding any other provisions of this Agreement, the following Expedited Arbitration Procedure is designed to provide prompt and efficient handling of routine grievances.

The Expedited Arbitration Procedure shall be implemented in light of the circumstances existing in each plant, with due regard to the following:

1. A panel of Arbitrators, in sufficient number to ensure the successful operation of this procedure, will be designated by the parties. Their expenses and fees will be borne equally by the parties. The fees are to be in an amount agreed to by the parties.
2. The procedure shall be as follows:
 - (a) Within thirty (30) calendar days after receipt of the Step 2 answer, the Local Union shall assess which grievance shall be referred to Expedited Arbitration, and will so notify the Human Resources Manager. Should the representatives of the Company deem that the issue does not meet the criteria of Section 14.7.5(a) of this Article, the Local Union may nonetheless request that the issue proceed to Expedited Arbitration for resolution. In this situation, however, the first issue that must be ruled upon by the Arbitrator is whether or not the subject matter is one that meets the criteria of Section 14.7.5(a).

If the Arbitrator concludes that the case is not appropriate for the Expedited Arbitration process, the case shall be referred back to the Union for further determination as at the conclusion of the Second Stage of the grievance stages.

- (b) **As** to any grievance referred back to the Second Stage Representatives by the Staff Representative, the Chairman of the Local Union Grievance Committee may appeal it to the Expedited Arbitration Procedure by notifying the Plant manager within seven (7) calendar days of receipt of the referral from the Staff Representative. The local plant representatives shall then arrange for handling in Expedited Arbitration as follows:

The list of members of the panel shall be maintained alphabetically to be used by fixed rotation. The next panel

member shall be contacted and requested to serve on the case or cases designated for Expedited Arbitration at a time and place agreed upon by the Second Stage Representatives. The date of the hearing shall be within ten (10) calendar days of the appeal unless an extension of time is mutually agreed upon by the Second Stage Representatives.

3. Grievances shall be presented in the Expedited Arbitration Procedure by a previously designated representative of the Local Union and a designated representative of local plant Management. Attendance of other persons at the arbitration hearing shall be limited to those who have personal knowledge of the grievance being presented.

4. The hearing shall be conducted in accordance with the following:

- (c) The hearing shall be informal.
- (d) No briefs shall be filed or transcripts made.
- (e) There shall be no formal evidence rules.
- (f) The Arbitrator shall have the obligations of assuring that all necessary facts and considerations are brought before him by the representatives of the parties. In all respects, he shall assure that the hearing is a fair one.
- (g) If the Arbitrator or the parties conclude at the hearing that the issues involved are of such complexity or significance that the case should require further consideration by the parties, the case shall be referred back to the Third Stage of the grievance procedure and it shall be processed as though appealed on such date. The Arbitrator shall render his written decision within two (2) work days following the date of the hearing. His decision shall be based on the facts presented by the parties at the hearing, and shall include a brief written explanation of the basis for his conclusion. These awards will not be cited as a precedent at any discussion of any other grievances at any Stage of the grievance procedure or in subsequent arbitration.

5.

- (h) Grievances subject to this Expedited Arbitration Procedure must be confined to issues which do not involve novel problems and which have limited contractual significance or complexity.
- (i) The Arbitrator under this Expedited Arbitration Procedure shall have the same powers as granted to the Arbitrator under Section 14.6(i) of this Agreement.
- (j) Decisions in Expedited Arbitration shall take into account decisions of previous Arbitration cases between the parties.

14.8 Extension of Time Limits

The time limits mentioned in Sections 14.4, 14.5, and 14.6 may be extended by mutual agreement.

14.9 Pending Grievances:

Any grievance which has been presented in writing and is in the process of adjustment under the grievance procedure of the preceding Collective Agreement may be continued to be processed under the grievance and arbitration procedures of the Agreement and settled in accordance with the applicable provisions of the preceding Agreement for the effective period of the preceding Agreement and for any period thereafter in accordance with the applicable provisions of this Agreement.

Any grievance filed on or after the effective date of this Agreement which is based on the occurrence or non-occurrence of an event which arose prior to the effective date of this Agreement must be processed in accordance with the grievance and arbitration procedures of this Agreement. Such grievance shall be settled in accordance with the applicable provisions of the preceding Agreement for the period prior to the effective date of this Agreement and for any period thereafter in accordance with the applicable provisions of this Agreement.

14.10 General Provisions:

The proposals made by each party with respect to changes in the Collective Agreements and discussions had with respect thereto shall not be used, or referred to, in any way during or in connection with the arbitration of any grievance arising under the provisions of such Agreements. This shall not limit in any respect the right of either party to express at the arbitration hearing its position or its intent or interpretation with regard to the meaning of any provisions of the Collective Agreement.

14.11 Death of Grievant:

In the event an employee dies, the Union may process on behalf of his legal heirs any claim he would have had relating to any monies due under any provision of this Agreement

14.12 Payment of Settlement or Award:

Any payment required under a final arbitration decision and/or award shall be made within thirty (30) days of receipt of such award or, if the decision and/or award is appealed, receipt of the decision which finally adjudicates the award, whichever is later. Payments made

beyond this period shall contain a 10% annual interest penalty provided the reason for the delay resulted from the failure on the part of the Company to make a reasonable effort to make the payment. Delays resulting from difficulty in identifying the employee(s) entitled to payment or the amount involved or related reasons shall excuse the Company from such penalty.

The Local Union will be given a copy of the payroll adjustment notice resulting from the settlement of a grievance or arbitration.

- (k) This is to confirm our understanding that there shall be no deduction from back pay awards or settlements under grievance, suspension/discharge and arbitration provisions for governmental assistance, welfare or private charity received by an affected employee. Where a practice has been established not to deduct Unemployment Insurance for back pay awards or settlement, it shall remain in effect.

14.13 Limits as to Referrals Back to Previous Steps:

A grievance appealed to any Stage (excepting those appealed to the First Stage) of the procedure set forth herein shall not be further discussed or settled in any prior Stage except by mutual agreement of the designated representatives in the Stage to which such grievance has been appealed.

14.14 Disclosure:

At all steps in the grievance procedure the grievant and the Union Representatives should disclose to the Company Representatives a full and detailed statement of the facts relied upon, the remedy sought and the provisions of the Agreement relied upon. In the same manner, Company Representatives should disclose all the pertinent facts relied upon by the Company.

There shall be no limitation on either party as to its right to present at the arbitration hearing additional facts, evidence or arguments in support of its position.

14.15 Time Limits:

If Management fails to hold a meeting within the time limits prescribed in Sections 14.4, 14.5, and 14.6, the grievance may be appealed to the next stage of the procedure, except as modified in Section 14.5.

14.16 Supervisor/Employee Discussions:

It is understood that the procedure outlined in Section 14.4 does not preclude the Supervisor and the Employee from discussing any matter.

14.17 Referrals to Arbitration:

Notwithstanding the procedure herein provided, any grievance may be submitted to arbitration at any time by agreement between the Union's Staff Representative and the Company's Director of Human Resources and Communications, or designate.

14.18 Informal Hearings - Non-Precedent:

Grievances resolved through Section 14.4 shall be considered resolved without precedent and shall not be used in the discussion of other grievances or arbitration matters.

ARTICLE 15- SUSPENSIONS AND DISCHARGES

15.1 Purpose:

This Article sets up special procedures for the prompt review and disposition of coinplaints involving the suspension or discharge of employees who have completed their probationary periods.

15.2 Initial Suspension:

An employee shall not be discharged immediately. When the Company concludes that an employee's conduct may justify discharge or suspension for more than five working days, he will be so notified and immediately suspended, initially for a period of six working days pending determination by the Company.

15.3 Hearing and Grievance Procedure:

During the six day initial suspension period, the employee may request a hearing before the Plant Manager and/or his designated representative, said hearing shall be held within the six day suspension period. If he chooses, the employee may be accompanied by a grievance coininitteeman. **At** the hearing, the Company will state the offense and the facts concerning the case.

Within one working day after the hearing, or within one working day after the end of the initial six day suspension period, the Company will state in writing to the employee and the Union that the six day suspension is affirmed, modified, extended, revoked, or converted into a discharge. If the employee wishes to appeal this decision of the Company, any grievance subsequently filed and supported by the Local Union, may (at the Local's discretion), be advanced either directly to Stage Three or to the arbitration stages of the grievance process.

15.4 Suspension of 5 Days or Less:

A suspension of five working days or less may be taken up as a grievance provided such grievance is filed and presented at the Second Stage of the grievance procedure within five working days from the beginning of the suspension period

Where grievances Concerning written reprimands or suspensions of five days or less are to be arbitrated, they shall be arbitrated in the Expedited Arbitration Procedure unless the appropriate representatives of the parties determine, as set forth in Section 14.7 of the Expedited Arbitration Procedure, that such grievances should be arbitrated in the regular arbitration procedure; provided, however, that where grievances concerning any discipline involving concerted activity or multiple grievances arising from the same event are to be arbitrated, they shall be arbitrated in the regular arbitration procedure.

15.5 Justice and Dignity:

An employee whom the Company suspends or discharges or whom it contends has lost his/her seniority under Sections 12.10, 13.3(b), and 13.6 shall be retained at or returned to active work until any grievance contesting such suspension, discharge or break in service question is finally resolved through the grievance and arbitration procedure.

However, the employee may be removed from active work (without pay) until the resolution of the grievance protesting the suspension or discharge, if his alleged cause for suspension, discharge or termination presents a danger to the safety of employees or equipment in the plant due to fighting, theft or concerted refusal to perform their assigned work.

The Justice and Dignity procedures shall be applicable for suspensions, discharges, and terminations resulting from the following causes providing the continuance of employment does not represent an impairment in the Company's ability to operate in a safe and efficient manner:

- (a) Tardiness
- (b) Absenteeism
- (c) Abuse of relief periods
- (d) Simple negligence in job performance
- (e) Unauthorized absence from work station
- (l) Leaving the premises without permission
- (m) An employee deemed to have quit pursuant to the seniority provisions of the Collective Agreement
- (h) Possession, without the use of alcohol

As long as a grievance has been properly filed which specifically contests the propriety of a suspension, discharge, or

termination which was made for any of the causes listed above, the employee subject to the discipline will be allowed to remain at work while the grievance is processed to conclusion. The actual implementation of the suspension, discharge or termination, (if sustained), will be made as soon as practical after the final determination of the grievance.

If, after being retained at employment pursuant to the Justice and Dignity provisions, an employee becomes otherwise subject to discipline which is also within the jurisdiction of Justice and Dignity, all protection under Justice and Dignity provision shall be immediately revoked.

Where an employee is released from work for the balance of the shift, day or part thereof with instructions to report for work the next work day, this incident shall not be considered a suspension for purposes of Justice with Dignity.

Employees are expected to obey Management's orders and grieve any dispute over such orders.

Persons who refuse assignments (except e.g. Sections 8.4(5)(d) and 16.9, are excluded from the Justice with Dignity provisions.

Grievances involving employees who are retained at work under this provision will be handled in the Expedited Arbitration Procedure unless the Union Staff Representative and the Company's Director of Human Resources and Communications mutually agree otherwise. If the Arbitrator upholds the suspension or discharge or break in service under Sections 12.10, 13.3(b), or 13.6 of an employee retained at work, the penalty shall be instituted after receipt of the arbitration decision.

The above references to suspensions, discharges, and terminations are examples and are not intended to be all-inclusive but indicate how the various types of issues will be handled.

15.6 Reinstatement:

If suspension or discharge should be revoked by the Company or not sustained in arbitration proceedings, the Company will reinstate the employee without loss of seniority or accredited service and he will be made whole without any offset for outside earnings. A lesser settlement may be agreed to by the employee, grievance committee and local Management.

15.7 Notification

In all cases of suspension, the Company will notify the Union immediately if possible, but in no case later than the next day.

15.8 Discipline Records:

Copies of disciplinary write-ups will be promptly given to the employee involved in the action and the President of the Local Union.

All disciplinary write-ups, except those involving suspensions of six (6) days or more will be removed from the employee's personal history folder after a period of one (1) year from the date of issuance of such discipline and thereafter shall not be relied upon for any purpose, by either party excepting as may be necessary for processing and handling of complaints or charges filed outside of this Agreement.

ARTICLE 16 - HEALTH AND SAFETY

16.1 Objective and Obligation of the Parties:

It shall be the objective of the Health and Safety Program to eliminate accidents and health hazards. The Company shall provide a place of employment free of recognized physical and health hazards and shall maintain good housekeeping practices and sanitary facilities at the plant.

16.2 Joint Health and Safety Committee:

A Joint Health and Safety Committee shall be established in the plant, the number of members to be agreed upon locally. Union members of the committee shall be selected by the Local Union President. Selection of more than one employee from a department is subject to the approval of local Management. This committee will act in an advisory capacity and to the extent practical, it will be guided by the principals of the seven point program given below.

1. Make immediate and detailed investigation of each accident to determine fundamental causes.
2. Develop data to indicate accident sources and injury rates.
3. Inspect the plant monthly to detect hazardous physical conditions or unsafe work methods.
4. Recommend changes or additions to protective equipment or devices for the elimination of hazards.
5. Promote safety and first aid training for committee members and workers.
6. Participate in advertising safety and in selling the safety program to the workers through department meetings.
7. Conduct regularly scheduled meetings for the sole purpose of discussing accident prevention and developing suitable corrective measures.

At each monthly meeting the Health and Safety Committee shall review and evaluate the previous month's activities. The Union Staff Representative servicing the Local Union and Company office

representatives may attend and participate in this meeting. Advance notification shall be given to Management of the Staff Representative's intention to attend this meeting.

Regularly scheduled committee meetings shall be held at least once a month during working hours and without loss of pay for employees who attend such meetings during their regularly scheduled working hours. The Company shall provide the Safety Committee with a copy of the meeting minutes.

It is agreed that the Union's Safety Committee act here under exclusively in an advisory capacity and that the International Union, Local Union, Union Safety Committees and its officers, employees and agents shall not be liable for any work connected injuries, disabilities or diseases which may be incurred by employees.

16.3 Safety Orientation:

All newly hired employees shall be given a thorough orientation by the Company of the Health and Safety Program

The newly hired employee shall be trained and instructed in the area in which assigned work on all health and safety procedures related to his job and his safety responsibilities to himself and fellow workers.

When changed circumstances so require, employees shall be similarly instructed on all job procedures affecting their health and safety.

16.4 First Aid:

First aid facilities and a registered nurse or a qualified first aid attendant who is a salaried employee of the Company shall be provided by the Company to the extent necessary to provide adequate first aid for all employees. The Company shall provide adequate transportation to and from the hospital for the injured employee on the day of the injury.

Should a qualified hourly employee be assigned as an Industrial First Aid Attendant a premium of \$1.00 per hour will be paid. This premium will only be paid for shifts assigned by local Management. An employee who is assigned for part of a shift will be paid the premium for the entire shift. No rate retention practices will apply.

16.5 Protective Devices:

Protective devices, wearing apparel and other equipment necessary to properly protect employees from injury or illness shall be provided by the Company in accordance with practices now prevailing.

Provisions will be made by the Company for the cleaning and maintenance of personal protective equipment.

The Company shall subsidize the cost of safety shoes in the amount of \$120.00 effective in January during each year of this agreement.

It will be mandatory that safety shoes be worn at all times by all employees.

The Company recognizes the desirability of discussing significant intended improvements in safety programs with the Health and Safety Committee in advance of their implementation

16.6 Medical Examinations:

In the interest of employee health and safety, employees will take medical examinations provided by the Company at no expense to employees:

1. Following absences due to serious illness or injury.
2. Following lay off or leaves of absence exceeding three months.

In lieu of the above examinations provided by the Company, the employee will have the option of submitting a certificate from the employee's doctor, certifying that the employee is capable of performing his job, or any other job to which he may be entitled under the seniority provisions of the Agreement, without endangering the health and safety of others, which certificate shall be subject to acceptance by the Company doctor. All expense in connection with the examination of an employee by his own doctor will be borne by the employee.

Employees will not loose any wages from the Company due to time required for such examinations when performed by the Company doctor.

If any difference shall arise between the Company and any employee as to whether such employee is capable of performing his job, or any other job to which he may be entitled under the seniority provisions of the Agreement, without endangering the health and safety of himself or others, such difference shall be resolved as follows:

The employee shall be examined by a physician appointed for the purpose by the Company and by a physician appointed for the purpose by the Union. If they shall disagree concerning whether the employee is capable of performing his job, or any other job to which he may be entitled under the seniority provisions of the Agreement, without endangering the health and safety of others, that question shall be submitted to a third physician selected by such two physicians. The medical opinion by the third physician, after examination of the employee and consultation with the other two physicians, shall decide

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

In the event the Company and the Union physicians can not agree on a third physician within fifteen (15) days of receipt of the conflicting opinions, the Company will notify the Union of the impasse and the medical issue will be resolved by an impartial physician according to the following procedure:

The Company and the Union will contact the B.C. Medical Association and request a written list of certified specialists relating to the medical issue. The list shall consist of three (3) certified physicians in the area, excluding any physicians involved in the dispute. Their fees and expenses shall be borne equally by the Company and the Union.

This selection of the impartial physician shall be in the order in which submitted by the B.C. Medical Association. If for any reason all such physicians cannot or decline to serve as the impartial physician, the Company and the Union shall request from the B.C. Medical Association such additional lists as are necessary.

In view of this procedure for adjusting differences under this Section 16.6, it is understood that the provisions of Article 14 of the Collective Agreement shall not apply to this Section 16.6. The reinstatement and back pay provision of Section 15.5 shall, however, apply.

16.7 Working Alone:

Employees operating machinery shall not be required to work alone in areas beyond the call or observation of other persons employed by the Company.

16.8 Pay for Day of Injury-Subsequent Treatment:

An employee who suffers an occupational accident during working hours and is sent home by the plant nurse or doctor for the balance of the day shall be paid for all of the hours such employee was scheduled to work that day, including hours which might have been in excess of the regular eleven and one-half hour day. Payment shall be made for all hours at the applicable straight time or overtime rate. When the injured employee returns to work and it is medically determined by the Company that subsequent treatment is required, and such treatment takes place during the employee's regular shift, he shall suffer no loss of pay.

16.9 Unsafe or Unhealthy Conditions:

It is the intent of the parties that no employee shall be required to work under conditions which are recognized as unsafe or unhealthy,

and that an employee who believes that he is being so required shall have the right to:

1. File a grievance at the First Stage of the grievance procedure for preferred handling in such procedure and arbitration: or
2. Notify his supervisor of such condition, which the supervisor shall investigate immediately. If the existence of such unsafe or unhealthy condition is disputed by the supervisor, a Union
 - (a) representative or his designee and the Plant Manager or his
 - (b) designee shall be notified immediately and they shall investigate the condition and determine whether or not it is unsafe or unhealthy. **If** the issue is not resolved, the employee shall have the right to present a grievance in the Second Stage of the grievance procedure. Health and Safety grievances shall be handled as expeditiously as possible.

16.10 Monthly Recordable Injury Report

The Health and Safety Committee will be furnished a copy of the Company's Monthly Recordable Injury Report in order to assist in meeting the objectives and obligations of the parties as intended in this Health and Safety program.

16.11 Safety Inspection:

During an inspection made by a provincial official, the representative authorized by the employees shall not suffer loss of pay for the time spent on the inspection during his regular scheduled shift.

16.12 Solvent Labeling:

Chemicals, solvents, or compounds which are generally known to pose a potential hazard to safety or health will be properly labeled where stored.

16.13 Toxic Exposures:

When an employee is temporarily reassigned to another department, or to another job classification in a different area in the same department as a result of the medical department's determination that his exposure to a toxic substance calls for such temporary reassignment, he shall receive, for hours worked, his regular rate of pay, or the pay of the job classification or job classifications to which he is

assigned, whichever is higher, for a period of thirty (30) days following reassignment, or upon his return to his former department, whichever is sooner. The local parties may mutually agree to an extension of the rate retention period.

16.14 Process Hazards:

To provide a safe and healthy work environment for the Company's employees, the following procedure is established:

Whenever the Local Union Co-chairman of the health and Safety Committee alleges the possibility of a significant health or safety hazard with respect to a particular process, the Company shall, to the extent reasonable and practicable, furnish to the Local Union Co-Chairman investigative results which are consistent with good industrial hygiene practices. Such investigation results where applicable will include:

- (c) A written description of the process, including standard operating procedures for affected employees, safety and health precautions, and maintenance procedures.
- (d) A list of all materials used in the process by chemical names including approximate percentages of the ingredients.
- (e) The results of all toxicological or epidemiological investigations relating to the process in question in the Company's possession, whether or not the investigations were originally undertaken by the Company.
- (f) The results of air sampling undertaken by the Company, or in the Company's possession, for materials used in or generated by the process. The results shall include dates, times, calculated or measured concentrations, sampling calibrations, and analytical protocols.
- (g) The results of all sound levels, radiation, or heat stress surveys, where these are the hazards alleged. The results shall include dates, times, calculated and measured concentrations, sampling calibrations and analytical protocols.
- (h) A description of all industrial hygiene controls, including types of control, test results and maintenance procedures, equipment specifications, exhaust volume for local exhaust hoods, W.C.B. certification numbers where appropriate and description of respiration program, if used.
- (i) Any reports in the Company's possession on health or safety hazards associated with the process, including those prepared by government agencies, insurance carriers, consultants and the Company itself.
- (j) At any employee's written request, the Company will advise any physician in its employ to make available that employee's medical records to a physician designated by the employee.

This procedure is intended to apply only in those cases where the requesting party has a good faith belief that a hazard may exist. Requests for information concerning safety and health matters will be provided, whenever possible, at the local level.

In the event that a request or a problem relating to the subject covered by the Collective Agreement cannot be resolved through discussion at the local plant level, a grievance at the Second Stage may be initiated by the Local Union. It is understood, however, that such a grievance cannot be processed to arbitration without first being referred to the Company's Director of Human Resources and Communications and the Union Staff Representative, who will then meet in an effort to resolve the disagreement before the grievance is processed to the arbitration step of the grievance procedure.

ARTICLE 17 - BULLETIN BOARDS

17.1 Purpose:

The Company shall provide and install for the Union, bulletin boards in agreed upon places in the plant, for the purpose of posting Union notices, copies of this Agreement and official papers. **All** such matters must be posted only upon authority of officially designated representatives of the Union.

ARTICLE 18 - EFFECT OF LEGISLATION

18.1 Legislated Changes:

Should federal or provincial laws compel the cancellation or modification of any provision of this Agreement with respect to its application at any time during the term of this Agreement, it is agreed that such provision shall thereupon be inoperative and the Company and the Union will, within ten (10) days thereafter, meet for the purpose of negotiating changes made necessary by applicable federal or provincial laws.

Should any provision in this Agreement require cancellation or modification as provided by the above, it is understood that no other provision of this Agreement shall be invalidated thereby.

ARTICLE 19 - TRAINING

19.1 Purpose:

The Company and the Union recognize the need for the development and training of qualified employees to fulfill the Company's production and maintenance needs required to maintain the

efficiency of operations, quality and service in order to improve and maintain or competitive position in the container industry.

19.2 Selection Criteria - M/O Trainees:

Each applicant must successfully pass a Company mechanical aptitude test in order to enter the 5,000 hour Training Program

The following rules and administrative practices will apply:

Training Period

a) Effective December 6/01	Start	22.76
	After 1,000 hours	23.07
	After 5,000 hours	23.37
b) Effective December 6/02	Start	22.99
	After 1,000 hours	23.30
	After 5,000 hours	23.60
c) Effective Deceinber 6/03	Start	23.22
	After 1,000 hours	23.53
	After 5,000 hours	23.84

The above rates are subject to the addition of the “add-ons” specified in Section 7.1(d).

The parties recognize that changes to the training system may arise that require the parties to either: modify the hours specified above; or to address the continued appropriateness of the rate progression tied solely to hours. The parties agree to jointly review and agree upon any such modifications required.

(b) Trainees may not be advanced to the next training rate increment until they have successfully completed all of the prescribed training requirements and hours.

(c) Records will be maintained indicating the trainee’s hours of work and progress.

19.3 Training Probationary Period:

M/O Trainees:

Employees who enter the Mechanical Operator Training Program will be required to serve a probationary period of 1,000 hours. During this period, either the Company or the employee may cancel the employee’s participation in the Training Program.

If an employee's participation in the Training Program is canceled during the first 1,000 hours, the employee shall be reassigned to the job he/she held immediately preceding assignment to the Training Program, provided the employee has more seniority than the incumbent on such job.

After the first 1,000 hours, the Training Program for an employee may be canceled for just cause, such as lack of interest on the part of the employee, inability to completely learn the trade or skill, etc. Any such cancellation after the first 1,000 hours (probationary period) will be subject to review under the Grievance Procedure, except cancellation where Management determines the need no longer exists for such training.

QAA Trainees

The training program for the Quality Assurance Analyst will be 500 hours in length, the first two hundred of which will be a probationary period. The probationary period will be administered in the same fashion as the M/O trainee program, except the hours will read 200 instead of 1000 hours. Upon completion of the 500 hour training program, employees will progress to the applicable job rate as specified in Section 7.1.

19.4 Joint Training Committee:

A Joint Training Committee shall be established composed of not more than three representatives of local Management and three members of the local Union. Union members of the Committee shall be selected by the Local Union President. One or more of said members shall be from the trade, craft or skilled classifications in the plant with no more than one member from any one classification. Training activities are a joint Union-Company effort and, therefore, neither Grievance Committeemen nor Stewards shall serve on the Joint Training Committee in addition to their other responsibilities.

This Committee will act in an advisory capacity and will meet monthly to:

1. Review progress of trainees.
2. Review and make recommendations for adjusting complaints from trainees regarding their training programs.
3. Recommend changes in training schedules, related instruction and other training activities where necessary to meet the objectives of the Committee.
4. Generally be of assistance and recommend appropriate action to insure success of the training programs.

5. Review applicants for trainee jobs.

ARTICLE 20 - GROUP INSURANCE PLAN

20.1 Cost of Plan:

The Company will continue to pay the entire cost of the Basic Group Insurance Plan as described in a separate booklet entitled "Group Insurance Plan."

The Company will continue *to* pay the entire cost of the Retired Group Insurance Plan as described in a separate booklet entitled "Group Insurance Plan."

The responsibility of the Company *to* provide benefits under this Agreement is limited to the benefits and provisions of the above mentioned plans.

ARTICLE 21 - PENSION PLAN

21.1 Reference to Plan Text:

The Company and the Union have a non-contributory Pension Plan for the benefit of the employees covered by this Agreement, the provisions of which are covered by a separate agreement between the parties entitled "Pension Plan" the provisions of which are in all respects controlling as to pension matters. The Pension Plan shall be effective concurrently with this Agreement.

ARTICLE 22 - SEVERANCE PAYMENTS

22.1 Permanent Closure:

If the Company shall decide to close completely and permanently the plant covered by this Agreement, an employee whose job is discontinued, and who does not elect to go on lay-off status under Section 22.2, or transfer to another plant of the Company, will, except as provided in Section 22.4, receive a single severance payment determined as follows:

A severance payment of **\$1,200.00** per year of service will be paid as a single payment to each employee effected by this section. There shall be no limitation based upon years of service with the company. Acceptance of this severance payment eliminates the employees option of collecting Supplemental Unemployment Benefit (SUB).

Should legislation be enacted which would result in severance payments being provided, the amounts specified in this Article will be deducted from such legislated amounts.

This single severance payment will be payable to an eligible employee in a lump sum at the time of his termination in accordance with Section 22.2. The making of this single severance payment due an employee under this Section shall terminate his status as an employee.

Payment of any amounts owing shall not pyramid with or be in addition to any legislated severance payment requirements that may be due, or become due as a result of future legislated changes.

22.2 Election:

An employee who is eligible for severance pay because of the permanent closing of the plant may elect to accept severance pay or to be placed on or continue on lay off. An election to accept severance pay may be made any time up to **120** days after the date of the plant closing, or the date of the employee's lay off, if later.

When Weekly Benefits are paid to an employee on lay off following the permanent closing of the plant and prior to the payment of severance pay, such Weekly Benefits shall be paid and credit units shall be deducted in accordance with the provisions of the S.U.B. Agreement. Any employee who fails to elect to accept severance pay prior to the expiration of the 120 day period contemplated by this Section 22.2 shall forfeit his eligibility for severance pay.

22.3 Payment in the Event of Death:

If an employee's job is discontinued because of the permanent/partial closing of the plant, and the employee dies during this period of time, then the severance payment, if any, for which he may have been eligible at the time of his death shall be paid to his estate.

22.4 Impact of Pension Plan Provisions:

An employee whose job is discontinued because of the permanent closing of the plant shall not be eligible for severance pay if (i) he is, or will within the 2 years next following his last day worked be, eligible for an immediate unreduced pension under the Pension Plan, or (ii) within the 2 years next following his last day worked but not earlier than 120 days next following the date of the plant closing or next following his last day worked, if later, he will first become eligible under the Pension Plan for a deferred vested retirement pension (upon making application therefor as specified in the Pension Plan). If such an employee dies without having retired, or without having commenced receipt of his deferred vested retirement benefits, as the case may be, then there shall be paid to his estate an amount equal to (i) the amount of the severance payment he could have elected to receive but for the next preceding sentence less (ii) the aggregate of all Supplemental Unemployment Benefit payments received by him following the date of plant closing.

ARTICLE 23 - JURY OR WITNESS SERVICE

23.1 Purpose:

The Company will pay an employee who is called for jury service or who has been subpoenaed as a witness in a court of law or who has been subpoenaed to appear before a governmental agency in a matter as to which the Company has no detrimental interest for each day of such service, his regular straight time hourly rate for the number of hours he normally works on his regular shift, but not more than eleven and one-half. The employee will present proof of service. Allowance for such service will be computed in Section 10.3 of this Agreement.

This Section will not apply where an employee voluntarily seeks such service.

23.2 Impact on Hours Accumulated Towards Overtime:

Any day on which an employee is called to be in attendance on jury service shall be treated as a day on which eleven and one-half hours were worked for the purposes of determining whether overtime is due under Article 8 for hours worked subsequent to the completion of the period of his jury service.

23.3 Impact on Holiday Allowance:

When an employee is called for jury service or as a witness on a Holiday as defined in this Agreement, the employee shall be paid his Holiday pay in addition to the payment he receives for jury service or as a witness.

ARTICLE 24 - BEREAVEMENT LEAVE

24.1 Purpose:

The purpose of this Bereavement Leave is to reimburse active employees for wage loss in the event of death in the immediate family. An employee will be reimbursed (subject to Section 24.2 below) for a period of three (3) consecutive days on which the employee would have otherwise worked.

24.2 Payment:

Such reimbursement will be paid at the employee's regular straight time rate for a period not to exceed eleven and one-half hours per day and limited to absences occurring when he otherwise would have worked. The straight time rate shall be computed on the basis of the employee's average straight time hourly earnings for the hours actually worked during the week next preceding the week in which the absence commences or, if no work was performed during such preceding week, then during the most recent preceding week in which work was performed. An employee will not receive Bereavement Leave pay when it duplicates pay received for time not worked for any other reason.

In the event of death in the immediate family and all or part of the Bereavement Leave is taken during the employee's vacation, the three or less successive days the employee would have otherwise been on vacation shall be deemed Bereavement Leave day(s) and the employee shall receive pay in lieu of vacation for such days he would have otherwise been on vacation.

24.3 Immediate Family Defined:

Immediate family, for the purpose **of** this section, is defined as employee's legal spouse, mother, father, stepmother, step-father, mother-in-law, father-in-law, children, step-children, brother, half brother, step-brother, sister, half sister, step sister, son-in-law, daughter-in-law, grandparents and and grand children.

24.4 Attendance at Funeral Required:

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

ARTICLE 25-GENERAL

25.1 Purpose:

The following form part of this Collective Agreement:

- (a) Pension Plan
- (b) Group Insurance Plan
- (c) S.U.B. Plan
- (d) Attached letters, including that headed "Inter-Plant Transfer"
(IPJO)

25.2 Company Service:

Within thirty (30) days of the signing of this Agreement, the Company agrees to provide the Union with a list of ail members in the bargaining unit. The list will show the employees' respective amounts of accredited service as of June 30, 1981. It is recognized that service accumulated after June 30, 1981 shall be continuous service as contemplated by Section 24.6 through 24.12 of the 1981-1984 Agreement. The employee's previously accumulated accredited and subsequent continuous service will be the employee's service for vacation, pension, S.U.B. Plan and Group Insurance benefits purposes.

25.3 Employee Assistance Program:

The Company and the Union will cooperate in the administration of the joint Employee Assistance Program.

There are currently two referral representatives who are members of the Union.

It is agreed that two additional referral representatives will be appointed/elected by the Local Union.

Since the Union assumed financial responsibility for the training of the initial two referral representatives, the Company agrees to pay for the training of the additional two representatives. Such training costs will be limited to two (2) days straight time pay per member.

Should there be a turn over in referral representatives, future training costs for their replacements will be borne equally by the Company and the Union.

25.4 Residual Rights:

The parties recognize that if there are some current or former employees who may have residual rights and benefits accumulated while employed by the Company at facilities which are no longer in operation, the Company and the Union acknowledge that notwithstanding the provisions of Section 3.1 such employees are still represented by the Union with respect to any benefit that they may have accrued under previous Agreements or for which they may have become eligible under the 1981 or subsequent Agreements.

25.5 Continuous Operating Schedules:

The parties hereby agree that they will mutually cooperate to seek exemptions or waivers, if any are necessary, from any governmental laws, rules and/or regulations which limit the application of Schedules pursuant to Continuous Operations Schedules.

25.6 Employee Incapacitation:

In the case of employees who are partially incapacitated due to illness, accident or age, the Company will make every attempt to provide employment for affected employees as long as they have the ability and physical fitness to perform a job in the rate structure. In the event that such placement will adversely affect the seniority of any other employee, this matter will be discussed between the Company and the Union before assignment to such work is made.

25.7 New Employee Orientation:

The parties recognize the mutual desirability of establishing a coordinated program of orientation for new employees in the course of pre-employment processing.

The Union will be provided with a period of not less than two hours for purposes of participating in a general orientation of new employees.

The content and timing of the Union portion of the agenda will be coordinated with the portion developed and presented by the Company. All material, papers, texts, visual aids and other educational information aids for the Union orientation program will be furnished by the Union at its own expense.

25.8 Savings Plan:

The Company will arrange a direct deposit to the VanCity Credit Union, on behalf of those employees who choose to participate in the Steelworkers District 3 Savings Plan.

The Company's cooperation in the plan is limited to the deposit as described in the preceding paragraph.

Participating employees will advise the Company of their Transit and Account Numbers.

25.9 Humanity Fund:

The Company agrees to deduct the amount of forty cents (\$.40) per week from the wages of all employees in the bargaining unit and to pay such amounts deducted to the Union's Humanity Fund, monthly.

An employee may discontinue his participation by notifying the Company in writing.

25.10 Pay for Meetings:

The Company will pay members of the Health and Safety and Training Committees to attend meetings scheduled by the Company. Additionally, Local Union representatives in attendance at Company scheduled Labour /Management meetings or other specially Company convened meetings will also be paid. Payment will be at straight time and for hours spent in actual meetings with the Company.

25.11 Inter-Plant Transfers:

See Exhibit A which is part of this Agreement.

ARTICLE 26 - TERM OF THIS AGREEMENT

26.1 Term:

This Agreement shall be for the period from and including December 3, 2000 to and including November 30, 2003, and from year to year thereafter subject to the right of either Party to the Agreement within four **(4)** months immediately preceding the expiry of this Agreement, which is November 30, 2003, or immediately preceding the 2nd day of December in any year thereafter, by written notice to require the other Party to the Agreement to commence collective bargaining.

26.2 Continuance of Terms:

Should either party give written notice to the other party pursuant hereto, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of strike or the Company shall give notice of lock-out or the Parties shall conclude a renewal or revision of this Agreement or a new Collective Agreement whichever shall first occur.

26.3 Exclusions:

The operation of Section 50, Subsection (2) and (3) of the Labour Code of British Columbia is hereby excluded.

26.4 Group Insurance Plan Continuance Provisions:

Notwithstanding any other provisions of this Agreement, the Group Insurance Plan shall remain in effect until and including November 30, 2003.

INWITNESS WHEREOF the parties have
executed this Agreement this 3rd day
of December, 2000

UNITED STEELWORKERS OF AMERICA

C. Landy

~~TRJ~~

H. R. Pahrke

~~Jeff~~

BALL PACKAGING PRODUCTS CANADA, INC.

Ed Stover

~~Th. Lepica~~

Kick Everest

David W. Colley

Lynne McKeinnell

SCHEDULE “A”

CONTINUOUS OPERATIONS

“4 - 4” SHIFT SCHEDULE

Week	Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	W	W	W	W	O	O	O
2	O	W	W	W	W	O	O
3	O	O	W	W	W	W	O
4	O	O	O	W	W	W	W
5	O	O	O	O	W	W	W
6	W	O	O	O	O	W	W
7	W	W	O	O	O	O	W
8	W	W	W	O	O	O	O

NOTE: “W” denotes work day
“O” denotes off day

Saturdays and Sundays are considered as regular working days under the continuous operations schedule and as such are payable at regular rate of pay.

October 13, 1994.

Mr. Robert Fortin
Staff Representative
United Steelworkers of America
District # 3
#101 - 7820 Edmonds Street,
Burnaby, B.C.

Dear Bob,

RE: LETTER OF UNDERSTANDING # 1 - 94
INTERPLANT JOB OPPORTUNITIES

This letter contains the I.P.J.O. language extracted from the 1981 - 1984 "Basic" Agreement. For the duration of this Agreement, employees may seek to fill P & M jobs at other ~~Canadian~~ U.S.W.A. represented plants as provided in the following pages.

Yours very truly,

Edward H. Stoner,
Manager, **Labour** Relations.
Ball Packaging Products Canada Inc.

CONFIRMED:

Mr. Robert Fortin
Staff Representative
United Steelworkers **of** Amenca.

October 13, 1994.

Mr. Robert Fortin
~~Staff~~ Representative
United Steelworkers of America
District # 3
#101 - 7820 Edmonds Street,
Burnaby, B.C.

Dear Bob,

**RE: LETTER OF UNDERSTANDING # 2 - 94
PAYROLL ERRORS**

This will confirm ~~that~~ during our 1994 Negotiations it was agreed that when payroll errors occur, which would result in ~~an~~ employee being short paid by 5.5 hours or more, the employees may request a manual cheque. All adjustments are to be based on gross pay less 30% income ~~tax~~ withheld.

~~Yours~~ very truly,

Edward H. Stoner,
Manager, Labour Relations.
Bail Packaging Products Canada Inc.

CONFIRMED:

Mr. Robert Fortin
Staff Representative
United Steelworkers of America.

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BALL PACKAGING
PRODUCTS CANADA, INC.
PENSION PLAN FOR
HOURLY EMPLOYEES
AT THE RICHMOND PLANT
(AMENDED AND RESTATED EFFECTIVE
Deceinber 3,2000)

CERTIFIED to be a true copy
of the Pension Plan Agreement
in effect between
Ball Packaging Products Canada, Inc.
and International Union,
United Steelworkers of America

Dated this 3rd day of December 2000

PENSION PLAN

This Agreement is made December 3, 2000 between Ball Packaging Products Canada, Inc., a corporation of the province of Ontario (hereinafter referred to as the "Company") and the United Steelworkers of America (hereinafter referred to as the "Union").

The parties agree that the Pension Agreement dated November 1, 1997 shall remain in effect through February 28, 1981 and that the Pension Plan established effective May 1, 1950 as amended effective March 15, 1955, October 1, 1955, October 1, 1956, October 1, 1959, October 1, 1962, October 1, 1964, February 1, 1968, February 15, 1971, February 15, 1974, January 1, 1976, March 1, 1977, March 1, 1981, May 7, 1985, December 1, 1988, December 1, 1991, January 1, 1993, and December 4, 1994, November 30, 2000 shall be further amended, effective December 3, 2000, to read as set out below.

ARTICLE I EFFECTIVE DATE

Section 1. **Provision for Pensions.** Contingent upon and subject to this amended Pension Plan's being approved and accepted for registration for the purpose of the Income Tax Act of Canada, the Pension Benefits Standards Act, 1991 of British Columbia, and all other relevant federal and provincial legislation and to such approval and registration not being withdrawn, the Company shall provide without cost to the employees covered hereunder, the amended Pension Plan set forth herein effective December 3, 2000, except as otherwise specified, for the employees who, from time to time during the term of this amended Pension Plan, shall be in any of the local operating units designated in Appendix A to the Labour Agreement.

ARTICLE II DEFINITIONS

Section 1. **Definitions**

1(A) **"Accredited Service"** shall be defined, calculated, and applied on the following basis with respect to employment prior to July 1, 1981:

One year of Accredited Service is defined as an accumulation of twelve months of Accredited Service. One month of Accredited Service is a calendar month in which an employee performs work for

the Company on or for 50 percent or more of the regularly scheduled working days in that calendar month; provided, however, that each calendar year in which an employee has worked 1200 hours or more shall be counted as twelve months of Accredited Service and each calendar year in which an employee has worked 600 hours or more but less than 1200 hours shall be counted as six months of Accredited Service.

For the purpose of Accredited Service, time worked shall include the following:

- (a) Time on Company paid vacation, and time for which vacation allowance is paid pursuant to Section 13.8(b) of the Labour Agreement.
- (b) Time lost because of established disability due to illness or injury up to a total of ~~fifty-two~~ consecutive weeks for any one absence.
- (c) Time on authorized absence not to exceed four weeks in a calendar year for Militia or similar encampments and cruises.
- (d) Time lost because of absence of any employee for military, naval, or merchant marine service to the extent that such absence may be required to be credited by law.
- (e) Time lost by local union officers and grievance committeemen engaged in negotiations or attending scheduled local meetings with plant management (such as safety committee or grievance meetings) up to the number of hours in the employee's regular shift, but not more than eight.
- (f) Time on Company paid holidays.
- (g) Time lost for jury service or as a result of being subpoenaed as a witness in a court of law, or subpoenaed to appear before a governmental agency in a matter as to which the Company has no detrimental interest, up to the number of hours in the employee's regular shift, but no more than eight.
- (h) Time paid for, as report-in or recall pay, but not worked.
- (i) Time paid for pursuant to an arbitrator's award or settlement in lieu thereof, but not worked.
- (j) Time worked on the short third shift shall be counted as though such employee worked the weekly schedule of the regular third shift
- (k) For the purposes of this Pension Plan only, there shall be included in and be part of Accredited service time lost in the last continuous spell of absence not followed by a return to work (i) because of established disability due to illness or injury in excess of 52 consecutive weeks but not over 2 years for any one absence and (ii) by reason of layoff not in excess of 2 years, provided that the provisions of this sub-paragraph (k) shall not operate to credit service included in Accredited

Service by operation of any other provision of this paragraph 1(A) of this Section 1.

Any employee who begins a period of absence from work on account of layoff or disability which continues for 2 years or more shall have his right to benefits under this Pension Plan determined on the basis of his Accredited Service and age as of the end of the second year of such continuous period of absence.

1(B) “**Accredited Service**” shall be defined, calculated and applied on the following basis, with respect to employment after June 30, 1981 in the case of an employee who is actively employed by the Company on or after July 1, 1981.

Accredited Service shall be calculated on the basis of continuous service with the Company. Continuous service means, unless otherwise specified, service prior to retirement in the employ of the Company, measured from the employee's last hiring date or, if later, from July 1, 1981. The employee's last hiring date shall be his original employment date or the date on which he was reemployed after his last unremoved break in continuous service, whichever is later. Continuous service shall be calculated in accordance with the following provisions.

- (l) Continuous service shall be computed to the nearest full month, with any fractional part of a month of less than 15 days disregarded.
- (m) There shall be no deduction for any time lost that does not constitute a break in continuous service except for (i) the portion of any continuous absence in excess of two years (in the event of removal of a break in continuous service) and (ii) time on pension under this Plan or under any other pension or retirement plan of the Company.
- (n) Continuous service shall be broken by:
 - (ii) Quit; or
 - (iii) Discharge, provided that if the employee is rehired within six months, the break in continuous service shall be removed; or
 - (iv) Permanent closing of a plant with respect to which the employee is entitled to and elects to receive a severance payment under the provisions of the Labour Agreement; or
 - (v) Absence due to layoff, approved Leave of Absence, physical disability or lay off due to the permanent closing of a plant with respect to which the employee does not elect to receive a

severance payment, any of which continues for more than two years; provided that:

(A) If the employee is reemployed by the Company, the break in continuous service will be removed if:

- (1) the period of absence did not exceed the employee's Accredited Service when the absence began; and
- (2) the absence did not exceed five years, and

(B) Absence in excess of two years due to compensable disability incurred in the course of employment with the Company shall not break continuous service if the employee returns to work with the Company within 30 days after final payment of statutory compensation for such disability.

(d) To the extent required by law, continuous service shall not be considered to be broken by the absence of any employee who entered the Armed Forces or merchant marine service of Canada, and who has reemployment rights under the law and complies with the requirements of law as to reemployment and is reemployed.

1(C) If an employee is absent from work with the Company on July 1, 1981 for any reason, the employee's Accredited Service will be determined in accordance with the provisions of paragraph 1(B) on and after July 1, 1981; provided that the 6-month, 2-year and 5-year periods referred to in paragraph 1(B) shall be measured by reference to the commencement of the period of absence prior to July 1, 1981.

1(D) Notwithstanding paragraphs 1(A), 1(B), and 1(C), the Accredited Service for 1981 for an employee whose Accredited Service for 1981 is determined in accordance with the provisions of both paragraph 1(A) and paragraph 1(B), shall be the greater of (a) the Accredited Service that would be credited to the employee under paragraph 1(B) for his service throughout 1981, or (b) the Accredited Service under paragraph 1(A) for his service prior to July 1, 1981.

1(E) in no event shall an employee be credited with more than 12

months of Accredited Service for 1981 or any other calendar year.

- 1(F) Notwithstanding the preceding provisions of this subsection, Accredited Service accrued by an employee after December 31, 1990 in respect of any period of leave or layoff shall be limited as follows:
- (a) The employee shall be deemed to receive compensation("prescribed compensation") for the purposes of the Plan, during the period in an amount equal to the difference between the amount the employee would have received but for the leave or layoff and the amount the employee actually received in respect of such period.
 - (b) A fraction (the "prescribed compensation fraction") shall be determined in respect of each period equal to the prescribed compensation for the period divided by the sum of the compensation that the employee actually received for such period plus the prescribed compensation for that period and further multiplied by the length of the period expressed as a fraction of a year.
 - (c) The cumulative Accredited Service accrued by the employee in respect of such periods shall be limited so that:
 - (i) the cumulative prescribed compensation fraction in respect of periods other than periods of parental leave or pregnancy leave does not exceed five; and
 - (ii) the cumulative prescribed compensation fraction in respect of all periods (including periods of parental leave or pregnancy leave) does not exceed eight.
- (2) "**Act**" means the Pension Benefit Standards Act of British Columbia and the regulations thereunder.
- (3) "**Actuarially Equivalent**" means a benefit that is equivalent on an actuarially determined basis selected by the Company which meets the requirements of the Act.
- (4) "**Actuary**" means an individual or a firm from time to time employed by the Company to carry out actuarial valuations and provide such actuarial advice and service as may be required from time to time for the purposes of the Plan. The Actuary shall at all times be a person who is, or a firm which has on its staff a Fellow of the Canadian Institute of Actuaries.
- (5) "**Benefit Level**" means the amount upon which the monthly pension benefits is calculated: with respect to benefits first payable commencing on or after December 3, 2000, on

account of retirements and breaks in Accredited Service occurring on or after December 3, 2000, and total and permanent disability pensions, payments for which commence on or after December 3, 2000, the Benefit Level is determined from the following schedule (except that Benefit Level for any deferred vested retirement pension shall continue to be determined from the following schedule after December 3,2000):

Job Class <u>P&M (Hourly)</u>	Benefit <u>Level</u>
1	\$34.05
2	\$34.75
3	\$35.40
4	\$36.05
5	\$36.75

Thereafter, with respect to such benefits (other than deferred vested retirement pensions) and with respect to benefits first payable on and after December 2, 2001 on account of retirements and breaks in Accredited Service occurring on or after December 2, 2001 and total and permanent disability pensions, payments for which commence on and after December 2, 2001, the Benefit Level is determined prior to December 2, 2001 from the following schedule (except that the Benefit Level for any deferred vested retirement pension shall continue to be determined from the following schedule after December 2,2001):

Job Class <u>P&M (Hourly)</u>	Benefit <u>Level</u>
1	\$35.05
2	\$35.75
3	\$36.40
4	\$37.05
5	\$37.75

Thereafter, with respect to such benefits (other than deferred vested retirement pensions) and with respect to benefits first payable on and after December 1, 2002, on account of retirements and breaks in Accredited Service occurring on and after December 1, 2002, and total and permanent disability pensions, payments for which commence on and after December 1, 2002, the Benefit Level is determined from the following schedule:

Job Class	Benefit
<u>P&M (Hourly)</u>	<u>Level</u>
1	\$36.05
2	\$36.75
3	\$37.40
4	\$38.05
5	\$38.75

The Benefit Level applicable to a deferred vested retirement pension shall be the Benefit Level in effect on the date when the employee incurs a break in Accredited Service or otherwise becomes eligible for the deferred vested retirement pension, and such Benefit Level shall not be increased thereafter.

With respect to benefits first payable commencing on or after December 1, 1991, on account of retirements and breaks in Accredited Service occurring on or after December 1, 1991, and total and permanent disability pensions, payments for which commence on and after December 1, 1991, an employee's Benefit Level shall be determined by the highest Job Class in which he worked 1,000 or more hours (including hours for which he received vacation pay) in any 12 consecutive months during the 120 months (excluding any months prior to January 1974) immediately preceding his date of retirement or date of commencement of pension payments for his total and permanent disability (or, in calculating a deferred vested retirement pension, the date of termination of his employment as a result of a plant closing or the date of expiration of two years without recall after layoff or two years of a continuous period of absence from work because of physical disability).

In the event an employee shall not have worked 1,000 hours in a single Job Class as set forth above, his Benefit Level shall be determined by the Job Class in which he worked the highest number of hours (including hours for which he received vacation pay) during the 120 months, excluding any months prior to January, 1974, in which he shall have worked immediately preceding such separation date.

- (6) **"Bridge Benefit"** means the temporary monthly payments payable pursuant to Sections 1 and 3 of Article VI. The amount of Bridge Benefit shall equal \$14.50 per month per year of Accredited Service to a maximum of 30 years, for employees retiring on or after December 3, 2000..

The Bridge Benefit will cease with payment due for the month immediately preceding the first day of the month nearest the employees attainment of age 65. No bridge benefit will be payable

to the beneficiary of an employee who dies prior to retirement nor will a Bridge Benefit be payable to an employee who breaks Accredited Service prior to voluntary unreduced early retirement.

In no event will the Bridge Benefit exceed the maximum CPP benefit in the year of break in Accredited Service multiplied by a fraction equal to the number of years of service at break in Accredited Service to a maximum of 30 divided by 30.

- (7) **"Company"** means Ball Packaging Products Canada, Inc.
- (8) **"Commuted Value"** means the present lump sum value of a pension benefit under the Plan as determined by the Actuary in accordance with the Recommendations Computation of Minimum Transfer Values of Pensions issued by the Canadian Institute of Actuaries or such other basis as may be permitted or required from time to time under the Act based on methods and assumptions adopted by the Company, provided that such calculations shall not distinguish on the basis of sex.
- (9) **"Disability Pension"** means a pension benefit under this Plan to which an employee under Regular Retirement Age who is permanently and totally disabled as defined herein may be entitled.
- (10) **"Early Retirement Age"** means under age 62 but not less than age 60, which is first deemed to be attained on the first of the month coincident with or next following the month in which his sixtieth birth date occurs, except as "Early Retirement Age" may be earlier than age 60 as set forth in Section 3 of Article IV.
- (11) **"Employee"** means an employee in the bargaining unit covered by the Labour Agreement employed in a Company plant located in Canada.
- (12) **"Labour Agreement"** means the collective bargaining agreement between the Company and the Union which may be in effect at the particular time.
- (13) **"Medical Retirement"** means retirement of an eligible employee at or after age 65 because such employee is incapable of satisfactorily performing his job or any other job to which he may be entitled under the seniority

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provisions of the Labour Agreement as set forth in
Section 6 of Article IV.

- (14) “**Monthly Supplement**” means \$365 on or after March 1, 1981 on account of retirements occurring on or after March 1, 1981.
- (15) “**Pension Plan**” or “**Plan**” means the amended Pension Plan established by this Agreement.
- (16) “**Regular Retirement Age**” means age 62 which is deemed to be attained on the first of the month coincident with or next following the month in which his sixty-second birthday occurs.
- (17) “**Retirement Pension**” means a pension benefit under this Plan (other than a deferred vested retirement pension) to which an employee may be entitled when he:
- (a) retires voluntarily
 - (b) reaches Regular Retirement Age while receiving a Disability Pension (at which time he shall be deemed to have retired);
or
 - (c) is medically retired.
- (18) “**Special Retirement Supplement**” means an amount equal to 360 multiplied by the employees average straight time hourly rate (as computed for vacation pay) reduced by three times the amount of the monthly pension payable to the employee and the amount of any Monthly Supplement or Bridge Benefit which is payable to the employee during the first three months immediately following the employees’ retirement. The Special Retirement Supplement shall be payable in equal monthly installments commencing with the month following retirement and ending with the payment for the earlier of the twelfth month following commencement and the month in which the employee’s sixty-fifth birthday occurs. If the employee dies before the earlier of such dates then payment of the Special Retirement Supplement shall continue to the surviving spouse of the employee, or if no spouse, then to the employee’s beneficiary or estate until the date that it would have ceased if the employee had not died.
- (19) “**Spouse**” of an employee or former employee means a person of the opposite sex to the employee who is:
- (d) lawfully married to the employee and not living separate and apart from the employee at the time that spousal status is determined: and

- (b) if there is no person to whom subparagraph (a) applies, a person who has been living with the employee's husband and wife for a period of at least two years at the time that spousal status is determined.

(20) "**Trustee**" means a trustee or trustees of the Plan Fund.

(21) "**Union**" means International Union, United Steelworkers of America.

(22) "**YMPE**" means the Year's Maximum Pensionable Earnings determined under the Canada Pension Plan.

Section 2. **Gender.** Any masculine terminology herein shall also include the feminine.

ARTICLE III

ELIGIBILITY FOR BENEFITS

Section 1. **Retirement for Age.** An employee shall be eligible for a Retirement Pension if he has reached a Retirement Age defined in Article IV.

Section 2. **Retirement for Service.** An employee shall be eligible for a Retirement Pension if he has at least 30 years of Accredited Service

Section 3. **Retirement for Total and Permanent Disability.** An employee shall be eligible for a Disability Pension if he has at least ten years of Accredited Service and if he shall have become totally and permanently disabled through unavoidable cause, and until his Regular Retirement Age when he shall be entitled to receive a Retirement Pension in the amount provided in Section 2 of Article VI. An employee shall be deemed to be totally and permanently disabled and shall be entitled to a Disability Pension 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) after such total disability shall have continued for a period of five consecutive calendar months, and a medical doctor licensed to practice in a province of Canada has provided the Company with written certification that it will be permanent and continuous during the remainder of his life. Such disability shall be deemed to have resulted from an unavoidable cause unless it was contracted, suffered or incurred while the employee was engaged in, or resulted from his having engaged in a criminal enterprise. Total and permanent disability

resulting from any such enumerated causes, or from future service in the armed forces which prevents him from returning to employment with the Company and for which he received a military pension, shall not entitle an employee to a pension under this Section 3 of Article III. Such Disability Pension shall continue only so long as such person shall be totally and permanently disabled. The permanency of any total disability may be verified by medical examination prior to Regular Retirement Age at any reasonable time.

In order to qualify for a Disability Pension, an employee must have become totally and permanently disabled no later than two (2) years immediately following commencement of a continuous spell of absence from work because of disability due to illness or injury. Any dispute as to whether or not an employee became, within this period, totally and permanently disabled as defined in this Section 3 will be determined on the basis of his condition of health on or before the date of expiration of such two years.

Section 4. **Application.** An applicant for a retirement pension or a Disability Pension shall file his application on a form to be provided by the Company and shall file such application with the Company or with such representative as may be designated by the Company for the purpose. The Company may require an applicant for a pension to furnish to it such information as may reasonably be required.

Subject to the provisions of Sections 2 and 6 of Article V, application for retirement benefits may be made at any time, provided the employee shall have been eligible for such retirement benefit on or before the expiration of two years immediately following commencement of his last continuous spell of absence from work, but, subject to the provisions of Section 4 of Article VI, the filing of an application following the expiration of such two years shall not increase the amount of pension payable to the contrary contained in this Agreement, no employee shall be eligible for a pension (including the Special Retirement Supplement) while he is receiving weekly Sickness and Accident benefits or non-occupational disability benefits provided under law.

ARTICLE IV ELIGIBILITY FOR

RETIREMENT BENEFITS

Section 1. **Normal Retirement.** An employee who may retire voluntarily on or after his Regular Retirement Age.

Section 2. **Thirty-Year Service Retirement.** An employee who has completed at least 30 years of Accredited Service with the Company may, upon application, retire anytime thereafter and, in such case, shall be eligible for a retirement pension as provided in Article VI, Section 3.

Section 3. **Early Retirement (Special).**

- (a) (1) Any employee whose job has been discontinued by reason of a permanent shutdown of a plant covered by this Agreement and who does not transfer to another plant of the Company may retire, upon application, if he meets the conditions specified in sub-section (a)(5) of this Section 3.
- (2) Any employee whose absence from work is by reason of physical disability or layoff, who has been so absent continuously for two years or whose return to active employment has previously been declared unlikely by the Company shall be eligible to retire, upon application, if he meets the requirements of sub-section (a)(5) of this Section 3.
- (3) An employee who formerly worked at the Company's Kelowna Plant or Vancouver Plant until operations at those plants ceased, and who does not transfer to the Richmond Plant, may retire if he meets the conditions specified in subsection (a)(5) of this Section 3, provided that he confirms to the Company by December 1, 1985 his intentions to retire hereunder.
- (4) An employee described in either of the preceding subsections (a)(1), (a)(2), (a)(3), or (a)(4) of this Section 3 shall be eligible to retire on pension, if, on the date of retirement, he shall have completed at least 15 years of Accredited Service and (i) shall have attained the age of at least 50 years old and whose combined age and years of Accredited Service equal 70 or more, or (ii) whose combined age and years of Accredited Service shall equal 75 or more.
- (b) An employee whose last day worked was on or after March 1, 1977 and whose absence from work is by reason of physical disability or layoff, and who has been so absent continuously for two years or whose return to active employment with Suitable Long-Term Employment, as defined in Appendix A

of this Plan, has been declared unlikely by the Company, shall be eligible to retire on pension if, as of his last day worked, he has completed at least 20 years of Accredited Service and if he is not eligible to retire under subsection (a)(5) of this Section 3, and if, as of the date of his retirement his combined age and years of Accredited Service equal 65 or more; provided that if an employee is on layoff, he shall accept Suitable Long-Term Employment as defined in Appendix A of this Plan and if the employee refuses Suitable Long-Term Employment he shall not be eligible to retire under this subsection (b); and provided further that an employee (i) who is otherwise eligible or who could become eligible to retire under this subsection (b), (ii) who accepts Suitable Long-Term Employment as defined in Appendix A of this Plan at a new employment location, and (iii) who is laid off at his new employment location for more than 52 calendar weeks during the two year period following the date on which he starts work at the new employment location, shall be eligible to retire under this subsection (b) upon application prior to the end of such two year period; and provided further that this subsection (b) shall be subject to the provisions of Appendix A of this Plan.

- (c) Anything in subsections (a) and (b) of this Section 3 of Article IV contained herein to the contrary notwithstanding, any employee granted a pension pursuant to the foregoing provisions of this Section 3 or similar provisions of a prior Agreement between the parties and subsequently reemployed by the Company shall have any monthly retirement benefits he is entitled to receive hereunder discontinued and his entitlement thereto cancelled and the Accredited Service he has at the time of his termination of employment shall be restored and shall upon ceasing work after re-employment and prior to regular retirement age by reason of a permanent shutdown of a plant, or by reason of a layoff or physical disability be eligible to retire and receive a pension provided, however, (i) that such employee shall not be eligible under the provisions of this subsection (c) to retire and receive a pension during a period of absence from work due to a physical disability such disability shall have continued for a period of five consecutive full calendar months, and (ii) the amount of his pension shall be determined upon the Benefit Level applicable under this Pension Plan at the termination of such reemployment and on the basis of such restored

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Accredited Service plus his Accredited Service earned after employment

Section 4. Early Retirement (Regular). An employee who has completed at least ten years of Accredited Service may, upon application, retire before his Regular Retirement Age after attaining his Early Retirement Age and, in such case, shall be eligible for early Retirement Pension as provided in Article VI.

Section 5. Early Retirement (Statutory). An employee who has two (2) years of continuous service with the Company may, upon application, retire before his Regular Retirement Age after attaining age fifty-five (55) and, in such case, shall be eligible for an Early Retirement Pension as provided in Article VI.

Section 6. Medical Retirement. An employee eligible for a Retirement Pension shall be medically retired, if at any time after attaining Regular Retirement Age, he shall be incapable, by reason of age or other non-temporary condition, of performing his job, or any other job to which he may be entitled under the seniority provisions of the Labour Agreement, in a safe and satisfactory manner. The Company shall have the right to require that any employee who there is reason to believe should be medically retired shall be examined by a Company doctor or other doctor appointed by the Company. If, upon examination, it shall be found that the employee should be medically retired, he shall be medically retired. If the employee should disagree with such findings, he shall nevertheless be medically retired subject to the procedures and remedies set forth in Article XI, Section 2.

Section 7. Limit on Accredited Service. For the purpose of this Pension Plan only, no employee shall continue to accrue Accredited Service beyond the first of the month following the end of the calendar year in which his seventy-first (71) birthday occurs.

ARTICLE V DEFERRED VESTED RETIREMENT PENSION

Section 1. Eligibility for a Deferred Vested Retirement Pension. Notwithstanding any other provisions of the Pension Plan, any employee whose employment is terminated on or after January 1, 1993 and who has two (2) or more years of continuous service with the Company at the time of termination of employment shall, upon making

application therefor as specified in Section 2 of this Article V, be eligible to receive a deferred vested retirement pension in the amount provided in Section 8 of Article VI, unless he is entitled to another pension pursuant to this Pension Plan. For the purposes of this Section, the employee's continuous service shall be measured at the end of any period of layoff not exceeding two years or any continuous period of absence from work because of physical disability not exceeding two years.

Upon becoming entitled to a deferred vested retirement pension, such employee shall be given a letter setting forth the amount of his deferred vested retirement pension which he has accumulated and to which he will become eligible upon application as described in Section 2 of this Article V.

Section 2. **Application for Commencement.** A deferred vested retirement pension shall be payable commencing at the employee's Regular Pension Age. Application for a deferred vested retirement pension must be made to the Company by an applicant otherwise eligible therefor, within the ninety days preceding the Regular Retirement Age.

Section 3. **Re-employment after Layoff or Disability.** If an employee eligible for a deferred vested retirement pension shall be recalled by the Company, or return to active employment following cessation of physical disability, prior to his Regular Retirement Age and prior to his application for a deferred vested retirement pension, his eligibility and benefits under this Pension Plan shall be determined upon the basis of his Accredited Service prior to his layoff, or commencement of his continuous absence from work by reason of physical disability, plus his Accredited Service after recall or such return to active employment; provided, however, that if such employee subsequently incurs a Break in Accredited Service, he shall be entitled to a deferred vested retirement pension that is in at least the same amount as it was prior to such recall or return.

Section 4. **Re-employment after Plant Closing.** If a person eligible for a deferred vested retirement pension shall be reemployed by the Company after termination as a result of a plant closing prior to his Regular Retirement Age and prior to his application for a deferred vested retirement pension, his eligibility and benefits under this Pension Plan shall be determined upon the basis of the Accredited Service which he had accumulated prior to such termination plus his Accredited Service after reemployment.

Section 5. **Application for Early Commencement.** Notwithstanding Section 2 of this Article V, a person eligible upon application for a deferred vested retirement pension payable at or after his Regular Retirement Age, may elect a retirement pension, commencing, if he then be living, on the first day of any calendar month following the attainment of age 55 and preceding his Regular Retirement Age; such election shall be made by written notice to the Company at least sixty but not more than ninety days prior to the first day of such calendar month, and such elected retirement pension shall be a reduced amount which shall:

- (a) if the employee has attained age 60 and accrued at least 10 years of Accredited Service be equal to such pension payable at Regular Retirement Age minus the product of:
 - (e) one-half percent, times
 - (ii) the number of months in the period from such elected earlier commencement date to his Regular Retirement Age, times (iii) such pension payable at Regular Retirement Age.
- (b) if the employee has not attained age 60 and accrued at least 10 years of Accredited Service, be the Actuarial Equivalent of the pension which would have otherwise been payable if it had commenced at Regular Retirement Age.

Section 6. **Portability.** An employee who has a break in Accredited Service, who is entitled to a deferred vested retirement pension under the terms of this Plan and who has not attained age 55 may elect to have an amount equal to the Commuted Value of his deferred vested retirement pension transferred out of the Pension Fund to:

- (a) another registered pension fund, if the administrator of that fund agrees to accept the payment;
 - (b) a company licensed to provide annuities in Canada, for the purchase of a life annuity;
 - (c) a registered retirement savings plan in the name of the employee meeting the requirements prescribed under the Act;
- or
- (d) a retirement income fund meeting the requirements prescribed under the Act;
provided that the notice of such election is given to the Company within the time limits prescribed under the Act and that such transfer is carried out in accordance with the requirements of the Act and the Income Tax Act of Canada.
An employee who elects such transfer shall take the

Commuted Value in full satisfaction of any right under the Plan and upon the completion of such transfer shall have no further entitlement to any benefit under the Plan.

Payment of such Commuted Value shall terminate such employee's eligibility for, and entitlement to, any pension under this Plan and shall cancel his Accredited Service. In the event he is subsequently recalled or reemployed, he shall be deemed in all respects a new employee for the purposes of this Plan and shall have no rights hereunder in respect of the prior period of Accredited Service, notwithstanding the preceding Sections of this Article V.

ARTICLE VI

AMOUNT OF PENSIONS

Section 1. **Regular Retirement.** An eligible employee who shall retire on or after his Regular Retirement Age, except an employee receiving a total and permanent Disability Pension, who shall retire automatically upon attainment of his Regular Retirement Age, shall receive:

(a) a monthly pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service at the time of retirement;

(b) a Special Retirement Supplement payable from the commencement date of his monthly pension; and

(c) in addition, an eligible employee who has attained his Regular Retirement Age and completed at least 10 years, but fewer than 30 years of Accredited Service shall receive a Bridge Benefit payable from the commencement date of his monthly pension.

If the employee was previously eligible to retire and receive a monthly pension under Section 3 or Section 4 of this Article VI, then the amount of the monthly pension under this Section 1 shall not be less than the amount of the greatest monthly pension that the employee would have received under Section 3 or Section 4 of this Article VI if he had retired while eligible for a monthly pension thereunder.

Section 2. **Attainment of Regular Retirement Age by Disability Pensioner**

An eligible employee receiving a total and permanent Disability Pension shall automatically retire at his Regular Retirement Age, and shall receive a monthly pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service on the last day of the month preceding the month in which such Disability Pension commenced. Such retirement pension shall begin with the first full calendar month following the month he attains Regular Retirement Age.

Section 3. Service Retirement. An eligible employee who shall retire before his Regular Retirement Age, but after he has completed at least 30 years of Accredited Service, shall receive:

- (a) an immediate monthly Retirement Pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service at the time of retirement;
- (b) a Special Retirement Supplement payable from the commencement date of his monthly pension;
- (c) in addition, an eligible employee who has retired voluntarily prior to age 60 and after having completed at least 30 years of Accredited Service shall receive a Bridge Benefit payable from the latter of:
 - (i) the first of the month nearest his attainment of age 60 or, if the employee retired voluntarily on or after December 1, 1993, the first of the month nearest his attainment of age 58 and ;
 - (ii) the commencement date of his monthly retirement pension;
- (d) in addition, an eligible employee who has retired voluntarily after age 60 and after having completed at least 30 years of Accredited Service shall receive a Bridge Benefit payable from the commencement date of his monthly retirement pension.

Section 4. Regular Early Retirement. An eligible employee who shall retire before his Regular Retirement Age, but at or after the first day of the month following the month which his sixtieth (60th) birthday occurs, shall receive either of the following, as the employee may elect:

- (a) a deferred monthly Retirement Pension commencing with the month following attainment of Regular Retirement Age equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service to the time of early retirement and a Special Retirement Supplement commencing at the same time; or

(b) an immediate Special retirement Supplement and an immediate monthly Retirement Pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service at the time of retirement in a reduced amount which shall be equal to the deferred Retirement Pension provided for in subsection (a) above minus the product of, (i) one-half percent times, (ii) the number of months in the period from his early retirement to his Regular Retirement Age, times or (iii) such deferred Retirement Pension.

Section 5. Special Early Retirement. An eligible employee who shall retire before his Regular Retirement Age, pursuant to Section 3(a)(1), (2) or (3) of Article IV, shall receive:

(a) an immediate monthly Retirement Pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service at the time of early retirement and a Monthly Supplement until the earlier of: (i) the first of the month following attainment of age 62, or (ii) the month in which the retired employee becomes eligible for Canada Pension Plan Benefits, and Old Age Benefits for age or disability; and thereafter commencing with the month following the earlier of (i) or (ii) above, a monthly Retirement Pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service at the time of such early retirement; provided, however, that if an eligible employee retires on or after March 1, 1977 and is subsequently employed by a company in duties involved in can manufacture, any Monthly Supplement to which he otherwise would have been entitled on or after January 1, 1978 shall be suspended during the period of such employment; notwithstanding the preceding provisions of this subsection (a), the monthly Retirement Pension determined above shall be subject to the minimum rate of reduction for early commencement pursuant to Article IX, Section 3 except in the case of a plant closing which is accepted by Revenue Canada, Taxation as an "approved downsizing program" and

(b) a Special Retirement Supplement payable from the commencement date of his monthly pension. An eligible employee who shall retire before his Regular Retirement Age under the conditions set forth in Section 3(a)(4) of Article IV, shall receive:

(a) an immediate monthly Retirement Pension equal to the Benefit Level multiplied by the number of years (and fraction thereof-) of his Accredited Service at the time of early retirement and a Monthly Supplement of \$185 until the earlier of: (i) the first of the month following attainment of age 62, or (ii) the month in which the retired employee becomes eligible for Canada Pension Plan Benefits, and Old Age Benefits for age or disability. Thereafter, commencing with the

month following the earlier of (i) or (ii) above, the eligible employee will receive a monthly Retirement Pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service at the time of such early retirement; provided, however, that if an eligible employee retires on or after March 1, 1977 and is subsequently employed by a company in duties involved in manufacturing, any Monthly Supplement to which he would otherwise have been entitled on or after January 1, 1978, shall be suspended during the period of such employment; notwithstanding the preceding provisions of this subsection (a), the monthly Retirement Pension determined above shall be subject to the minimum rate of reduction for early commencement pursuant to Article IX, Section 3, except in the case of a plant closing which is accepted by Revenue Canada, Taxation as an "approved downsizing program" and

(b) a Special Retirement Supplement payable from the commencement date of his monthly pension.

An eligible employee who shall retire before his Regular Retirement Age under the conditions set forth in Section 3(b) of Article IV, shall receive:

(a) an immediate monthly Retirement Pension equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited service at the time of early retirement and a Monthly Supplement minus the amount of any disability benefit(s) under the Canada Pension Plan and Old Age Security Act to which he may be entitled for that month (whether or not application has been made therefor) provided, that the amount of the Canada Pension Plan and Old Age Security Act benefit(s) offset shall not exceed the amount of the Monthly Supplement. The Monthly Supplement shall terminate at the earlier of the month the pensioner becomes eligible for a Canada Pension Plan or Old Age Security Act benefit other than a disability benefit or the first of the month following attainment of age 62.

(b) a Special retirement Supplement payable from the commencement date of his monthly pension. If any retired employee, or a person who has commenced receiving a deferred vested retirement pension was precluded by the first sentence of Paragraph 5.3 of Part II of Article 23 of the Labor Agreement effective February 16, 1981 from receiving a severance payment under such Part I and such retired employee or person subsequently dies before he has received payments (excluding the Special Retirement Supplements, but

including the Monthly Supplements,if any) which in the aggregate equal or exceed (i) the maximum amount of the severance payment he could have elected to receive under such Part I but for such first sentence less (ii) the aggregate of all Supplemental Unemployment Benefit payments received by him following the discontinuance of his job, then and in that event his legal representative shall receive a payment in an amount equal to the amount by which such severance payment less such Supplemental Unemployment Benefit payments exceeds the aggregate amount of such pension payments.

Section 6. **Statutory Early Retirement.** An eligible employee who shall retire before his Regular Retirement Age, under conditions set forth in Section 5 of Article IV, shall receive at early retirement a monthly retirement pension, equal to the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service at the time of retirement and actuarially reduced to reflect commencement prior to Regular Retirement Age.

Section 7. **Disability Pension.** An eligible employee who shall retire under the conditions set forth in Section 3 of Article III shall receive:

(a) the Benefit Level multiplied by the number of years (and fraction thereof) of his Accredited Service on the last day of the month preceding the month in which such Disability Pension coinincenes plus a Monthly Supplement minus the amount of any disability insurance benefit(s) under the Canada Pension Plan or the Old Age Security Act to which he may be entitled for that month (whether or not application has been made therefor) provided, however, that the amount of the Canada Pension Plan and Old Age Security Act benefit(s) offset shall not exceed the amount of the Monthly Supplement. The Monthly Supplement shall terminate at the earlier of the time the pensioner becomes eligible for a Canada Pension Plan or Old Age Security retirement benefit other than a disability benefit or lie attains age 62.

Each person applying for a Disability Pension must apply for disability benefits under the Canada Pension Plan and such applicant for a disability benefit under the Canada Pension Plan shall be deemed not entitled to the disability benefit prior to the month in which it shall be granted if he shall agree in writing to refund any excess payment of disability pension from his retroactive disability benefit cheque under the Canada Pension Plan.

Section 8. **Deferred Vested Retirement Pension** Subject to the provisions of Section 5 of Article V, the monthly amount of a deferred vested retirement pension for a person eligible under the provisions of

Article V shall be the Benefit level multiplied by the number of years of Accredited Service, including up to 2 years after the date of layoff or disability, or up to earlier termination as a result of a plant closing, payable upon application as defined in Section 2 or 5 of Article V, provided that, if the employee does not have ten (10) years of Accredited service at the time of his break in Accredited Service (nine (9) years of Accredited if he breaks Accredited Service on or after December 1, 1988 and prior to December 1, 1991), such amount shall be reduced by an amount equal to the Benefit level in effect on December 31, 1986 multiplied by the employee's Accredited Service accrued as of that date. A person eligible for a deferred vested retirement pension under Section 1 and Section 2 of Article V shall not be eligible for the provisions of Section 1 of this Article VI.

Section 9. Adjustment for Public Pension and Worker's Compensation. There shall be no deduction from any pension by reason of Worker's Compensation or any Public Pension (any annuity, pension or payment of similar kind by reason of any law of Canada or of any foreign country, or of any state, district, territory, or subdivision of the foregoing), except as provided in Section 7 of Article VI. If, however, an employee entitled to a pension pursuant to this Pension Plan is or shall become, or upon application would become entitled to any annuity, pension, or payment of similar kind from any source or fund directly or indirectly maintained by the Company or any of its subsidiaries or affiliates (any such annuity, pension, or payment of similar kind being hereinafter referred to as Other Pension), then the amount of pension (but not any Special Retirement Supplement) payable to such person for any period shall be reduced by the amount of such Other Pension paid or payable to him or that would upon application become payable to him during the time any pension is payable under this Pension Plan; provided, however, that if such person shall have contributed to the source or fund out of which such Other Pension shall be paid or become payable or would become payable upon application, then the amount by which the pension payable pursuant to this Pension Plan for any period shall be reduced in accordance with the foregoing provisions of this Section 9 of Article VI shall be decreased by the amount of that part of such Other pension during the time any pension is payable under this Pension Plan which shall be attributable to the contributions which such person shall have made to such source or fund.

Section 10. Adjustment for Separation Payments or Allowances. If any employee is or shall become entitled to or shall be paid any discharge, liquidation or dismissal or severance allowance or payment of similar kind by reason of any plan of the Company, or in respect of

which the Company shall have directly or indirectly contributed, or by reason of any law of Canada or of any foreign country, or of any state, district, territory or sub-division of, or subject to the jurisdiction of any of the foregoing, then the total amount paid or payable to him in respect of any such allowance or payment shall be deducted from the amount of any pension (but not from any Special retirement Supplement) to which such person would otherwise be entitled under this Pension Plan upon retirement; provided, however, that if such person shall have contributed to the source or fund of which such allowance or payment shall be paid or become payable, then the amount which shall be deducted from or charged against the amount of any such pension in accordance with the foregoing provisions of this Section 10 of Article VI shall be decreased by the amount of that part of such allowance or payment which shall be attributable to the contributions which such persons shall have made to such source or fund; and further provided, that any severance pay that an employee may receive pursuant to paragraph 5.0 of Part II of the Job and Income Security Program as a result of a plant closing that occurs on or after January 1, 1975, will not be applied to reduce the amount of any deferred vested retirement pension that the employee may otherwise be eligible to receive under this Pension Plan.

Section 11. Payment of Pensions. Each retirement pension shall be paid in monthly installments, provided, however, that the Company in its sole discretion may, where the amount payable at Regular retirement Age, is less than 2% of the YMPE in the year that the employee breaks Accredited service or, where the Commuted Value of the annual pension is less than 4% of the YMPE in the year that the employee breaks Accredited service, pay such pensions in quarterly, semi-annual, or annual installments or in the form of a lump sum which shall, in either case, be Actuarially Equivalent in value to the monthly pension payments. The first monthly installment of any Retirement pension (except in the case of a Medical retirement or a deferred Retirement Pension elected under subsection (a) of Section 4 of Article VI) shall be payable for the first full calendar month following the employee's retirement, and shall be paid during such month provided the application for a Retirement pension is made not later than the close of the month in which the applicant retires. If the application for a Retirement Pension is made after the close of the month in which the applicant retires, the first monthly installment of the Retirement pension shall be paid for the month in which such application is made. In the case of a medical retirement, the first monthly installment of a Retirement pension shall be payable for the month in which the Medical retirement occurs. The last monthly installment of any Retirement

Pension shall be payable for the month in which the death of such person shall occur subject to the provisions of Article VII.

Section 12. Payment of Deferred Retirement Pensions. Each deferred Retirement Pension under sub-section (a) of Section 4 of Article VI shall be paid in monthly installments, provided, however, that the Company in its sole discretion may, where the amount payable at Regular Retirement Age is less than 2% of the YMPE in the year that the employee breaks Accredited Service or, where the Commuted Value of the annual pension is less than 4% of the YMPE in the year that the employee breaks Accredited Service, pay such pensions in quarterly, semi-annual, or annual installments or in the form of a lump sum which shall, in either case, be Actuarially Equivalent in value to the monthly pension payments. The first monthly installment of a deferred Retirement Pension shall be payable for the month in which an applicant for a deferred Retirement Pension is deemed to attain his Regular Retirement Age. The last monthly installment of such deferred Retirement pension shall be payable for the month in which the death of such person shall occur, subject to the provisions of Article VII.

Section 13. Payment of Deferred Vested Retirement Pensions. Subject to Section 5 of Article V, each deferred vested retirement pension under Article V shall commence with the first of the month in which the employee is deemed to attain his Regular Retirement Age or with the first day of any subsequent month in which application is made, whichever later.

Section 14. Payment of Disability Pensions. Each Disability Pension shall be paid in monthly installments. The first monthly installment of any Disability Pension due shall not be payable earlier than the month in which such disability is deemed to be total and permanent as defined in Section 3 of Article III, and the last monthly installment of such Disability Pension shall be payable for the month in which such total and permanent disability shall end or in which the death of such person shall occur or until the pensioner reaches Regular Retirement Age, whichever is earliest. Monthly Disability Pension payments may be delayed, in the discretion of the Company, until it is established that the disability is total and permanent.

ARTICLE VII

JOINT AND SURVIVOR FORM

Section 1. Joint and Survivor Option. If an eligible employee shall previously have made application in accordance with Section 2 of this Article VII there shall be payable, after he shall have retired, in lieu of the Retirement Pension that would otherwise be payable to him under this Pension Plan, payments in accordance with the following option as of the date that he commences to receive Retirement Pension benefits:

Option 1. Monthly installments of his Retirement Pension shall be in a reduced amount that is Actuarially Equivalent to the pension that would otherwise be payable to him under this Pension Plan, and after his death monthly payments at a rate equal to 60% of such reduced amount shall be made to his Spouse (if surviving).

Section 2. Mandatory Joint and Survivor Form With a Spouse. Notwithstanding the provisions of Section 1 of this Article VII, if an eligible employee has a spouse on the date that payment of his Retirement Pension commences then he shall be deemed to have elected Option 1 unless the employee has executed and filed with the Company, within the time required under the Act, a waiver in the form required under the Act or a certified copy of a court order or written separation agreement containing such waiver.

Section 3. Death of Spouse After Employee's Retirement. If an employee shall have made application for either of such options and the spouse named in such application shall die after such employee shall have retired, but prior to the death of such employee, such employee shall continue to receive monthly payments in a reduced amount in accordance with such option.

Section 4. Payment. Each such reduced Retirement Pension shall be paid in accordance with the provisions of Article VI except that the last monthly installment payable to such person shall be payable to the spouse for the month in which the death of such person shall occur, and the first monthly installment that shall be payable to his spouse shall be payable for the month next following the month in which such person shall die; however, no payment shall be due the spouse earlier than the first monthly pension due the pensioner had he survived. The last monthly installment shall be payable to such spouse or his legal representative for the month in which the death of such spouse shall occur.

Section 5. Additional Survivor Benefit. A surviving spouse of a pensioner who retired on or after March 1, 1981, under Articles III and

IV of the Plan (other than pursuant to Section 5 of Article IV, and who died on or after March 1, 1981), shall receive a survivor's benefit under this Section in addition to any survivor pension which may be payable under Section 1 of this Article. The survivor's benefit shall be payable monthly in the amount of \$132.50 per month commencing with the month following the month in which the pensioner died. Payment of this survivor's benefit to the deceased pensioner's spouse shall terminate with the payment for the month in which the spouse dies. The total of the amount of this survivor's benefit and any survivor's pension payable under Section 1 of this Article shall not exceed 100% of the Retirement pension paid to the pensioner immediately prior to his death.

ARTICLE VIII

PRE-RETIREMENT DEATH BENEFIT

Section 1. **Pre-Retirement Death Benefit.** If an eligible employee dies before beginning to receive a pension under the Plan and after completing at least five years of continuous service with the Company, or if a former employee is eligible for a deferred vested retirement pension dies before payment of the deferred vested retirement pension begins then a pre-retirement death benefit shall be paid to the surviving spouse of the employee. The pre-retirement death benefit shall be equal to 60% of the Commuted Value of the pension that would be payable to the deceased employee at Regular Retirement Age in an amount equal to:

- (a) the Benefit Level in effect at the time of death (or at the time of termination of employment in the case of a person entitled to a deferred vested retirement pension) multiplied by the employee's Accredited Service accrued after December 31, 1992; plus
- (b) the amount of any increase in the Benefit Level which came into effect after December 31, 1992 and prior to the earlier of the date of the employee's death or the date of the employee's termination of employment, multiplied by the employee's Accredited Service accrued prior to January 1, 1993.

Section 2. **Form of Benefit.** A spouse entitled to receive a pre-retirement death benefit pursuant to Section 1 of this Article may elect to receive such benefit as an immediate or deferred pension or to transfer the Commuted Value to one of the options offered under Section 6 of Article V. Such spouse shall elect the form of such benefit within 90 days of receipt from the Company of notice of entitlement, failing which the spouse shall be deemed to have elected to receive an immediate pension.

Section 3. **Payment to Beneficiary or Estate.** If the employee or former employee does not have a spouse at the time of his death, or if the spouse has waived her entitlement in the manner required under the Act, then the pre-retirement death benefit payable under Section 1 of this Article shall be paid to the beneficiary of the employee or, if none, then to the estate of the employee in a lump sum.

Section 4. **Alternate Survivor Benefit.** If a pre-retirement death benefit is payable under Section 1 of this Article as a result of the death of an employee who had completed at least ten years of Accredited Service, and who died on or after March 1, 1981, survived by a spouse who has not waived her entitlement in the manner required under the Act, then the spouse may elect to receive a survivor's benefit under this Section instead of the pre-retirement death benefit provided that the Commuted Value of the survivor's benefit is not less than the Commuted Value of the pre-retirement death benefit. The survivor's benefit shall be payable monthly in the amount of \$132.50 per month, commencing with the month following the month in which the employee died. Payment of this survivor's benefit to the deceased employee's spouse shall terminate with the payment for the month in which the spouse dies.

ARTICLE IX

MAXIMUM PENSION BENEFIT

Section 1. **Limitation.** If the total of a retired or former employee's monthly pension (excluding any Monthly Supplement) under this Agreement and his monthly primary Canadian Governmental Benefits exceeds eighty-five (85%) of the monthly average of his highest gross earnings (T4 earnings) in any two of the last ten calendar years of employment, the amount of his monthly pension shall be reduced to the extent that such total exceeds eighty-five percent (**85%**) of such average earnings. The limitation set forth in this Section shall be applicable on or after March 1, 1981 for any months on or after the month in which he retired, or his disability pension commenced, or he completed eligibility

for a deferred vested retirement pension; provided, however, that with respect to a retired employee who retires on or after March 1, 1981, the limitation set forth in this Section shall be applied as follows:

(a) the limitation set forth in this Section shall not be applicable prior to the month in which the employee becomes eligible for the sum of Canada Pension Plan, Old Age Security Act and Quebec Pension Plan benefits for age or disability or he attains age 65, whichever occurs first;

(b) in the case of an employee with more than 30 years of Accredited Service, the eighty-five percent (85%) figure in the first sentence of this Section shall be increased by one percent (1%) for each completed year of Accredited Service, in excess of 30 years, but not by more than fifteen percent (15%); and

(c) in no event will this Section be applied for those employees who retired on or after March 1, 1981, in a manner that causes the amount of the employee's monthly pension (excluding any Monthly Supplement) under this Agreement to be less than \$14.00 (\$15.00 for benefits payable after February of 1982 and \$16.00 for benefits payable after February of 1983) multiplied by the employee's years of Accredited Service (and any fraction thereof).

Section 2. Determinations. For the purposes of applying the limitation set forth in Section 1 above:

(a) the employee's monthly pension shall be the amount, excluding any Monthly Supplement, which is payable at the time of retirement or commencement of Disability Pension, or which has accrued at the time the employee completes eligibility for a deferred vested retirement pension;

(b) the "Canadian Governmental Benefits" shall be the sum of the monthly amounts of Old Age Pension payments an employee receives (or would receive but for failure to apply, departure from Canada, or otherwise) under the Old Age Security Act and the Canada Pension Plan, the Quebec Pension Plan or any replacing legislation determined on the following basis:

(i) in the case of an employee who retires or whose Disability Pension commences prior to age 65, or who completes eligibility for a deferred vested retirement pension, the amount of Canadian Governmental Benefits to which the employee shall become entitled at age 65 as determined under Provincial and Canadian Laws in effect at the date of

such event on the assumption that he will have no wages from the date of such event to age 65; or

- (ii) in the case of an employee who retires on or after the attainment of age 65, the amount of primary Canadian Governmental benefits to which he is entitled at the date of his retirement;

(c) in the event that the Company is unable to determine the amount of Canadian Governmental Benefits to which the employee as become entitled or to which he will become entitled at age 65, the Company shall as the employee to authorize the appropriate Governmental Authorities to release such earnings data as shall be necessary to make such determination. In the event that the employee fails to provide such authorization prior to his retirement, the Company shall estimate the employee's Canadian Governmental Benefits on the assumption he had the maximum creditable wages during the portion of the benefit computation period prior to his employment by the Company. If the employee later furnishes evidence of his actual earnings which produces Canadian Governmental benefits different from that estimated under the preceding paragraph, the Company shall redetermine the Maximum Benefit using the Canadian Governmental Benefits based on such earnings. Such redetermined Maximum Benefit shall be applied retroactive to the date of retirement;

(ci) once final determination of the maximum Benefit has been made under this Article, it shall not be changed to reflect either (i) future increases in the employee's Canadian Governmental Benefits which may become effective subsequent to the date of the event described in (b) above or (ii) future increases in the employee's monthly pension benefit which shall become effective subsequent to such date of termination;

(e) In the case of an employee who retired and who did not work for one or more full calendar months due solely to layoff, disability and/or retirement during either or both of the last two calendar years in which he worked prior to retirement, his gross earnings for each such year shall be increased by adding for each such calendar month during that year an amount equal to 4-1/3 times his average weekly earnings, including Cost-of-Living Adjustment for all hours paid for by the Company with respect to the weekly pay periods in which he worked during that year, provided that if he did not work in at least 12 weekly pay periods in that year, his average weekly earnings shall be based on the last 12 weekly pay periods in which he worked during and

prior to that year. The calendar year in which the employee retires shall be included in the "last two calendar years in which he worked prior to retirement" if and only if retirement occurs after June 30 of such year and the employee worked in such year.

(f) In the case of an employee who retired and who did not work during either or both of the last two calendar years prior to retirement due solely to compensable occupational disability, his gross earnings for each of the last two calendar years in which he worked shall be adjusted in accordance with (e) above, if applicable, and then by the percentage increase in the weighted average standard hourly wage rate of the employees covered by the Plan between March 1 of the calendar year in question and March 1 of the earlier of the last two calendar years prior to retirement, except that such adjustment shall not be made with respect to either of the last two calendar years prior to retirement. The calendar year in which the employee retires shall be included in the "last two calendar years prior to retirement" if and only if retirement occurs after June 30 of such year and the employee worked in such year.

Section 3. Revenue Canada Maximum of Lifetime Pensions. Notwithstanding any other provision of this Plan, the annual lifetime pension payable to an employee or former employee under this Plan, including any benefit payable to a spouse or former spouse pursuant to Section 10 of Article XII and excluding any benefit arising from an actuarial increase resulting from a deferral of retirement after Regular Retirement Age, shall not, in the year of commencement, exceed the lesser of:

(a) the defined benefit limit for the year of commencement; and

(b) 2% of the person's highest average compensation indexed to the year of commencement; multiplied by his Accredited Service. For the purposes of calculating the limitation in this Section, an employee or former employee shall not be considered to have more than 35 years of Accredited Service in respect of periods prior to January 1, 1992. For the purposes of this Section "defined benefit limit" and "highest average compensation" shall have the meanings given to the respective terms under the Income Tax Act (Canada).

The value of the pension payable at retirement in respect of Accredited Service prior to January 1, 1992 shall not exceed the value of the maximum pension benefit determined above in respect of such Accredited Service, payable at the earliest of age 60, disability retirement and Regular Retirement Age, as a single life annuity guaranteed for ten years. The maximum pension benefit determined

above in respect of Accredited Service after December 31, 1991 which commences prior to Regular Retirement Age shall be reduced by at least one-quarter of one percent (0.25%) for each complete month by which the employee's early retirement date precedes the earliest of:

- (a) the date the employee would attain age 60;
- (b) the date the age and Accredited Service of the employee would have totaled 80; and
- (c) the date the employee would have accrued 30 years of Accredited Service; if he had continued to participate in the Plan until that date.

Section 4. **Bridging Benefit Limitations.** Notwithstanding any other provision of the Plan:

- (a) bridging benefits payable under the terms of the Plan shall not exceed the maximum amount permitted in respect of bridging benefits; and
- (b) the sum of the lifetime and bridging benefits payable under the terms of the Plan shall not exceed the maximum amount permitted in respect of combined lifetime and bridging benefits; determined under the Income Tax Act and the Regulations thereunder.

ARTICLE X ADMINISTRATION

Section 1. **Administration.** The Company shall establish the procedures and administer this Pension Plan subject only to the terms and provisions of this Agreement.

Section 2. **Contributions.** The Company will establish a fund with a bank or banks or a trust company or companies selected by the Company as Trustee. The Company's contributions will be made into the fund, the assets of which will be held, invested, and applied by the Trustee on a basis that complies with the investment limitations under the Act.

The Company shall, during the term of this Agreement, contribute amounts to the fund which, taking into account the assets of the fund, shall be estimated to be sufficient to pay the pensions which are granted hereunder during the term of this Agreement. Such contributions shall, as a minimum, meet the funding requirements of the Act. For greater clarity, it is provided that if, at any time the assets of the fund exceed

the liabilities of the Plan then the Company may, subject to the requirements of the Act, apply such excess assets towards any current service cost obligations.

Section 3. **Reports to Union.** The Company shall report annually to the Union concerning the operation of the Pension Plan and from time to time during the term of this Agreement, shall make available such additional information as shall be reasonably required for the purposes of enabling the Union to be properly informed concerning the operation of the Pension Plan.

Section 4. **Transfer of Commuted Value.** If an eligible employee terminates employment with the Company and becomes entitled to receive a deferred vested retirement pension in accordance with Article V, Section 1, or if a spouse of an employee becomes entitled to a pre-retirement death benefit under Article VIII, Section 1, or a benefit under the Plan pursuant to a court order or domestic agreement as described in Article XII, Section 10, and if, in either case, the Commuted Value of the annual amount of such pension or benefit is less than 10% of the YMPE in the year of termination of employment or the year the spouse becomes entitled to the benefit then the Company may require the transfer of the Commuted Value to one of the vehicles set out in Section 6 of Article V.

Section 5. **Payment of Expenses.** Expenses incurred in the administration of the Plan and the pension fund shall be paid from the pension fund of the Plan or by the Company, as the Company may direct.

ARTICLE XI DISPUTE RESOLUTION

Section 1. **Arbitration.** If any difference shall arise:

- (a) between the Company and the employee, pensioner, or applicant as to whether such employee, pensioner, or applicant is entitled to a pension or benefit hereunder, or as to the amount of such pension or benefit;
- (b) between the Company and the Union regarding the treatment or use of surplus during the continuation of the Plan;
- (c) any allocation of surplus assets on the winding up, or partial winding up of the Plan; and agreement can not be reached between the Company and the Union, employee, pensioner, or applicant, as applicable then, except as provided in Section 2 of this Article XI, such question shall be referred to an arbitrator to be selected by the

Company and the Union. If the Company and the Union are unable to agree upon an arbitrator, then upon application of either party, the Minister of Labour of the Province will appoint an arbitrator. The arbitrator shall have the authority only to decide the question pursuant to the provisions of this Agreement applicable to the question, but he shall not have the authority in any way to alter, add to or subtract from any of such provisions. The decision of the arbitrator on any such question shall be binding on the Company, the Union, and the employee or applicant. The expense of arbitration shall be shared equally by the Company and the Union.

Section 2. **Medical Retirement and Disability.** If any difference shall arise between the Company and any employee as to whether the condition of such employee is such as to require his Medical Retirement under the provisions of Section 5 of Article IV, or as to whether such employee is or continues to be totally and permanently disabled, as defined in Section 3 of Article III, and if agreement can not be reached between the Company and the Union, such difference shall be resolved as follows:

The employee shall be examined by a physician appointed for the purpose by the Company and by a physician appointed for the purpose by the Union. If they shall disagree concerning the question, then the question shall be submitted to a third physician selected by such two physicians. The opinion of the third physician, after examination of the employee and consultation with the other two physicians shall decide such question. The fees and expenses of the third physician shall be shared equally by the Company and the Union.

If an employee shall have been medically retired by the Company and shall have protested such retirement and if it shall be finally determined that he should not have been so retired, then the Company shall reinstate such employee and compensate him for the time lost, less any Retirement Pension which may have been paid him prior to such reinstatement,

Section 3. **Labour Agreement Grievance Procedure Inapplicable.** By reason of the fact that the Pension Plan as set forth in this Agreement makes specific provision for adjustment of all differences which may appropriately arise in connection with the Pension Plan, it is understood and agreed that the grievance and arbitration procedures set forth in the Labour Agreement shall not apply to the provisions of this Agreement and the Pension Plan as set forth herein.

ARTICLE XII

MISCELLANEOUS

Section 1. **Non-Alienation.** No benefits payable under the Plan may be assigned, charges, anticipated, given as security, surrendered or otherwise alienated except as expressly provided herein and any attempt to do so shall be void. A benefit payable under the Plan is not subject to execution, seizure, or attachment except as expressly provided in the Act.

Section 2. **Rights to Benefits.** No employee prior to his retirement under conditions of eligibility for Retirement Pension benefit or prior to becoming permanently and totally disabled under conditions of eligibility for disability benefits shall have any right or interest in or to any portion of any funds which may be provided hereunder for the purpose of paying pensions under this Agreement and no employee or person receiving a pension under this Agreement and no employee or person receiving a pension or any other person shall have any right to pension benefits under this Agreement except to the extent herein provided.

Section 3. **No Participation in Other Plans.** No employee covered by this Pension Agreement shall be eligible to enter into participation in any other pension or annuity plan of the Company. As of May 1, 1950, further participation in any such pension or annuity plan was discontinued for all employees then covered by the Labour Agreement and for those employees who thereafter came or shall come under the Labour Agreement; no such employee shall become eligible for benefits other than those which on or before May 1, 1950, or subsequent date of coverage by the Labour Agreement, had accrued to such employee.

Section 4. **Employment Rights Not Affected.** The employee's employment rights and the Company's right to discharge shall not be enlarged or affected by reason of this Pension Plan except in cases of Medical Retirement, as provided in Section 6 of Article IV.

Section 5. **Notification of Participants.** The Company will advise each employee, at the time of delivery of his first pensioncheque, that the pension is pursuant to this Agreement between the Company and the Union.

Section 6. **Retirement Terminates Employment Status** An employee who receives a Retirement Pension under the provisions of this Pension Plan shall terminate his status as an employee as of date of retirement.

Section 7. **Union Leave of Absence.** An employee granted a Union leave of absence under Article 12 of the Labour Agreement, shall, in the event he becomes entitled to Special Retirement Pay under the Pension Plan and his period of active work between return from leave of absence and retirement is insufficient to entitle him to vacation pay, have his average straight time hourly rate computed on the rate for the job class, applicable to the first shift, in effect at the time of retirement for the job class he last worked prior to his leave of absence.

Section 8. **Adjustment for Employees on Union Business.** For the purpose of determining the Job Class and the Maximum Benefit limitation which shall be applicable to an employee who has served as a regular member of the Grievance Committee (not to exceed 10 employees at each bargaining unit certified to the Company), or as President, Vice President, Recording Secretary, and/or Treasurer of a local union or any employee who shall have been absent from work because of leave of absence granted upon the request of the Union to any employee who shall be appointed or elected to any other office in the Union at the bargaining unit at which he shall then have been employed, and for that reason has been absent from work without pay, the employee's job class and his gross annual earnings shall be adjusted for the purpose of computing his pension so that they will be fairly representative of such job class and gross annual earnings which would have been applicable to him if he had not been absent without pay. To be eligible for such adjustment, any absence without pay must have continued for at least four hours on Union business. The local union will furnish the local management at each bargaining unit with an annual report of such absences, giving names of the employees, dates of absence, hours of such absence, job class employee would have worked at, applicable earnings, and verifying that the absences were for Union business. No such adjustment of the employee's job class or of the gross annual earnings will be made without such report and verification.

Section 9. **Re-employment Outside of Canada.** If a person receiving, or eligible to receive a Retirement Pension, Monthly Supplement or deferred vested retirement pension is reemployed outside of Canada by the Company or a subsidiary of the Company after retirement or other termination of employment with the Company, any Retirement Pension, Monthly Supplement, or deferred vested retirement pension otherwise payable to such person shall be discontinued during such employment and shall not commence or resume before the termination of such employment. Upon its commencement or resumption, the amount of such Retirement Pension, Monthly Supplement, or deferred vested

retirement pension shall be determined without regard to, and shall be unaffected by, such subsequent period of employment.

Section 10. Marriage Breakdown. Subject to the Act, when the Company receives an order from a court of competent jurisdiction or a valid written separation agreement requiring division of the benefits of an eligible employee or former employee under this Plan due to divorce, annulment of the marriage, or separation, the Company shall make such division in accordance with such order or agreement, as determined by the Company. The benefit entitlement of the employee or former employee shall be adjusted, to the extent necessary, to reflect such division. The spouse or former spouse may elect to transfer her entitlement arising from the division to one of the options available under Section 6 of Article V, if permitted under the Act and the Family Relations Act of British Columbia. A spouse or former spouse who elects to receive a pension under the Plan as a result of the division shall have only such rights under the Plan as are required by the Act and the Family Relations Act of British Columbia.

Section 11. Information for Employees. The Company shall prepare and make available to eligible employees a written explanation of the terms and conditions of the Plan and amendments thereto applicable to the employee, together with an explanation of the rights and duties of the employee with reference to the benefits available to such employee under the terms of the Plan. In addition, the Company shall provide an employee or other person entitled to payment from the Plan with such other information as may be required by the Act. In the event of any conflict between any statement made in such explanation and the provisions of the Plan, the provisions of the Plan shall govern. A copy of the Plan together with such other documents as are prescribed under the Act shall be located at the business office of the Company and at each location where employees are employed. Such documents shall be available for inspection by any eligible employee, spouse of an employee or any other person entitled to such information under the Act. Any person entitled to inspect Plan documents in accordance with this Section shall be entitled to make such inspection only once in each calendar year.

ARTICLE XIII

DURATION OF PENSION PLAN

Section 1. **Duration of Pension Plan.** Notwithstanding the provisions of the Labour Agreement, the provisions of this Agreement and the Pension Plan herein set forth shall remain in effect without change and without being subject to renegotiation until and including November 30, 2003.

Either party may on or before November 30, 2003, give notice to the other party of the desire of the party giving such notice to negotiate with respect to pensions. If such notice is given, the parties shall meet within thirty days after November 3, 2003, to negotiate with respect to pensions, and if the parties shall not agree with respect to such matter, by midnight February 2, 2004, either party may there after resort to strike or lock out, as the case may be, in support of its position in respect of such matter.

Section 2. **Amendments to the Plan.** The Company reserves the right to amend or discontinue the Pension Plan, either in whole or in part, at any time or times, subject to the requirements of the Act and subject to the provisions of Section I of this Article. No amendments to the Pension Plan shall operate to reduce the pension benefits which have accrued to employees prior to the date of such amendment. However, the Company shall amend the Pension Plan to reduce benefits or return contributions to the Company to the extent necessary to ensure continued registration under the Income Tax Act of Canada, subject to the prior approval of the Superintendent of Pensions where required.

Section 3. **Complete Termination of Plan.** If the Pension Plan is terminated or otherwise discontinued, the assets in the pension fund, after providing for the expenses of the Pension Plan attributable thereto, shall be applied to the extent sufficient, to provide for the accrued benefits of eligible employees, foriner employees, spouses and beneficiaries as determined by the Company, on the advice of the Actuary and subject to the requirements of the Act.

Subject to the funding requirements under the Act, if the assets of the pension fund are insufficient to fully provide for all accrued benefits then they shall be applied to provide benefits for eligible employees, foriner employees, spouses, and beneficiaries on a pro rata basis in accordance with their respective interest in the Pension Plan as

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determined by the Company, on the advice of the Actuary and in a manner which meets requirements of the Act.

Any excess assets remaining after the satisfaction of all accrued benefits as set out above shall be returned to the Company. Any distribution of funds will be conditional upon the prior approval of the applicable regulatory authorities.

Section 4. **Partial Termination of Plan.** If a part of the Pension Plan is terminated a portion of the pension fund shall be allocated in respect of that part of the Pension Plan which is being terminated. The portion of the pension fund to be allocated shall be determined by the Company in an equitable manner on the advice of the Actuary subject to the Act. Such portion of the pension fund shall be applied in accordance with the provisions of Section 3 of this Article for the benefit of the eligible employees, former employees, spouses, and beneficiaries affected by the partial termination. Any part of the allocated portion remaining after the satisfaction of all accrued benefits of all persons affected by the partial termination may be paid to the Company or applied as the Company may otherwise direct. Any such distribution will be conditional upon prior approval of the applicable regulatory authorities which may be necessary.

Section 5. **Provision of Benefits.** The benefits determined in accordance with the provisions of Section 3 or 4 of this Article may be provided through the purchase of annuity contracts from a Company licensed to provide annuities in Canada, or by the transfer of benefits to which the respective employees are entitled to the pension plans of subsequent employers or registered retirement savings plans or registered retirement income funds by the continuation of the pension fund or by the payment of cash refunds, all as determined by the Company, subject to the requirements of the Act

GROUP INSURANCE

BENEFIT CHANGES:

Life Insurance:

\$37,000 effective December 3, 2000, \$38,000 effective December 2, 2001, \$39,000 effective December 1, 2002. These amounts are for all employees while on active employee status. All past and future retiree Life Insurance Benefits will be capped at \$18,000 at age 62.

Sickness and Accident:

Weekly Sickness and Accident Benefits effective December 3, 2000

<u>Group</u>	<u>12/3/00</u>
5	475
4	464
3	456
2	445
1	434

Waiting Period - 6 days

Dental Plan:

Annual Maximum - The annual maximum amount payable from the Plan will be \$2,000.00.

Ortho:

Life Time Maximum - Effective December 3, 2000 increased to \$1,600, Effective December 2, 2001 \$1,700, Effective December 1, 2002 \$1,800.

Vision Care:

\$200.00 every two (2) years.

Benefit changes;**Life Insurance:**

Life Insurance for employees will be increased by;
 \$1,500 (to \$32,500) effective December 4, 1994.
 \$1,500 (to \$34,000) effective December 3, 1995.
 \$2,000 (to \$36,000) effective December 1, 1996.

Sickness and Accident:

Weekly Sickness and Accident Benefits will increase by \$30 per week effective December 1, 1996.

Group	12/01/96
5	476
4	464
3	456
2	446
1	434

Waiting period - 8 days in year 3.

Dental Plan:

Annual Maximum - The annual maximum amount payable from the Plan will be increased by;

\$50 (to \$1,650) effective December 4, 1994.
 \$50 (to \$1,700) effective December 3, 1995.
 \$100 (to \$1,800) effective December 1, 1996.

ortho:

Annual Maximum - The annual maximum amount payable from the Plan will be increased by;

\$75 (to \$1,175) effective December 4, 1994.
 \$100 (to \$1,275) effective December 3, 1995.
 \$100 (to \$1,375) effective December 1, 1996.

The Group Insurance Plan described herein has been agreed to by the American Can Canada Inc. and the United Steelworkers of America

American's Group Insurance Plan provides substantial protection for employees and specified eligible dependents. It is a benefit for which you qualify early and one you will want to study carefully. Learn how far your coverage goes. American's Group Insurance Plan is one of the most far-reaching in industry, and its cost for both employees and eligible dependents is paid for entirely by American.

When you have a claim for benefits for either yourself or your dependents, or if you have a question concerning a claim, please contact your General Supervisor, Employee Relations, or the person who administers the Plan at your location. Refer to Page 7 for further instructions on filing a claim.

If you should die while Insured under the plan, the person who administers the Plan at your location will give your beneficiary every possible assistance in filing for your life Insurance proceeds so that prompt payment may be made.

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SUMMARY OF BENEFITS

EMPLOYEE ONLY

Life Insurance

Equal to amounts shown in the schedule of **Life Insurance Benefits** on pages 14 and 15

Weekly Sickness and Accident Benefits

Protection against loss of income due to disability. See page 16.

EMPLOYEE AND DEPENDENTS

Hospital Room and Board

Semi-Private Room — Actual amount charged for room and board for a maximum of 365 days (730 days with 10 or more years of accredited service).

Private Room — Charges for room and board will be reimbursed at the hospital's maximum semi-private room charge

Hospital Special Services

Actual amount charged by the hospital for necessary services while room and board benefits are payable.

Home Health Care

Reasonable and customary charges of approved Home Health Care Agency for up to 100 visits in a calendar year

Provincial Health Plan — Physicians Services

Surgical Operations, Assistant Surgeons, Consultations, Doctor's Visits in Hospital and Extended Care Facility, Doctor's Home Health Care Visits, Diagnostic X-Ray and Examinations, Radiation Therapy, Blood Transfusions, Hydrotherapy, Physiotherapy and Laboratory Examinations, Chemotherapy and Emergency Accident Services

Fees which are reasonable and customary charges by the physician

Extended Care Facility

Actual amount charged by the nursing home for semi-private room and board accommodations and other services for covered confinements up to a maximum of 365 days

Out-Patient Psychiatric Care

Up to \$1500 in 12 month period for covered Services See page 23.

Major Medical Expense Benefits

80% of covered expenses after \$50 per person (\$100 per family) deductible per calendar year. Maximum \$30,000 per year; \$50,000 Lifetime.

Dental Expense Benefits

Reasonable and Customary Dental Charges for Preventive Services. 85% of reasonable and customary for Restorative and 50% of reasonable and customary for Prosthodontics and Orthodontics. Calendar year maximum is **\$1,000** (Maximum for 1981 is \$833) per covered individual with separate lifetime maximum of \$650 for Orthodontics

Vision Expense Benefits

Scheduled amounts for Vision Examination, Lenses and Frames as described.

GROUP INSURANCE PLAN ACTIVE EMPLOYEES

GENERAL INFORMATION

When You Are Insured

As an employee of American covered by this Plan, you will become insured on the first of the calendar month following the first day you work or the Plan Effective Date, whichever is later. If you are on layoff or disability on the date your insurance would otherwise become effective, you will be insured on the date you return to active work. However, benefits will only be provided for disabilities or hospital confinements commencing or surgical procedures and services performed on or after the effective date of your insurance.

Your dependents will become insured when you do unless confined to a hospital, extended care facility, or similar institution on that date, in which case they will become covered when no longer so confined. If you have no dependents when you become insured and later acquire a dependent or dependents, your dependent insurance will become effective on the date you acquire a dependent.

You name your own life insurance beneficiary and have the privilege of changing your beneficiary at any time.

Procedures For Presenting Claims For Benefits

All claim forms that may be needed to obtain benefits under the Group Insurance Program may be secured from the American Can Company who will be ready to answer questions about your benefits and to assist in filing claims.

You, or your beneficiary upon your death, will be given every possible assistance in filing for your benefits. The American Can employee at your location who administers the Group Insurance Program will be available to assist you or your beneficiary.

You, or your beneficiary, will be furnished with a claim form containing instructions that should be followed carefully. This will expedite processing the claim. All questions on the claim form should be answered fully, including the completion or attachment of any required information.

When the claim has been processed, you or your beneficiary will be notified of the benefits paid. If any benefits have been denied, you or your beneficiary will receive a written explanation.

Claims should be reported promptly to the person administering the Plan at your location. If you are absent from work you need not wait until you return to work to submit your claim. If possible, appropriate claim forms should be requested on your first day of absence.

Requesting A Review Of Claims Denied In Whole Or In Part

If there is any question about a claim payment, an explanation may be requested from the American Can Company, which is usually able to provide the necessary information.

In the event a claim has been denied in whole or in part, you or your beneficiary may request a review of your claim by the Insurance Company. Write to "Group Insurance Claims Review", at the address of the Insurance Company's office which processed the claim. You may submit any questions

or comments to the Insurance Company which you deem appropriate and may also request a review of any claim forms or other pertinent documents.

In your letter, you may want to state the reasons why you believe the claim was improperly denied.

The insurance Company will reevaluate all the information and you will be informed of their decision in a timely manner. If you are not satisfied with the Insurance Company's decision you may file a grievance under the Labor Agreement.

Coordination Of Benefits

Benefits under the Basic Hospital, Major Medical, Dental Expense and Vision Expense Plans will not duplicate benefits payable under any Other Group Plan in accordance with the conditions specified below.

For purposes of Dental Expense Benefits, Other Group Plan means either a group dental insurance or prepayment plan or a comprehensive medical insurance or prepayment plan providing dental benefits to which, in either case, an employer contributes at least 50% of the cost. For purposes of the other benefits provided under the Basic Hospital, Major Medical and Vision Expense Plans, the term Other Group Plan means any group plan for which an employer makes contributions or for which an employer provides any means of collecting contributions required of employees (including payroll deductions).

Benefits under this Plan are subject to reduction so that these benefits, together with any benefits payable under such Other Group Plans for allowable expenses, will not exceed 100% of the reasonable and customary charges for the services, as determined by the Insurance Company. In other words, the amount payable under the Plan shall be the amount of allowable expenses remaining unpaid after allowing for the benefits payable under the Other Group Plan, but not in excess of the amount which would be payable under the Plan if it were the primary plan. If the amount payable under this Plan, after allowing for the benefits payable under the Other Group Plan, is less than the amount which would be payable under this Plan if it were the primary Plan, the difference shall be credited to the employee's account to be applied to other allowable expenses in the future.

"Allowable expense" means any reasonable and customary charges to you or a dependent for health care services or non-occupational sickness or injury at least a portion of which is covered by at least one of the plans covering you or the dependent if the Group Plan provides services rather than cash benefits the reasonable cash value of each service will be considered an allowable expense and a benefit paid.

In determining benefits, the primary plan pays first.

If the Other Group Plan does not have a non-duplication or coordination of benefits provision it will be the primary plan.

If both plans have coordination of benefits provision the following rules apply:

1. The plan covering the patient as an employee is the primary plan.
2. If a child is covered as a dependent by more than one plan, the plan covering the child as a dependent of a male employee is the primary plan.
3. Where the determination cannot be made in accordance with (1) or (2) above, the plan which has covered the patient for the longer period of time is the primary plan.

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To obtain all benefits available, a claim should be filed under each plan covering you or the dependent.

For the purposes of this provision the Insurance Company may, without the consent of or notice to any person, release to or obtain from any other insurance company or other organization or person any information regarding coverage, expenses, and benefits which the Insurance Company considers necessary. Anyone claiming benefits under this Plan will be required to furnish to the Insurance Company any necessary information for purposes of this provision.

If an overpayment is made under this Plan because of failure to report other coverage or otherwise, the Insurance Company will have the right to recover such overpayment. If payments which should have been made under this Plan have been made under other plans, the Insurance Company will have the right to pay over to any organizations making such other payments any amounts it considers proper according to the intent of these provisions, and those amounts will be counted for all purposes as benefits paid under this Plan.

Who Is A Dependent

"Dependents" are (1) an employee's legal or common-law spouse, including a spouse who is a retiree of the Company, and (2) any unmarried child under 19 years of age of a male or female employee; however, in the case of a dependent child whose parents are both employed by American, the child shall be deemed a dependent of only one parent. The term "child" also includes any legally adopted child or any stepchild who resides in the employee's household, and any child supported solely by the employee and permanently residing in the household of which the employee is the head.

The term "dependents" also includes

1. unmarried children after attainment of age 19 but not beyond attainment of age 25, provided such child was insured prior to age 19, and is a full-time student in a recognized course of study or training, not employed on a full-time basis, and not otherwise covered for group insurance other than coverage restricted to students
2. unmarried children after attainment of age 19 while incapable of self-support because of a disability which commenced prior to age 19, provided such a child was insured prior to age 19 and is principally supported by the employee

Any person who is eligible for medical care insurance as an active employee of American is not included in the term "dependent". However, if both the husband and wife work for American and the employee Hospital or Major Medical protection of one spouse terminates for reasons other than maximum benefit payments, then that individual will be immediately covered for similar protection as a dependent of the other spouse.

What Happens When You Have A Disability

If you stop work because of non-occupational illness or injury, your Hospital Care and Major Medical coverages under this Plan will be continued in force during such disability up to a maximum period of 12 months from the date of disability or for a period of 24 months if you have had 2 or more years of accredited service at the date of disability. In the case of an employee who is absent due to physical disability and who is or will become eligible for an unreduced pension, such Hospital Care and Major Medical coverage will be continued until coverage under the Retired Group Insurance Plan takes effect.

Your life insurance will also be continued from the date you stop work and if you are still disabled at the end of either the 12 or 24 month period your life insurance will be continued until your regular retirement age as defined in the Pension Plan, provided proof is furnished annually of your inability to work because of such continued total disability. At regular retirement age your life insurance will be reduced in accordance with the schedule of reduction upon retirement shown on page 15.

In the case of an employee who is absent due to an occupational disability the continuance of insurance period referred to above will be increased to a maximum of 24 months, or a maximum of 48 months if the employee has 2 or more years service at date of disability. except that in no event shall such additional period of continuance be beyond the final payment of statutory compensation for such disability or after the end of the period used in calculating a lump sum payment

If you have 10 or more years of accredited service, and are deemed totally disabled and receive a disability Pension under the company Pension Plan, you will be eligible for the Hospital Care and Major Medical benefits within the limits described in the Retired Group Insurance Plan

What Happens When You Are Granted A Leave Of Absence

If you are granted a leave of absence for a period not exceeding 2 weeks, you will continue to be covered by all features of the Plan.

If your leave of absence exceeds 2 weeks, all of your insurance coverage, with the exception of life insurance, will be cancelled at the end of the 2 week period. Your life insurance only will be continued in force during an authorized leave of absence of 6 months or less starting with the 1st day of leave of absence. If your leave of absence is for a period longer than 6 months, your life insurance will be continued only for the first 6 months of leave of absence

When you are granted a military service leave of absence, your life insurance and all other coverages including dependent insurance will be cancelled as of the last day you work.

What Happens When You Are Laid Off

In case you are laid off and have less than 2 years of accredited service at the time of layoff, you will continue to be covered by all features of the Plan for a period of 2 weeks. After 2 weeks all coverage will be cancelled, except your life insurance which will continue in force not to exceed a total period of 6 months from the date of layoff.

If you have 2 but less than 10 years of accredited service, at the time of layoff, your Weekly Sickness and Accident coverage will continue for 2 weeks following date of layoff and you will be covered by all other features of the Plan for 6 months following date of layoff

If you have 10 or more years of accredited service at the time of layoff, your Weekly Sickness and Accident coverage will continue for 2 weeks following date of layoff and you will be covered by all other features of the Plan for 24 months following the date of layoff. If you are eligible or will become eligible for an unreduced pension, your coverage under the Active Group Insurance Plan will be continued until your Retired Group Insurance Plan becomes effective but in no event beyond the 1st of the month following 24 months of layoff

However, in order to avoid any duplication of benefits payable by reason of the layoff provisions indicated in the preceding paragraphs benefits other than life insurance, under this Plan will be reduced by any similar benefits paid under another employer Group Insurance or Group Prepayment Plan.

In The Event Of Your Death

Employees Whose Spouse Is Eligible To Receive A Spouse's Survivorship Benefit. If at the time of your death your spouse is eligible to receive a Spouse Survivorship Benefit under the Pension Plan, coverage under the Group Insurance Plan for such spouse and any covered dependent will be continued to the end of the 8th month following the month in which you died.

What Happens If You Should Leave American

If you should leave American, all of your insurance coverage will be cancelled at the time of quit, discharge or the receipt of severance pay.

What Happens If Your Insurance Is Cancelled

Whenever your insurance is cancelled, the following provisions apply:

Life Insurance: Whenever your life insurance is cancelled your protection will continue for 31 days from date of cancellation. During that 31-day period you have the privilege of converting to individual life insurance. See page 14.

Weekly Sickness And Accident Coverage: Whenever your Weekly Sickness and Accident coverage is cancelled, any claim for such benefits which was incurred before such cancellation will not be affected. This coverage is not convertible to an individual policy.

Hospital Expense, Extended Care Facility, Home Health Care and Approved Rehabilitative Facility Insurance: Whenever your insurance is cancelled, any claim for benefits or services incurred before such cancellation will not be affected. If at the date of cancellation you or a dependent are totally disabled as a result of injury or sickness and while still so totally disabled and within 31 days after cancellation of your insurance become confined in a legally constituted hospital, Extended Care Facility, Approved Rehabilitative Facility or receive Home Health Care services you will be entitled to whatever benefits or services to which you were entitled if your insurance had not been cancelled. Immediate transfers among an accredited hospital, an accredited Extended Care Facility, and the home while undergoing Home Health Care will be considered as one period of confinement for this purpose.

Conversion privilege does not apply to the above coverages

Major Medical Expense Benefits: See provision on page 31. Conversion privilege does not apply to Major Medical.

Dental Expense Insurance: Whenever your insurance is cancelled, any claim for dental services incurred before such cancellation will not be affected.

In addition, charges for a denture (including bridges and crowns) will not be affected if the denture is fitted and ordered while the person's coverage is in force and is delivered to the person prior to the date coverage is terminated or within 60 days thereafter.

Vision Expense Insurance: Whenever your insurance is cancelled, any claim for vision expenses incurred before such cancellation will not be affected.

In addition, charges for lenses and frames will not be affected if they are ordered while the person's coverage is in force and they are delivered to the person prior to the date coverage is terminated or within 60 days thereafter.

Reinstatement Of Insurance

If you are returning from layoff, leave of absence, military service leave of absence or are returning because of recovery from a total disability and your seniority was not broken but your insurance was cancelled, all of your insurance coverage is reinstated on the day you return to work.

If you were discharged or quit, and are re-employed, you will become insured on the first of the month following the date of re-employment, provided you are at work on that date. If you are not at work on that date, your insurance will become effective on the date you return to work.

Coverage After Retirement

When you retire from active service under the company Pension Plan, you will be covered by the Life insurance, Hospital and Major Medical benefits within the limits described in the Retired Group Insurance Plan. This will also be true if you become totally disabled and qualify to receive a disability pension under the company Pension Plan. Employees who have a deferred vested right or who have exercised such a right under the company Pension Plan are not eligible for the Retired Group insurance Plan benefits. See pages 44 and 45.

LIFE INSURANCE

Life Insurance Before Retirement

The amount of your group life insurance, while you are insured and before regular retirement age, is determined by your base earnings. See page 14 for detailed schedule of life insurance coverage.

In the event of your death from any cause, your insurance will be payable to your designated beneficiary in a lump sum. If you prefer alternatives to a lump sum, there are also various settlement options available. If you have not made an election of any of these options, upon your death your beneficiary may choose to receive the insurance proceeds under any one of the options which the Insurance Company offers. If your estate is your beneficiary, payment will be made in a lump sum.

Your Life Insurance Beneficiaries

When you become insured, you may name any beneficiary or beneficiaries you choose. If you name more than one beneficiary, you should show how the Insurance is to be divided among them; such as in "equal shares," or in whatever share you want it divided.

You can change your beneficiary at any time, subject to restrictions imposed by the provincial laws.

It is important to remember that in case one of more of the beneficiaries designated by you should die, you should then promptly name a new beneficiary. If your name, or the name of your beneficiary is changed for any reason, you should immediately arrange for the necessary change on company records. Do this by notifying your General Supervisor, Employee Relations, or the person in charge of the insurance program at your location, who will furnish you with the necessary forms.

In the event of your death, if there is no designated beneficiary, the amount of your insurance will be payable to your estate.

Definition Of Base Earnings

"Base earnings" means average weekly straight time earnings including earnings resulting from incentive or piece work systems and shift premiums, but excluding pay for overtime.

Amount Of Insurance

The amount of life insurance when you first become insured will depend on your base earnings for the first full scheduled week of employment in the calendar month preceding the date on which your insurance will become effective. If you did not work a full scheduled week in such preceding month, then your base earnings will be calculated on the week of such preceding month in which you worked the most days by determining the average straight time hourly rate for the days worked and multiplying by the number of regularly scheduled hours in the week not to exceed 40 hours. Thereafter, changes in the amount of your life insurance will be computed on your average weekly base earnings for the preceding calendar year. Any such changes in the amount of your insurance will become effective the next March first if you are then at work; If not, then when you return to work.

Life Insurance After Retirement

Employers will be eligible for continuation of the basic group life insurance in reduced amounts under the Retired Group Insurance Plan if they retire under the company Pension Plan with at least 10 years of accredited service.

If you meet the eligibility requirements of the Retired Group Insurance Plan, then upon your retirement, or upon attainment of age 62 if you retire early or are receiving a disability pension, the amount of your life insurance will depend on your years of accredited service at the time of your retirement. See page 15.

In the event of your death at any time during the 31 day period following your Regular Retirement from active service because of age (as Regular Retirement Age is defined in the Pension Plan), the amount of your life insurance in effect prior to your retirement will be paid to your beneficiary.

Conversion Privilege

When your life insurance coverage is cancelled under this Plan, it does not mean that you must lose your life insurance protection. You may arrange with the Metropolitan Life Insurance Company to continue your life insurance under an individual policy, without medical examination, provided you apply for it within 31 days after cancellation.

The individual life insurance policy will be issued upon one of the forms of policies, then customarily issued by the Insurance Company for life insurance only, without disability or accidental means death benefit, at the rate for your class of risk and age at that time. If such application is made prior to your 65th birthday, the individual policy may be on a term providing term insurance to age 65 and, in any case, the policy may, at your option, be preceded by term insurance for a period of one year.

In case of your death at any time during the 31 day period after your group life insurance is cancelled, your American Can life insurance will be paid to your beneficiary. For this reason, the Insurance Company Individual policy will not become effective until after the 31 day period has expired.

LIFE INSURANCE BENEFITS

Benefits for Insured employees prior to retirement

EMPLOYEE'S BASED EARNINGS					
Earnings Group	Monthly		Weekly		Life Insurance
	At Least	But Less Than	At Least	But Less Than	
1	\$	\$ 329 34	\$	\$ 76 00	\$ 9,900
2	329 34	381 34	76 00	88 00	11,200
3	381 34	433 34	88 00	100 00	12,400
4	433 34	500 00	100 00	115 39	14,000
5	500 00	550 00	115 39	126 93	15,200
6	550 00	600 00	126 93	138 47	16,400
7	600 00	650 00	138 47	150 00	17,600
8	650 00	700 00	150 00	161 54	18,800
9	700 00	750 00	161 54	173 08	20,000
10	750 00	or over	173 08	or over	22,000

The following life insurance benefits are provided under the Retired Group Insurance Plan

Length Of Accredited Service At the Time Of Retirement	Amount of Life Insurance After Retirement
25 or more years	50% of the amount in effect on the last day of work prior to retirement
15 but less than 25 years	25% of the amount in effect on the last day of work prior to retirement
10 but less than 15 years	\$2,500
less than 10 years	None

Note: 1) For early retirement under the company Pension Plan, full coverage continued to age 62, when it will be reduced as noted above.

2) For those totally disabled prior to regular retirement age but not eligible for a Company Pension, full coverage to age 62, when it will be reduced to \$1,375.

.WEEKLY SICKNESS AND ACCIDENT BENEFITS

Benefit Provisions

Weekly Sickness and Accident Benefits will be paid to the employee if he is disabled by a non-occupational sickness or accident in accordance with the definition of disability outlined in the next following paragraph. Claims for such benefits must be filed with the Employee Relations Department in accordance with the procedures established for such filing, including the procedures outlined on page 20.

For the first 52 weeks, an employee will be considered disabled if he is unable, as a result of non-occupational sickness or accident, to perform the duties of his employment and is under the care of a licensed physician.

For all weeks beyond the 52nd week, an employee will be considered disabled for the purposes of this Plan only if he is, or would upon proper application, be eligible to receive Disability Income Benefits under the Canada/Quebec Pension Plan (or other Provincial Plan if any).

When an employee is an Organ Transplant Donor, his absence from active work in connection with such transplant shall, for the purpose of determining eligibility for Sickness and Accident Benefits, be considered absence because of total disability due to sickness. However, in no event will disability be construed as commencing prior to the date of confinement in the hospital.

Benefit payments shall commence with the 1st full day of disability due to an accident, or with the 8th consecutive day of disability due to sickness and will continue for the applicable maximum duration as provided below for any one continuous period of disability whether from one or more causes, or for successive periods of disability due to the same or related cause or causes. However, if an employee returns and works or is available for work for 3 months or more following any disability and is disabled again for the same or related cause or causes, he qualifies for a full new disability period.

Benefits will be paid beginning with the 1st day of hospital confinement due to sickness if earlier than the 8th day of disability. Confinement is defined as a period of 18 hours or more.

The term "non-occupational sickness or accident" means any sickness or accident for which benefits are not payable under any worker's compensation or occupational disease law or any accident not arising out of or in the course of any employment.

The first day of disability is the day non-occupational sickness or accident occurs unless the employee has been paid by the Company for that day, in which case it is the following day.

Amount And Determination Of Sickness & Accident Benefit

An employee's Weekly Sickness and Accident Benefit will be determined by converting his vacation rate to a Job Class equivalent in earnings and applying that Job Class equivalent to the following schedule. If the conversion falls between Job Classes the next highest one is used. For this purpose, the "vacation rate" means the last calculated hourly earnings for vacation Purposes adjusted to exclude the effect of overtime. Saturday and Sunday premiums and to reflect the effect of any intervening general wage change.

Hourly Job Class	Weekly SBA Benefits Effective		
	3-1-11?	3-1-82	3-1-83
1-4	\$ 194	\$ 212	\$ 235
5-7	203	222	246
8-10	211	230	254
11-13	220	240	265
14-16	229	250	276
17-19	237	258	284
20 and Above	246	268	295

the increased Weekly Benefits as of March 1, 1981, March 1, 1982 and March 1, 1983 respectively. shall become effective for new periods of disability absence provided the employee is not on layoff or leave of absence including disability leave and eligible for such coverage on those respective dates, otherwise such increased benefits will become effective on the first day such employee returns to work after such date.

Notwithstanding the provisions of the Schedule of Weekly Sickness and Accident Benefits set out above, the benefits shall not be less than those required for registration under the Federal Unemployment Insurance laws in order to qualify under the Federal Unemployment Insurance laws. The cost, if any, of such qualification shall be borne by the Company. The amount of the reduction in payroll taxes or other equivalent credit as a result of such qualification shall be retained by the Company and used to help meet the costs of benefits under this Agreement.

The amount of Weekly Sickness and Accident Benefits otherwise payable will be reduced for each week of disability by the amount of any primary disability benefits under the Canada/Quebec Pension Plan or any other Provincial Plan which the employee is entitled to receive or could become entitled to receive by making proper application, except that no reduction for such unreduced primary Governmental benefits will be made for the first 26 weeks of Sickness and Accident Benefits during any one continuous period of disability. At age 65 the amount of Sickness and Accident Benefits will be reduced by the amount of the Governmental benefit which the employee would have received had application for such benefits been made at age 65, provided, however, that no such reduction will be made for the first 26 weeks of Sickness and Accident.

Expenses for legal fees incurred by an employee in appealing a denial of Governmental Disability Benefits will be subtracted from the amount of Governmental Disability Benefits to be otherwise deducted from Weekly Sickness & Accident payments to the extent such legal fees (re approved by the Governmental Administration and certified on the appropriate Governmental Administration form.

If an employee furnishes to the Company written proof that, not later than the 15th week of disability, he has applied for disability benefits under the Governmental plans and does not receive such benefits when they are initially due, full Weekly Benefits will be continued until the earlier of (a) the date such Governmental benefits to the Employee commence, or (b) the date 34 weeks of Weekly Benefits have been paid, provided:

1. The employee agrees to reimburse the Company or the Insurance Company to the full extent of the Government Benefits payable to him, including any retroactive benefits, against which such advance payments were made:

2. Advances will not be made unless the employee signs an **agreement for such reimbursement**;
3. **Reimbursement** can be obtained
 - a. **from** the employee directly, or
 - b. **from** any subsequent Weekly Sickness and Accident Benefits payable to the employee, or
 - c. **from the wages of the employee** should he resume active work before **reimbursement is complete, to the extent permitted by law, and**
4. The employee authorizes **the Governmental Administration** to release relevant information **to the Company regarding the status and the amount of his claim for disability or old age benefits.**

Maternity Limitations:

No disability benefits are payable for a period of pregnancy leave of absence in accordance with the following:

- A. Employee **entitled** to pregnancy leave of absence in accordance with applicable provincial statutes.

No **benefits** are payable for any period of pregnancy leave of absence requested by **the employee** and granted by the employer in accordance with any existing provincial statute or during any period an employee could be placed on such pregnancy leave by the employer in accordance with the pregnancy leave provisions of the applicable provincial statute.

- B. Employees not **entitled** to pregnancy leave of absence in accordance with provincial statute.

No **benefits** are payable for any period that an employee is on pregnancy leave of absence as **defined in this Contract or any period during which** an employee could be placed on such pregnancy leave by the employer.

For insurance purposes hereunder, pregnancy leave of absence is defined as a period of time

- (a) which commences

- (1) on the date of leave of absence from work or

- (2) 10 weeks before the week in which confinement is expected whichever is later and

- (b) which terminates

- (1) 6 weeks after the week of delivery or

- (2) 14 weeks after the first week for which maternity benefits are claimed and payable under Section 30 of the Unemployment Insurance Act — Canada, whichever is later.

- C. No disability benefits are payable during any period of pregnancy leave of absence that is greater than the period provided for under A and B above. **if an employee is entitled to and has applied for such greater period of pregnancy leave of absence under any term of contract of employment; oral or written, express or implied, that prevails over A and B above.**

The benefits will be paid provided coverage has not been suspended due to absence from work which does **not** break the employee's **continuous service.**

Maximum Duration Of Benefits

The maximum duration of benefit payments for employees with less than 2 years of accredited service at commencement of disability absence shall be 52 weeks, provided that, if the employee has less than 26 weeks of accredited service, the period for which benefits are payable shall not exceed the number of full weeks of accredited service the employee had on the date of commencement of disability absence subject to a minimum of 15 weeks duration

The maximum duration of benefit payments for employees with 2 or more years of accredited service at commencement of disability absence shall be 104 weeks. However, an employee who has completed 10 years or more of accredited service at commencement of disability absence shall continue to receive Weekly Disability Benefits as long as he is disabled until the first day of the month (after completion of 104 weeks of benefit payments) as of which the employee is, or upon proper application would be, eligible to start receiving an unreduced pension under the Pension Plan

Notwithstanding the above, an employee who is eligible for a pension may elect to retire prior to the expiration of 104 weeks of benefit payments. If he so elects, Weekly Disability Sickness and Accident Benefits will not be payable after the date of retirement

Change In Coverage

Upon completion of 26 weeks or 2 years of accredited service, the applicable increased durations will become effective provided the employee is not on layoff or leave of absence including disability leave otherwise upon the employee's return to work

In the event of a recurrence of a disability that commenced prior to the effective date of the employee's increase in duration the maximum period shall include the number of weeks for which the employee received benefit payments for such prior period

A general and uniform change in wage rates will not affect the amount of benefit

Supplemental Benefits

Weekly Sickness and Accident Benefits will also be paid in an amount of any difference that may exist between the benefits paid or payable for time lost from work which an employee receives under worker's compensation (or occupational disease laws) for sickness or accident which occur while he is at work for the Company and the benefits to which he would be entitled for non-occupational sickness or accident under this Plan

The first day of disability is the day the occupational sickness or accident occurs unless he has been paid by the Company for that day, in which case it is the following day

In those provinces which have retroactive waiting periods, an employee absent for a specified minimum number of days will receive worker's compensation benefits commencing with the first day of disability. Should an employee be absent less than the specified minimum number of days to satisfy the retroactive waiting period, upon his return to work he will receive the required additional benefits in order to make the combined payments equal to that which he would have received for a non-occupational disability

These supplemental benefits are subject to the same maximum periods determined by accredited service as provided for non-occupational sickness and accident benefits.

If an employee is otherwise entitled to non-occupational Weekly Sickness and Accident Benefits and there is a dispute as to his entitlement to payments for which he is making claim pursuant to any worker's compensation or occupational disease law, the Sickness and Accident Benefits shall be paid in full if satisfactory arrangements are made to assure that any overpayment of sickness or accident benefits which may result by virtue of his success in pursuing such claim shall be reimbursed by the employee. Such arrangements shall include the execution by the employee of necessary documents authorizing the deduction of any such overpayment from any payments becoming due as a result of such claim or, to the extent permissible by law, from any amount payable to the employee by or on account of the Company, including wages and Group Insurance benefits.

Claim Payments

The payment of Sickness and Accident Benefits is an obligation of the Company, but the Company has the right to provide for administration of payment by an Insurance Company. Claims will be administered by the Metropolitan Life Insurance Company, which is the Insurance Company referred to in this Plan. The Insurance Company will have the responsibility for evaluation and payment of claims hereunder based upon information contained in prescribed claims forms, and the Insurance Company shall have the right to require such information as may be reasonably necessary to properly evaluate a claim.

In those cases where (i) the completed claim form is not first submitted within 21 days after the commencement of disability, and (ii) the Company has not received written notice of the employee's disability within 21 days after the commencement of disability, benefits will be paid for all covered disability days only if it can be established that a covered disability existed during that period. If the Insurance Company finds, after due investigation, that due to the delay in filing the claim, it is unable to establish such prior disability, benefit payments will not be made for any days prior to the date as of which such disability can be so established.

Non-Alienation

No benefits shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution or encumbrance of any kind, except as specifically provided herein with respect to advances made against Governmental Disability Benefits or worker's compensation benefits and any attempt to accomplish the same shall be void.

Death Or Incapacity

Any benefits to which an employee may become entitled shall be payable only to him, except that if after becoming entitled to benefits, but before they are paid, he dies or becomes unable to manage his affairs for any reason, any benefits then payable to him shall be paid to his duly appointed legal representative.

Tax Withholding

Any Sickness and Accident Benefit an employee is entitled to receive will have deducted from it any amount which is required to be withheld by reason of any law or regulation of any government.

Weekly Benefit Determination For Part-Time Employees

When computing a benefit for a part-time employee, the benefit determined from the Schedule of Benefits will be multiplied by the ratio which the number of hours in his normal work week bears to 40.

Cessation Of Coverage

The Weekly Sickness and Accident Benefits coverage shall cease on the date of termination of employment with the Company or upon expiration of the maximum number of weeks for which Weekly Sickness and Accident Benefits are payable on account of the employee's disability. The coverage will be reinstated upon the employee's return to active work with the Company.

In the event of layoff or leave of absence this coverage will be continued for a period of two weeks from the employee's layoff or leave date. Cessation of an employee's coverage shall not affect any claim incurred before such cessation.

Governmental Legislation

Where provincial or federal laws provide for benefits similar to those provided under this coverage, the Company will attempt to qualify this program, and will endeavor to arrange at the employees' expense to furnish such additional benefits as may be required by such laws. If this program is not qualified, the benefits hereunder will be adjusted to the extent the benefits provided by law duplicate them, and the Company will pay for the costs of such benefits up to the benefit levels provided herein, and the cost of added benefits will be paid by the employees. It is the intent of the Agreement that the total cost of Weekly Sickness and Accident Benefits to the Company shall be no greater proportionately for employees in provinces having statutory insurance plans than for employees in provinces not having statutory plans.

Reports To The Union

The Company will provide the Union with information on the forms agreed to by the parties and at the times indicated thereon, and such additional information as will reasonably be required for the purpose of enabling the Union to be properly informed concerning the operation of Weekly Sickness and Accident Benefits.

BASIC HOSPITAL AND PROVINCIAL MEDICAL CARE PLANS

In most families, medical expenses occur more frequently than any other non-routine expense. Your Plan is designed to work together with Government Plans to provide complete medical care coverage which will protect you and your family in most situations.

Your Plan provides substantial protection which is over and above that provided by your Provincial Medical Care Plan. Of course, it covers both you and your dependents.

The specific benefits in your group Medical Care Plan are: Supplementary Hospital, Extended Care Facility, Home Health Care and approved Rehabilitative Facility Coverage, Basic Medical Coverage and Major Medical Coverage.

Plan Benefits

The benefits of your Medical Care Plan can best be assessed when they are considered in conjunction with Provincial Medical Care coverages, because they take care of expenses (to the extent permitted by law) which are above and beyond those covered by the Government Plans. Let us see how these plans complement one another to form a complete Program of Protection.

Provincial Medical Care Coverages

With the assistance of the Canadian Government, each Province has established Provincially administered Medical Care Benefits.

Perhaps the most noticeable difference between the various Provincial Plans is the financing by each Province of that portion of the total cost which is not paid for by the Canadian Government. In some Provinces, the premium based on family status is charged to each resident; in other Provinces, payment is in the form of increased sales taxes or other form of taxation; while in others, the Plans are financed by a combination of the two.

There is some difference in coverage from Province to Province, but in general the protection provided is similar. Your Medical Care Plan is designed to provide benefits over and above those already provided by the Provincial Plans.

Hospital Coverage

(1) PROVINCIAL HOSPITAL BENEFITS — Covers the following expenses:

- (a) unlimited ward accommodation,
- (b) all normal hospital services while confined;
- (c) certain required out-patient services

(2) YOUR HOSPITAL, EXTENDED CARE FACILITY, HOME HEALTH CARE AND APPROVED REHABILITATIVE FACILITY COVERAGE — Provides coverage for the following expenses

- (a) for semi-private accommodation, the amount charged by the hospital which is over and above those expenses paid under a Provincial Plan;
- (b) for private room accommodation, Hospital Coverage will supplement the Provincial Plan benefits up to the hospital's most common semi-private room rate which is over and above those expenses paid under a Provincial Plan.

(c) for out-patient care, even when you or a dependent is not confined, Hospital Coverage will supplement Provincial Plan benefits to provide, from both sources, full reimbursement, to the extent permitted by law, of costs of

surgery,
treatment commencing within 72 hours for injuries due to an accident,
radiation therapy,
ultrasound (when used as a substitute for X-rays with films),
electro-myography, pulmonary function testing,
psychiatric care, and
chemotherapy treatments

Emergency Accident Services

Your Plan will cover out-patient care in an accredited hospital for treatments beginning within 72 hours for injuries due to an accident and will also cover on a reasonable and customary basis treatments beginning within 72 hours for injuries due to the accident when given by a physician in his office or a clinic

Ambulatory Surgical Facility

If you receive surgical services in an approved Ambulatory Surgical Facility as determined by the Insurance Company, benefits are provided for operating room, recovery room and other hospital-type facility charges. Before you or your dependent undergo treatment in an Ambulatory Surgical Facility, you should ask your Employee Relations Representative whether such facility has been approved

Kidney Dialysis

Benefits are payable for a program of hemodialysis (use of an artificial kidney machine,) approved by the Insurance Company, whether in the out-patient department of a hospital, in a Kidney Dialysis Facility, or in the home. Benefits are also payable for the reasonable and customary charges, for rental of equipment, service and supplies rendered or used in the home in connection with the program. The term "Kidney Dialysis Facility" means a facility, approved by the Insurance Company, which is engaged in administering programs of hemodialysis. Before you or your dependent undergo treatment in a hemodialysis program and Kidney Dialysis Facility, you should ask your Employee Relations Representative whether such program and Facility have been approved

Duration Of Hospital Benefits

The Hospital Benefits are payable for as long as 365 days, or if you have 10 or more years of accredited service, 730 days.

Extended Care Facility

Confinement in an Extended Care Facility is limited to 365 days. Periods of confinement are covered only if the patient is under the actual care and treatment of a physician.

Confinement must be in an accredited Extended Care Facility which is an institution operated solely to provide convalescent care for illness or injury, psychiatric conditions (including mental illness or incompetency) or treatment of a terminal condition.

The Extended Care Facility must meet such standards as required by the provincial health care plan to be recognized for a provincial plan daily allowance.

Full **payment** will be made for ward or **semi-private** charges (for private room, up to the most common **semi-private** room charges will be allowed).

No benefits are payable for care in homes which exist primarily for care of alcoholics, drug addicts, the blind, the deaf, the mentally **deficient**, or persons suffering from **tuberculosis** or care for **mental** illness, **other than** for short **term** care where the prognosis for recovery or improvement is considered favorable.

Also **excluded** are government and **publicly financed** institutions, home for the aged or **senile**, and homes **financed** by charitable funds where no charge is made.

All periods of **Hospital** or Extended Care Facility confinements **due to the** same or related cause or causes are considered as one continuous period unless separated by a **three-month** interval.

Home Health Care

Your Group Insurance Plan will provide **Reasonable** and Customary Home **Health** Care **benefits** for you or a dependent, for up to **100** visits in a calendar year by an approved Home Health Care Agency. Benefits will be paid to the Home Health Care Agency if you authorize such payment on the claim **form**.

Home Health Care means:

- part-time or **intermittent** nursing care by or under the supervision of a **registered professional nurse (R.N.)** or a licensed **practical** nurse.
- part-time or intermittent home health aide services which **consist** primarily of caring for the patient.
- physical therapy, occupational **therapy**, speech therapy, respiratory therapy, medical social services, **nutritional guidance** and hemodialysis, oxygen and its **administration** and diagnostic services.
- medical **supplies**, drugs and medications prescribed by a physician, and laboratory services by or on behalf of a hospital, **to the** extent such items **would** have been covered under the Hospital Services Benefits provisions **of this Plan** if the **patient** had remained in the hospital.

Home **Health** Care must be rendered in the patient's home by a Home Health Care Agency, according to a Home Health Care Plan, **following** a period of hospital **confinement** or Extended Care Facility confinement as a registered bed patient for which benefits were payable under the **Daily** Hospital Benefits or Extended Care Facility provisions **of this Plan**. The Home Health Care **must** be for the **same cause** or a cause related to the **one** for which the patient was so confined.

in **determining** Home Health Care Benefits, each **visit** by a member of a Home Health Care team **will be considered** as one Home Health Care visit, and **4** hours of home health aide service will be considered as one Home **Health** Care visit.

Home Health Care Agency means either:

- a hospital that has a valid operating **certificate** issued in accordance with a provincial health plan or a **law of similar** intent that authorizes the hospital to provide Home Health Care, or
- a Home **Health** Care organization or agency that has a valid certificate

issued in accordance with such a provincial health plan, or similar legally valid credential) authorizing the organization or agency to provide Home Health Care

Home Health Care Plan means ■ program established and approved in writing by a physician within a reasonable period of time following the end of a period of hospital or extended care facility confinement as ■ registered bed patient, together with the physician's certification that the medical condition of the patient as a bed patient in a hospital or Extended Care Facility in the absence of the services and supplies provided as part of the Home Health Care Plan

Exclusions

No benefits will be payable for the following

- (a) Services or supplies not included in the Home Health Care Plan,
- (b) Services of a person who ordinarily resides in the patient's home or is a member of the patient's family,
- (c) Services and supplies not related to medical care or treatment,
- (d) Services rendered in any period during which the patient is not under the continuing care of a physician.
- (e) Custodial care (Custodial care is that type of care needed primarily to help people meet the needs of daily living such as assistance in bathing, dressing or eating. When meeting these needs is the primary purpose of the care being furnished and is not medically required, it is custodial care).
- (f) Services or supplies for which benefits are otherwise provided under the Basic Plan,
- (g) Services or supplies provided under the Provincial Medical Plan or where the Provincial Plan prohibits payment of all or part of such benefits,
- (h) Services or supplies rendered or received after Home Health Care coverage for the patient has stopped

Approved Rehabilitative Facility

Most charges are paid in full for confinement in an approved Rehabilitative Facility for treatment of alcoholism or drug addiction for up to 4 weeks. However, when the physician in charge and the insurance company agree that treatment beyond 28 days is required, benefits may be continued. Confinement must be on the recommendation and approval of a physician and each day in an approved Rehabilitative Facility will be charged as one day against available supplemental Hospital Room and Board duration

All periods of hospital or Extended Care Facility confinements due to the same or related cause or causes are considered as one continuous period unless separated by a 3 month interval.

Medical Coverage

- (1) **PROVINCIAL MEDICAL CARE BENEFITS** — Cover all types of physicians' services. These include but are not limited to:
 - (a) doctors' visits at hospital, home or office;
 - (b) surgical procedures;

- (c) diagnostic tests; and
- (d) specialists' fees.

The physician is paid a fee for his services which is based on a Province-wide schedule of fees developed by the doctors themselves. In most Provinces, the law prohibits a private plan from paying doctors' charges that are in excess of the amount allowed under Provincial Medical Care.

- (2) **YOUR BASIC MEDICAL COVERAGE** — This plan may provide Supplementary Medical benefits on a "reasonable and customary" basis for services which are not covered, in whole or in part, by Provincial Plans, where not prohibited by law. Likely areas to be covered by this Plan are the following, **provided they are recommended by a physician:**

- (a) ~~Oral dental surgery when performed by a physician or Doctor of Dental Surgery for surgical removal of impacted teeth, dental root resection, alveolectomy (area occupied by not less than six teeth), excision of cyst attached to or containing a tooth;~~
- (b) Hydrotherapy or physiotherapy provided outside of a hospital when performed or ordered by a physician;
- (c) For psychological testing by a registered or licensed psychologist, the Plan will pay 85% of the "reasonable and customary" charge for such testing up to a maximum benefit of \$50.00 per individual for services received during the immediately preceding 12 month period;
(A psychologist means a person who holds a recognized degree in clinical psychology and who performs such services in accordance with any laws of the Province in which such services are rendered).
- (d) Physicians' charges in excess of those payable under your Provincial Plan for surgical or in-hospital services received outside your Province of residence;
- (e) Chemotherapy (for malignancies and other serious disorders)

Coverage For Organ Transplants As Follows:

When a human organ, bone, bone marrow or tissue transplant requiring the surgical removal of the donated part from a living donor is performed, benefits will be payable, to the extent permitted by law, as follows:

Disability Income Benefits — When you are the donor, your absence from active work in connection with such transplant shall be considered a disability absence under the Weekly Disability Income Plan on and after the date of confinement in the hospital.

Hospital And Medical Care Benefits — When the recipient and donor are both covered under this plan, or when the donor is covered but the recipient is not covered under the Plan:

- benefits for expenses incurred by the donor or covered recipient for Daily Hospital Benefits, Special Hospital Services and Surgical-medical services in connection with such transplant shall be paid under this Plan, to the extent that benefits for such expenses are not provided under any Other Group Insurance or Group Prepayment Plan, and
- expenses incurred by the donor or covered recipient shall be considered expenses incurred as a result of sickness to the extent that such expenses otherwise qualify under this Plan as Covered Expenses for Major Medical

Benefits, and benefits are **not** provided therefor under **any Other Group Insurance or Group Prepayment Plan**

When the recipient is covered under this Plan **but** the donor is not covered.

- expenses for Daily Hospital Benefits, Special Hospital Services and Surgical-nedural services **received by the donor in connection with** such transplant **will be** considered expenses at **the recipient** to the extent that **benefits** for such expenses are **not** provided under any **Other Group Insurance or Group Prepayment Plan**, and
- expenses **attributable to the donor** shall be deemed to be expenses of the recipient to the extent that such expenses otherwise qualify under the Plan as Covered Expenses for Major Medical Benefits, and benefits are **not** payable therefor under any Other Group insurance or Group Prepayment Plan

Limitations And Exclusions

No benefits are payable to fees charged for the following

1. Services from **any** government agency which are, or to the extent such services may be, obtained without cost to the individual by **compliance with laws or regulations** enacted by any federal, provincial, municipal, or other governmental body;
2. Hospital services or dental services (except oral surgery as specifically provided);
3. Operations for cosmetic or beautifying purposes; however, this exclusion **will not apply to the correction of (a) congenital impairments of dependent children who are covered under the Plan on the date the service is performed, or (b) conditions resulting from accidental injuries or surgical scars provided such conditions began when you or your dependent was covered under a Company Medical Plan.**

MAJOR MEDICAL EXPENSE BENEFITS

Benefit Provisions

If, as a result of illness or injury, an active employee or dependent incurs Covered Medical Expenses, as described below and while insured for Major Medical Expense Benefits, the employee will be paid a benefit equal to 80% of the amount by which such Expenses for all illnesses or injuries during any one calendar year (January 1 — December 31) exceed the sum of:

- (a) Any benefits payable for Covered Medical Expense under the Company's Basic Group Insurance Plan, and
- (b) A deductible amount of \$50 of Covered Medical Expenses for which no benefits are payable under the Program for the employee or a dependent or a deductible amount of \$100 of Covered Medical Expenses for which no benefits are payable under the Program for the employee and all dependants.

In applying the above deductible provisions:

- (e) If the employee and one or more dependents, or if two or more dependents, incur Covered Medical Expenses as a result of the same accident, only one \$50 deductible amount will be applied against such expenses during the calendar year in which the accident occurs.
- (b) If Covered Medical Expenses incurred during the last three months of any calendar year are used to satisfy all or part of the deductible amount for that year, they may also be used to satisfy all or part of the deductible amount for the next calendar year.
- (c) If the employee's spouse is also covered under the Active Group Insurance Plan as an employee, such spouse will be deemed a dependent under the Major Medical Expense Benefits coverage for the sole purpose of determining the deductible amount applicable to the employee and all of the employee's dependents.

Maximum Benefit

The maximum benefit for an individual is \$30,000 for any one calendar year and \$50,000 for a lifetime.

To be eligible for these benefits, it is not necessary to be confined in a hospital, or to your home, or to undergo a surgical operation.

Covered Medical Expenses

The term "Covered Medical Expenses" means the reasonable and customary charges, as determined by the Insurance Company. Incurred by the employee or a dependent for the following types of medical services, supplies, and treatments which are performed or prescribed as necessary by (i) a licensed physician, (ii) a dentist with respect to service of a dentist for which benefits are payable under the Program, or (iii) a licensed podiatrist with respect to the services of a podiatrist for which benefits are payable under the Program:

- (a) Services of licensed physicians received outside the province of residence of the person to whom the service is rendered;
- (b) Services of dentists to the extent necessary for correction of damage caused by an accident occurring while covered for major medical expense benefits of the Program and not covered under the dental plan;
- (c) Services of licensed podiatrists (see exclusion (k) of Expenses Not Covered);

- (d) Hospital room and board charges up to the hospital's maximum semi-private rate. When a private room is used because of medical necessity, the excess of the private room rate over the hospital's maximum semi-private room rate will be considered a Covered Medical Expense. Private rooms will be considered medically necessary when either (1) the patient's condition requires him to be isolated for his own health or that of others, or (2) the facility has no semi-private or less expensive accommodations, or all such accommodations are occupied, and the patient needs hospitalization immediately — that is, in-patient treatment cannot be deferred until less expensive accommodations become available. If a private room is not medically necessary, the hospital's maximum semi-private room rate is used;
- (e) Other hospital services required for medical or surgical care or treatment;
- (f) Anesthetics and the administration thereof;
- (g) Diagnostic x-ray and laboratory procedures;
- (h) X-ray and radium treatments and chemotherapy;
- (i) Oxygen and its administration;
- (j) Blood transfusions, including cost of blood and blood plasma to the extent it is not donated or replaced through a blood bank or otherwise;
- (k) Services of a qualified physiotherapist;
- (l) Services of a registered graduate nurse (R.N.), other than a nurse who ordinarily resides in the employee's home or who is a member of the employee's immediate family;
- (m) Services of a registered nursing assistant (R.N.A.) or licensed practical nurse (L.P.N.), other than a nurse who ordinarily resides in your home or who is a member of your immediate family, provided the physician in charge of the case certifies that such services are necessary; However, the covered percentage will be 50% instead of 80% for all such services in excess of 240 hours in any calendar year rendered to you or a dependent outside a hospital.
- (n) Prescription drugs and prescription medicines dispensed by a licensed pharmacist;
- (o) Immunization injections except any such injections received solely for the purpose of travel outside Canada;
- (p) Local professional ambulance services;
- (q) Rental of iron lung or other durable equipment required for therapeutic use; (In any case where durable medical equipment is needed for long term care, the employee should inquire of the Insurance Company through the General Supervisor of Employee Relations as to whether the purchase of such equipment would be covered.)
- (r) Artificial limbs or other prosthetic appliances (including dental appliances with respect to services described in (b) above) except replacement of such appliances;
- (s) Any medical services, supplies and treatments for which benefits are provided under your "Basic Plan" for Hospital, Physician's Services and related expenses (excluding Extended Care Facility, Home Health Care, approved Rehabilitative Facility and Out-Patient Psychiatric Care Benefits) and excluding Dental Expense Benefits and Vision Care Benefits, except as otherwise provided.

Expenses Not Covered

The following are **not** Covered Medical Expenses.

- (a) Physician's **charges** received in the **Province** in which **you** reside;
- (b) Dental care and **treatments** and **appliances**, except as **specified** under Covered **Medical** Expenses;
- (c) Eyeglasses or **contact** lenses (except for one pair of eyeglasses or **contact** lenses and **examinations** for the prescription or fitting **thereof** following a cataract operation), hearing aids, and **examinations** for the **prescription** or fitting **thereof**;
- (d) Health check-ups and routine physical examinations;
- (e) **Cosmetic** surgery or **treatment** **except** to the extent necessary for correction of damage caused by an **accident** or injury occurring while covered for **Major Medical Expense Benefits**;
- (f) Any services which are covered by any **worker's** compensation laws or employer's liability laws, or services which an employer **is required** by law to furnish in whole or in part;
- (g) Any **services** to the extent that such services or benefits for such services are available under any plan or program established pursuant to the laws or regulations of any government and any **services** to the extent that any government prohibits payment of insurance benefits therefor;
- (h) Services received for illness or injury due to war (declared or undeclared) or any act of war. If such illness or injury shall have occurred after the effective date of coverage for the **Major Medical Expense Benefits**;
- (i) Services for which the individual is **not** required to make payment;
- (j) Expenses for which payment or reimbursement is received by or for the account of the individual as a result of a legal action or settlement;
- (k) Services of surgical assistants except as provided for under your "Basic Plan";
- (l) Treatment of corns, bunions (except capsular or bone surgery **thereof**), callouses, nails of the feet except surgery for ingrown **nails**, **flat feet**, **fallen arches**, weak feet, chronic **foot strain** or symptomatic complaints of the feet, except when surgery is performed;
- (m) Services of any practitioner who is not legally licensed to practice medicine or surgery, except to the extent specifically provided herein or as required by law;
- (n) Any services received in connection with Out-Patient Psychiatric Care, any charges on account of Extended Care Facility or Home Health Care, and any charges in connection with treatment in an approved Rehabilitative Facility;
- (o) Any types of services, supplies or treatment not specified as Covered Medical Expenses

Date Expenses Are Incurred

Benefits are provided only for Covered Medical Expenses incurred on dates when coverage for **Major Medical Expense Benefits** is in effect for you or a dependent who incurs such expenses. Covered Medical Expenses are considered to have been incurred on the date when the applicable medical services, supplies or treatments are received

Benefits Alter Termination Of Major Medical Expense Coverage

If you or a dependent are totally disabled when coverage for Major Medical Expense **Benefits terminates because** of **cessation of active work**, retirement, or **termination of employment**, **benefits** are payable solely **with respect to** Covered Medical Expenses incurred **for the illness or injury which caused the** total disability. **Such benefits** will be payable as **if coverage for Major Medical Expense Benefits had not terminated during the uninterrupted continuance of** such total disability **but not beyond 1 year from the date such coverage terminates. In determining the amounts payable for Covered Medical Expenses pursuant to this paragraph, benefits for Covered Medical Expenses under your "Basic Plan" shall be deemed to have been paid, whether or not coverage under your "Basic Plan" was in effect. Benefits will not be payable under this provision if coverage is provided under the Major Medical Expense portion of the Plan for Retired Employees.**

Filing A Major Medical Claim

A claim may be submitted when you or a **dependent** is **required** to pay Covered Medical Expenses **which exceed the specified deductible amount in** any calendar year. Additional claims for which benefits are payable may be submitted periodically as Covered Medical Expenses are incurred. **You** should accumulate small **but continuing** expenses such as **repetitive** prescription drug charges, etc., over a 2 or 3 month period **rather** than submit frequent claims **for small amounts**

All **claims should be submitted within 90 days following the end of the calendar year for which benefits are payable. In any event, all claims must be submitted no later than the end of the calendar year following the calendar year for which the benefits are payable.**

How Do I Use The Program

Save all bills and receipts. **If your druggist does not provide a bill or receipt,** ask for one. They should be submitted **with your claim.** Bills and receipts may be submitted any time expenses exceed the deductible. It is **not** necessary to wait until the end of **the** year.

The bills and receipts should show:

1. The name of the patient
2. The nature of the illness or injury
3. A description of the service
4. The amount and date of the expense

The **completed claim form** and receipts should be submitted **through** your Employee Relations Department who will **forward** the claim to the following address:

Metropolitan Life Insurance Company
1015-4th Street S.W.
Suite 404
Calgary, Alberta
T2R 1J4
Telephone: 1-403-269-4323

EXTENT AND LIMIT OF COVERAGE

American expects to continue this Plan indefinitely, but necessarily reserves the right to amend, modify, or discontinue the Plan in the future in conformity with applicable legislation and subject to any outstanding contractual Agreements. The Plan does not provide for benefit payments in any case or under any condition not identified and provided for in the Agreement. The Group Insurance Policy and the certificates thereunder issued by the Metropolitan Cils Insurance Company are consistent with the terms, and conditions outlined in the Agreement.

DENTAL EXPENSE INSURANCE PLAN

Like your other benefits, American's Dental Plan is designed to cover a broad range of expenses. It encourages preventive and proper dental care and provides protection against dental expenses for the employee and eligible dependents.

As with the other benefits under your Group Insurance Plan, its cost for both employees and eligible dependents is paid entirely by American.

I. How Dental Insurance Works

Benefits for Covered Dental Expenses will be based on a percentage of your dentist's "reasonable and customary" charges. "Reasonable and customary" charges means the actual fee charged by a dentist for a service rendered or supply furnished but only to the extent that the fee is reasonable, taking into consideration the following:

- (1) The usual fee which the individual dentist most frequently charges the majority of his patients for a service rendered or a supply furnished; and.
- (2) The prevailing range of fees charged in the same area by dentists of similar training and experience for the service rendered or supply furnished; and.
- (3) Unusual circumstances or complications requiring additional time, skill, and experience in connection with the particular dental service procedure.

The term "area" means a metropolitan area, a county or such greater area as is necessary to obtain a representative cross-section of dentists rendering such services or furnishing such supplies.

II. Maximum Benefits

The Dental Plan will pay a maximum of \$1,000 (1) for all Covered Dental Expenses (except for orthodontic diagnostic procedures and treatments) incurred by each covered individual during any one calendar year. There are no lifetime maximums under the Plan. Each Insured Individual can receive up to \$1,000 (1) in benefits every calendar year.

Additional benefits are available for Covered Dental Expenses in connection with orthodontic treatment for dependent children under age 19. For these expenses there is a separate maximum benefit payable of \$650 (2) during the lifetime of each child and not charged against the above \$1,000 (1) calendar year maximum.

Expenses described under B. of the following Covered Dental Expenses Sections are not charged against the above \$1,000 (1) calendar year maximum.

II) For calendar year 1981 the maximum will be \$833

- (2) If the former \$500 maximum lifetime orthodontia benefit has been paid on behalf of a dependent child whose course of treatment will extend beyond March 1, 1981, and who has not attained age 19, you may file a claim for expenses incurred on and after March 1, 1981 to the extent of the higher lifetime maximum.

III. Covered Dental Expenses

Covered Dental Expenses are the usual charges of a dentist which an employee is required to pay for services and supplies which are necessary for treatment of a dental condition, but only to the extent that such charges are reasonable and customary charges, as herein defined, for services and

supplies customarily employed for **treatment** of that condition, and only **if** rendered in accordance with accepted standards of dental practice. Such expenses shall be only those incurred in connection with the following dental services **which** are **performed, except** as otherwise provided in Section V, by a licensed dentist and which are received while insurance is in force

A. The following Covered Dental Expenses shall be paid at 100% of the reasonable and customary charge.

1. Routine oral examinations and **prophylaxis** (scaling and cleaning of teeth), **but not more than twice** each in any period of 12 consecutive months.
2. Topical application of fluoride.
3. Space maintainers that replace prematurely lost teeth for children under 19 years of age.
4. Emergency palliative treatment

B. The following Covered Dental Expenses shall be paid at 100% of the reasonable and customary charge and are not subject to the Maximum Benefit described in Section II.

1. Surgical removal of impacted teeth
2. Apicoectomy, dental root resection
3. Alveolectomy, area occupied by not less than 6 teeth.
4. Excision of radicular or dentigerous cyst
5. Dental x-rays as are required in connection with the diagnosis of one or more of the above conditions requiring treatment.
6. General anesthetics when medically necessary and intravenous sedation (**except** local infiltration anesthetic) administered in connection with the above oral surgical procedures
7. General anesthetics and intravenous sedation (**except** local infiltration anesthetic) when administered to minimize fear if the patient is handicapped by cerebral palsy, mental retardation or spastic disorders.

C. The following Covered Dental Expenses shall be paid at 85% of the reasonable and customary charge.

1. Dental x-rays, including full mouth x-rays (**but not more than once** in any period of 36 consecutive months), supplementary bitewing x-rays (**but not more than twice** in any period of 12 consecutive months) and such other dental x-rays as are required in connection with the diagnosis of a specific condition requiring treatment, **except** as provided in B 5 above.
2. Extractions, except those described in B. 1. above
3. Oral surgery, except as described in B. above.
4. Amalgam, silicate, acrylic, synthetic porcelain, and composite filling restorations to restore diseased or accidentally broken teeth.
5. General anesthetics when medically necessary and intravenous sedation (**except** local infiltration **anesthetic**) administered in connection with oral or dental surgery, except as provided in B. above. General anesthetics, intravenous sedation, analgesia, and substances or agents which are administered to minimize fear (**except** local infiltration **anesthetic**) if the patient is handicapped by cerebral palsy, mental retardation or spastic disorders.

6. Treatment of periodontal and other diseases of the gums and tissues of the mouth.
 7. Endodontic treatment (those procedures usually employed for prevention and treatment of diseases of the dental pulp and the area surrounding the tip of the tooth root). Including root canal therapy, except as described in B. 2. above
 8. Injection of antibiotic drugs by the attending dentist
 9. Repair or recementing of crowns, inlays, onlays, bridgework or dentures; or relining or rebasing of dentures more than 6 months after the installation of an initial or replacement denture, but not more than one relining or rebasing in any period of 36 consecutive months
 10. Inlays, onlays, gold fillings, or crown restoration to restore diseased or accidentally broken teeth, but only when the tooth, as a result of extensive caries or fracture, cannot be restored with an amalgam, acrylic, synthetic porcelain, or composite filling restoration.
- D. The following Covered Dental Expenses shall be paid at 50% of the reasonable and customary charge.
1. Initial installation of fixed bridgework (including inlays and crowns and abutments)
 2. Initial installation of partial or full removable dentures (including precision attachments and any adjustments during the 6 month period following installation).
 3. Replacement of an existing partial or full removable denture or fixed bridgework by a new denture or by new bridgework, or the addition of teeth to an existing partial removable denture or to bridgework, but only if satisfactory evidence is presented that:
 - (a) The replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed; or,
 - (b) The existing denture or bridgework cannot be made serviceable and it was installed at least 5 years prior to its replacement; or,
 - (c) The existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture takes place within 12 months from the date of initial installation of the immediate temporary denture

Normally, dentures will be replaced by dentures but if a professionally adequate result is to be achieved only with bridgework, such bridgework will be a Covered Dental Expense
 4. Orthodontic diagnostic procedures and treatment consisting of surgical therapy, appliance therapy, and functional/myofunctional therapy (including related examinations, surgery and extractions) to children under 18 years of age.

IV. Limitations

The following limitations apply:

A. Restorative and Reconstructions:

1. Gold, baked porcelain restorations, crown and jackets. If a tooth can be restored with a material such as amalgam, payment of the applicable

percentage of the charge for that procedure will be made toward the charge for another type of restoration selected by the patient and the dentist. The balance of the treatment charge remains the responsibility of the patient.

2. Payment based on the applicable percentage will be made toward the cost of the procedures necessary to eliminate oral disease and to replace missing teeth. Appliances or restorations necessary to increase vertical dimension or restore the occlusion are considered optional and their cost remains the responsibility of the patient.

B. Prosthodontics:

1. Partial Dentures

If a cast chrome or acrylic partial denture will restore the dental arch satisfactorily, payment of the applicable percentage of the cost of such procedure will be made toward a more elaborate or precision appliance that patient and dentist may choose to use, and the balance of the cost remains the responsibility of the patient.

2. Complete Dentures

If, in the provision of complete denture services, the patient and dentist decide on personalized restorations or specialized techniques as opposed to standard procedures, payment of the applicable percentage of the cost of the standard denture services will be made toward such treatment and the balance of the cost remains the responsibility of the patient.

3. Replacement of Existing Dentures

Replacement of an existing denture will be a Covered Dental Expense only if the existing denture is unserviceable and cannot be made serviceable. Payment based on the applicable percentage will be made toward the cost of services which are necessary to render such appliances serviceable. Replacement of prosthodontic appliances will be a Covered Dental Expense only if at least 5 years have elapsed since the date of the initial installation of that appliance.

C. Orthodontics:

1. If orthodontic treatment is terminated for any reason before completion, the obligation to pay benefits will cease with payment to the date of termination. If such services are resumed, benefits for the services, to the extent remaining, shall be resumed.
2. The benefit payment for orthodontic services shall be only for months that coverage is in force.

V. Exclusions

Any expenses for the following are not Covered Dental Expenses under the Dental Expense Insurance Plan.

- A. Services other than those specifically covered herein
- B. Charges for treatment by other than a dentist, except that scaling or cleaning of teeth and topical application of fluoride, may be performed by a licensed dental hygienist if the treatment is rendered under the supervision and guidance of and billed for by the dentist.
- C. Charges for veneers or similar properties of crowns and pontics placed on a facing teeth, other than the 10 upper and lower anterior teeth.

- Charges for services or supplies that are cosmetic in nature. Including charges for personalization or characterization of dentures.
- E. Charges for prosthetic devices (including bridges and crowns) and the fitting thereof which were ordered while the individual was not insured for Dental Expense Benefits or which were ordered while the individual was insured for Dental Expense Benefits but are finally installed or delivered to such individual more than 60 days after termination of coverage.
 - F. Charges for the replacement of a lost, missing, or stolen prosthetic device
 - G. Charges for failure to keep a scheduled visit with the dentist
 - H. Charges for replacement or repair of an orthodontic appliance.
 - I. Charges for services or supplies which are compensable under worker's compensation or employer's liability law.
 - J. Charges for services rendered through a medical department, clinic, or similar facility provided or maintained by the patient's employer.
 - K. Charges for services or supplies for which no charge is made, that the employee is legally obligated to pay, or for which no charge would be made in the absence of dental expense coverage
 - L. Charges for services or supplies which are not necessary, according to accepted standards of dental practice, or which are not recommended or approved by the attending dentist
 - M. Charges for services or supplies which do not meet accepted standards of dental practice, including charges for services or supplies which are experimental in nature
 - N. Charges for services or supplies received as a result of dental disease, defect or injury due to an act of war, declared or undeclared.
 - O. Charges for services or supplies from any governmental agency which are obtained by the individual without cost by compliance with laws or regulations enacted by any federal, state, municipal or other governmental body
 - P. Charges for any duplicate prosthetic device or any other duplicate appliance
 - Q. Charges for any services to the extent for which benefits are payable under any Health Care Program supported in whole or in part by funds of the federal government or any state or political subdivision thereof
 - A. Charges for the completion of any insurance forms.
 - S. Charges for sealants and/or oral hygiene and dietary instruction
 - T. Charges for plaque control program
 - U. Charges for implantology
 - V. Charges for any service, or supplies, which are administered to minimize fear, or for analgesia, except as provided under B, 6, 7 and C 5 of the Covered Dental Expenses
 - W. Charges for which payment or reimbursement is received by or for the account of the individual as a result of a legal action or settlement.

VI. Definitions

The term "dentist" means a legally licensed dentist practicing within the scope of his license. As used herein, the term "dentist" also includes a legally

licensed physician authorized by his license to perform the particular dental services he has rendered.

The term "course of treatment" means a planned program of one or more services or supplies, whether rendered by one or more dentists for the treatment of a dental condition diagnosed by the attending dentist as a result of an oral examination. The course of treatment commences on the date a dentist first renders a Service to Correct or treat such diagnosed dental condition.

The term "orthodontic treatment" means preventive and corrective treatment of all those dental irregularities which result from the anomalous growth and development of dentition and its related anatomic structures or as a result of accidental injury and which require repositioning (except for preventive treatment) of teeth to establish normal occlusion.

The term "ordered" means, in the case of dentures, that impressions have been taken from which the dentures will be prepared; and, in the case of fixed bridgework, restorative crowns, inlays and onlays, that the teeth which will serve as abutments or support or which are being restored have been fully prepared to receive, and impressions have been taken from which will be prepared the bridgework, crowns, inlays or onlays.

VII. Pie-Delamination Of Benefits

Under this feature of the Plan, if a course of treatment for an employee or dependent can reasonably be expected to involve Covered Dental Expenses of \$150 or more, a description of the procedures to be performed and an estimate of the dentist's charges must be filed with the Insurance Company prior to the commencement of the course of treatment.

The insurance Company will review the description of procedures and estimate of the dentist's charges and notify the employee and the employee's dentist of the benefits payable based upon such course of treatment. As part of the basis for determining benefits payable, the Insurance Company may require submission of x-rays and other appropriate diagnostic and evaluative materials. In determining the amount of estimated benefits payable, consideration will be given to alternate procedures, services, or courses of treatment that may, in accordance with accepted standards of dental practice, be performed for the dental condition concerned, in order to accomplish the desired result. The amount of estimated benefits will be the appropriate amount as provided in Section II and III determined in accordance with the limitations set forth in Section IV.

If a description of the procedures to be performed and an estimate of the dentist's fees are not submitted in advance, the Insurance Company reserves the right to make a determination of benefits payable taking into account alternate procedures, services or courses of treatment, based on accepted standards of dental practice. To the extent verification of Covered Dental Expenses cannot reasonably be made by the Insurance Company, the benefits for the course of treatment may be for a lesser amount than would otherwise have been payable.

This pre-determination requirement will not apply to courses of treatment under \$150 or to emergency treatment, routine oral examinations, x-rays, prophylaxis and fluoride treatments.

II. How Are Dental Benefits Collected?

There are two ways to use the dental claim form:

- 1 If a course of treatment can reasonably be expected to be less than \$150 or if such course of treatment is for emergency care, routine examination, x-rays, cleaning, or fluoride treatment:**

- a Complete the employee's section of claim form**
- b Give the claim form to the dentist**
- c After the course of treatment is complete, the dentist should complete the dentist's section of the claim form, indicating the service performed, date of service, and his charges for the service performed.**
- d The completed claim form should then be mailed to the Insurance Company at the following address:**

Metropolitan Life Insurance Company
1015-4th Street S W
Suite 404
Calgary, Alberta
T2R 1V4

telephone 1-403-269-4323

- 2 If a course of treatment can reasonably be expected to be \$150 or more:**

- a Complete the employee's section of the claim form**
- b Give the claim form to the dentist.**
- c Have the dentist complete the dentist's section of the claim form, indicating a description of the procedures to be performed and an estimate of the charges and send it to the Insurance Company. In some cases, x-rays and study models will be needed to evaluate the proposed course of treatment. The dentist will be informed when those items are required.**
- d After the Insurance Company has reviewed the description of procedures and estimate of the dentist's charges, a form explaining the determination of benefits will be sent to the employee and the dentist.**
- e When the dentist completes the course of treatment, he should enter the date the service was actually performed to the left of the procedure described on the "Notice of Benefits Allowable" Form he received from the Insurance Company. The dentist should then sign the Form and return it to the Insurance Company.**

IX. To Whom Are Benefits Paid?

Arrangements can be made with the Insurance Company to make payment directly to the dentist by signing the "Authorization to Pay Benefits to Dentist" on the claim form. If benefits are to be paid directly to the employee, authorization should not be signed. In either case, a statement of benefits paid will be sent to the employee.

VISION EXPENSE INSURANCE

Benefit Provisions

If the employee or dependent receives any of the Covered Vision Services, as set forth in the schedule below, while the Vision Expense Insurance is in force on account of such person, benefits shall be paid to the Ophthalmologist, optometrist or Optician rendering the service, after receipt of due proof of claim and subject to the following limitations and exclusions, in an amount equal to the fee charged for such service, provided that the amount of such payment shall in no event exceed the maximum payment specified for such service in the schedule below.

If at the time proof of claim is submitted, or prior thereto, evidence is furnished that charges, in whole or in part, for the services of an Ophthalmologist, Optometrist or Optician have been paid by the employee, benefits on account of such service shall be paid to the employee to the extent of such payment

SCHEDULE OF COVERED VISION SERVICES

Service	Maximum Payment
Complete Vision Examination (when not covered by the Provincial Health Plan)	\$ 25.00
Lens or Lenses for Eyeglasses:	
Single Vision Prescription	
One	15.00
Set	30.00
Bifocal Prescription	
One	20.00
Set	40.00
Trifocal Prescription	
One	25.00
Set	50.00
Lenticular Prescription	
One	30.00
Set	60.00
Contact Prescription	
One	25.00
Set	50.00
Frame for Eyeglasses	21.00

Limitations

Payments for Covered Vision Services shall be subject to the following limitations:

- II) Vision Examination — Benefits shall be payable for a vision examination only when performed by an Ophthalmologist or Optometrist. Payment of such benefits shall be limited to one such vision examination for each employee or dependent in any period of 24 consecutive months.
- (2) Lens, lenses — Benefits shall be payable for lenses only when prescribed by an Ophthalmologist or Optometrist. Payment of such benefits shall be limited to one such lens, or set of lenses, for each employee or dependent

in any period of 24 consecutive months, except that if a subsequent lens or set of lenses are received during such 24-month period by reason of a prescription change and the new lens or set of lenses differ from the most recent one by an axis change of 20 degrees or .50 diopter sphere or cylinder change and improve visual acuity by at least one line on the standard chart, such new lens or set of lenses shall be considered a Covered Vision Service.

- (3) **Frame** — **Benefits** shall be payable for a frame only when such frame is for use with a lens or set of lenses which are prescribed by an Ophthalmologist or Optometrist. Payment of such benefits shall be limited to one such frame for each employee or dependent in any period of 24 consecutive months.

Exclusions

No **benefits** are payable for the following services (including supplies):

- (a) Services rendered to the employee or dependent prior to the effective date of the Vision Expense Insurance on account of such person;
- (b) Sunglass lenses, except that tinted lenses with Rose Tints 1 or 2 shall not be considered to be sunglasses for the purpose of this exclusion;
- (c) Photosensitive or anti-reflective lenses to the extent that the charges for such lenses exceed the Maximum Payment for regular lenses as specified in the Schedule of Covered Vision Services;
- (d) Services in connection with medical or surgical treatment of the eye.
- (e) Drugs or medications (other than those required for a vision examination);
- (f) Special services and procedures, such as orthoptics, vision training, subnormal vision aids, aniseikonic lenses and tonography;
- (g) Services or supplies which are experimental in nature,
- (h) Replacement of a lost or broken lens or lenses and/or a frame unless at the time of such replacement such lenses or frame would otherwise be considered Covered Vision Services;
- (i) Services not prescribed as necessary by a licensed physician, optometrist or optician;
- (j) Services or supplies for which the employee or dependent is entitled to benefits under any other provision of the Active Employees' Group Insurance Plan or which are provided under a plant safety glass program;
- (k) Services received because of sickness or injury arising out of or in the course of employment and entitling the employee or dependent to benefits under any worker's compensation, occupational disease or similar law or laws;
- (l) Services or payments for or because of such services to the extent that such services or payments for or because of such services are reasonably available under any plan or program established pursuant to the laws or regulations of any government or under any plan or program in which any government participates other than as an employer. In the case of any person who is not enrolled for all coverages for which such person has become eligible under any such plan or program, services and payments available shall nevertheless include all benefits to which such person would be entitled if such person were enrolled for all such coverages. The term "any government" includes Federal, Provincial or Local government or any political subdivision thereof of Canada or any other country.

This provision is subject to any provision or regulation of such plan or program which requires that insurance benefits be utilized before benefits are available thereunder;

- (m) Services for which the individual is not required to make payment or for which no charge would be made in the absence of the insurance evidenced herein;
- (n) Vision examinations performed and lenses and frames ordered after the termination of the Individual's coverage:

For the purposes of the Vision Expense Insurance evidenced herein, an expense shall be deemed to have been incurred on the date the service for which the charge is made shall have been received or rendered.

SOME OTHER INFORMATION ABOUT THIS PLAN

Plan Documents

This booklet **describes** only the highlights of Your Plan. It does not **attempt** to cover all details. **The benefits** are provided by Group Contracts **with** Metropolitan Life Insurance Company. These contracts are for Life **Insurance**, Weekly Sickness and Accident Insurance Benefits, Medical Benefits, Dental Benefits and Vision **Benefits**. Metropolitan Life Insurance Company is liable for all **Life and** any Weekly Sickness and Accident Insurance Benefits, Medical Benefits, Dental **Benefits** and Vision Benefits, under the Plan. The Group Plan specifies the time when and the **circumstances** under which Metropolitan Life Insurance Company **is** liable for such Weekly Sickness and Accident Insurance, Medical **Benefits**, Dental Benefits and Vision **Benefits**.

Plan Year

The "Plan Year" **runs** from January **1st** to the subsequent December **31st**.

Union Agreement

This Plan is maintained pursuant to the Basic Agreement between the American Can Company and the United Steelworkers of America.

RETIRED GROUP INSURANCE PLAN

Introduction

As in the case with the Active Employee Group Insurance Plan, American's Retired Group Insurance Plan is one of the most far reaching in industry. In view of the fact that retirees and their spouses may also be eligible for the very comprehensive coverages under the Provincial Medicare Program, the Plan is modified for anyone becoming eligible for additional Provincial Medicare Benefits.

American medical care benefits otherwise payable will be reduced by the benefits payable for the same procedures or expenses payable under the Federal or Provincial Medicare for which a retired employee or a spouse is eligible or would have been eligible had timely and proper application been made.

It is recommended that the Agreement be read carefully so that the retiree will know how far the retiree's coverage goes after retirement.

The first section of this text is devoted to some general information pertaining to the eligibility of retired employees and the extent and limitations of coverage. Next there is a section briefly outlining the life insurance protection provided after retirement.

The text following the life insurance describes the Medical Care Benefits provided to retired employees, and their dependents.

General Information

Eligibility

Employees will be eligible for the Retired Group Insurance Plan if they retire under the company Pension Plan with at least 10 years of accredited service.

When You Are Insured

Employees who retire from active service under the company Pension Plan will be covered by the medical benefits of this program beginning on the date of retirement. Employees who receive a disability pension under the company Pension Plan will also be covered by the medical benefits of this program beginning on the date they become eligible for a disability pension.

Employees who receive a disability pension or who retire under the early retirement provisions of the company Pension Plan will keep their full life insurance under the Active Employees' Group Insurance Plan until the first of the month following attainment of age 62. Thereafter it will be reduced. Employees who retire under the normal or regular retirement provisions of the company Pension Plan applicable to them will have their life insurance reduced on the date of retirement.

Continued life insurance benefits for employees who because of insufficient accredited service are not eligible for a retirement or disability pension but who do retire after age (as age is defined in the applicable company Pension Plan) are explained on page 47.

Subject to the eligibility requirements noted above, you retire or receive a disability pension under the company Pension Plan, eligibility for its benefits begin with the first day of retirement or receipt of a disability pension.

The medical and life insurance benefits provided by this Plan apply to early retirements which meet the eligibility requirements noted above even though a

postponed retirement benefit was elected. They do not apply to those who have a deferred vested right or who have exercised such a right under the company Pension Plan

The medical benefits provided by this Plan will not be paid while you are eligible for medical benefits under the Active Employee Group Insurance Plan.

Who Is A Dependent

"Dependents" are your legal or common-law spouse and any unmarried child under 19 years of age provided such individual were covered as your dependents under the Active Group Insurance Plan

The term child also includes any legally adopted child or stepchild who resides in the retired employee's household, and any child supported solely by the retired employee and permanently residing in the household of which the retired employee is the head. In the case of a dependent child whose parents are both covered either as an active or retired employee, the child shall be deemed a dependent of only one parent

The term "dependents" also includes:

1. unmarried children after attainment of age 19 but not beyond attainment of age 25, provided such child was insured prior to age 19, and is a full-time student in a recognized course of study or training, not employed on a full-time basis, and not otherwise covered for group insurance other than coverage restricted to students.
2. unmarried children after attainment of age 19 while incapable of self-support because of a disability which commenced prior to age 19, provided such child was insured prior to age 19 and is principally supported by the employee.

Any person who is eligible for medical care insurance as an active or retired employee of American is not included in the term "dependent". However, if both the husband and wife work for American and the employee hospital and surgical protection of one spouse terminates for reasons other than maximum benefit payments, then that individual will be immediately covered for similar protection as a dependent of the other spouse.

Non-Occupational Benefits

The term "non-occupational" means any sickness or accident for which benefits are not payable under any worker's compensation or occupational disease law or any accident not arising out of or in the course of any employment.

Limitations On Medical Benefits

This Plan does not provide for benefit payments in any case or condition not identified and provided for in the Agreement.

Benefits provided under this Plan apply to hospital confinements commencing and physicians' services performed on or after your insurance becomes effective and the benefits outlined will not be paid for any disability where medical benefits under the Active Employee Group Insurance Plan are payable.

Extent And Limit Of Coverage

American expects to continue this Plan indefinitely, but necessarily reserves

the right to amend, modify, or discontinue the Plan in the future in conformity with applicable legislation and also subject to any applicable Collective bargaining agreement. The Plan does not provide for benefit payments in any case or under any condition not identified and provided for in the Agreement. The Group Insurance Policy and the certificates thereunder issued by the Metropolitan Life Insurance Company are consistent with the terms and conditions outlined in the Agreement.

If any changes become effective under the Medicare Program by reason of current or future governmental legislation or regulation, then full consideration will be given to appropriate modification in this Retired Group Insurance Plan.

Procedures For Presenting Claims For Benefits

When you have a claim for benefits for either yourself or an eligible dependent, or if you have any questions, get in touch with Group Insurance Claims, Metropolitan Life Insurance Company, 1015 4th Street, S.W., Suite 404 Calgary, Alberta, T2R 1J4. Telephone number 1-403-269-4323 or the personnel department at the plant located nearest to your residence. You will be given information on how to fill in the necessary forms and how to forward your claim to the Insurance Company.

Your claim will be paid immediately after it has been approved by the Insurance Company, and your benefit check will be sent to your home.

If you should die while insured under the Plan, your beneficiary should contact Hourly Benefit Plans, Human Resources Department, American Can Company, American Lane, Greenwich, Conn. 06830, or the personnel department of the plant from which you retired for assistance in filing claims for your life insurance proceeds.

Requesting A Review Of Claims Denied In Whole Or In Part

If there is any question about a claim payment, an explanation may be requested from the American Can Company, which is usually able to provide the necessary information.

In the event a claim has been denied in whole or in part, you or your beneficiary may request a review of your claim by the Insurance Company. Write to "Group Insurance Claims Review" at the address of the Insurance Company's office which processed the claim. You may submit any questions or comments to the Insurance Company which you deem appropriate, and may also request a review of any claim forms or other pertinent documents.

In your letter, you may want to state the reasons why you believe the claim was improperly denied.

The Insurance Company will reevaluate all the information and you will be informed of their decision in a timely manner.

When Your Insurance Ceases

Your Medical Expense Benefits discontinue upon your death.

Your death will not affect the continuance of benefits for your spouse and your dependent children. Any coverage continued after your death will, however, terminate upon remarriage or the death of your spouse.

LIFE INSURANCE

Life Insurance After Retirement

The Basic Group Insurance Plan for **active** employees provides group life insurance in an **amount** determined by your base **earnings**.

If you **meet the eligible requirements of the Retired Group Insurance Plan**, then upon your **retirement**, or upon attainment of age **62** if you **retired** early or **are receiving a disability pension**, the **amount** of your life insurance will **depend** on your years of **accredited service at the time of retirement** or disability.

The **maximum percentage — 50% of the amount of life insurance in effect** prior to retirement will be continued for eligible employees with at least **25 years of accredited service**. For those employees with **15 but less than 25 years** of service, the continued insurance will be **25% of the former amount**.

Employees with **10 but less than 15** years of service will have **\$2,500 of continued life insurance**.

Employees who **become totally and permanently disabled** prior to regular retirement age (as age is **defined in the applicable Pension Plan**) but who are not eligible for a pension under the Pension Plan will **not** have their life insurance **reduced until the first of the month following attainment of age 62**, at which time it shall be reduced to **\$1,375**.

Your certificate issued under **this Retired Group Insurance Plan** will indicate the continuing **amount** of your insurance as well as your **designated beneficiary**. **Payment of the proceeds upon your death** will be made in a **lump sum** unless you authorize some other **method of settlement**.

Your Life Insurance Beneficiaries

You can **change** your beneficiary at any time, subject to restrictions imposed by the laws of **certain states or provinces**.

It is important to remember that in case one or more of the beneficiaries designated by you **should die**, you **should then promptly name** a new beneficiary.

In the **event** of your death, **if there is no designated beneficiary**, the **amount** of your insurance will be payable to your **estate**, except **that the insurance company may at its option** pay such amount to any one of the following surviving **relatives**: wife, husband, **mother, father, child or children**.

SUMMARY OF MEDICAL BENEFITS

(Non-Occupational)

For Retired Employees And Their Dependents

Hospital Room And Board:

For **Retired** Employees And **Their**
Dependents

Semi-Private Room - Actual amount
charged for room and board for a
maximum of 120 days See page 49.

Private Room -- Charges for room
and board will be reimbursed at
the hospital's maximum semi-private
room charge

Major Medical Expense Benefits
Retired Employees And **Their**
Dependents Under Age **65**

80% of covered expenses after \$50 per
person (\$100 per family) deductible
per calendar year. Maximum \$10,000
per year, \$20,000 lifetime

Major Medical Expense Benefits
Effective January 1, 1983
For **Retired Employees** over Age **65**
And **Their Eligible Dependents**

80% of covered expenses after \$100
per person (\$200 per family)
deductible per calendar year.
Maximum \$10,000 per year;
\$20,000 lifetime.

HOSPITAL EXPENSE INSURANCE

(Non-Occupational)

Confinements must be in a legally constituted hospital and must be recommended by a licensed physician or surgeon. Benefits for your dependents at the time of your retirement are provided on the same basis as your own.

Daily Room And Board

You will be paid the actual amount charged for room and board in a semi-private room for a maximum of 120 days for each confinement. If you are confined in a private room, charges for room and board will be reimbursed at the hospital's maximum semi-private room charge.

Duration Of Benefits

You will receive daily hospital expense benefits and special service benefits for a period not exceeding a total of 120 days for:

1. any one continuous period of confinement whether due to one or more causes; or
2. each separate period of confinement due to a different and unrelated cause or causes; or
3. 2 or more periods of confinement due to the same or related cause or causes if not separated by at least a 3 month interval. Three months after the last confinement you again qualify for a full new hospital benefit period up to 120 days.

Out-Patient Cases

Emergency Accident Cases

Benefits are payable for a non-occupational accident if you receive emergency treatment at a legally constituted hospital, provided such treatment begins within 48 hours after the accident.

Limitations On Hospital Expense Benefits

This Plan does not pay for services rendered by any facility contracted for or operated by any government for treatment of members for or ex-members of its armed forces; for charges of physicians, surgeons, or special nurses; or for Out-patient services, other than provided herein.

COORDINATION OF BENEFITS

Benefits under this Plan **will** not duplicate **benefits** payable under Other Group insurance or **Group Prepayment** Plans in accordance **with** the conditions specified below.

For this purpose, the term "Group Insurance or Group Prepayment Plans" means any Group Plan for which any employer makes contributions or for which an employer **provides** any means of collecting contributions **required of** employees (including payroll deductions).

Daily Hospital and Hospital Services Benefits — If such Other Group Plan has a coordination of benefits or similar provision and is primary, **benefits** under this Plan will be **reduced** by any benefits payable under such Group Plan.

In **determining** whether **this** Plan **or** another Group Plan is primary, the following **will** apply:

- a. When the other Plan does **not** have a nonduplication or coordination of **benefits** provision, it **shall** be the primary plan.
- b. The Plan covering **the** patient as an individual in active **employment** or as a dependent of such individual is the primary plan.
- c. Where **the** determination cannot be made in accordance with (a) or **(b)** above, the Plan which **has** covered the **patient** for the longer period of time is the primary plan.

MAJOR MEDICAL EXPENSE BENEFITS

The following Major Medical provisions apply to retired employees and their dependents under age 65

Benefit Provisions

If, as a result of illness or injury, you or a covered dependent incurs Covered Medical Expenses, as described below and while insured for Major Medical Expense Benefits, you will be paid a benefit equal to 80% of the amount by which such expenses for all illnesses or injuries during any one calendar year (January 1 — December 31) exceed the sum of:

- (a) Any benefits payable for Covered Medical Expenses under the company's Basic Retired Group Insurance Plan, and
- (b) A deductible amount of \$50 of Covered Medical Expenses for which no benefits are payable under this Program or the Active Employee's Plan for you or a dependent, or a deductible of \$100 of Covered Medical Expenses for which no Major Medical Expense Benefits are payable for you and all your dependents

In applying the above deductible provisions

- (a) If you and one or more dependents, or two or more dependents incur Covered Medical Expenses as a result of the same accident, only one \$50 deductible amount will be applied against such expenses during the calendar year in which the accident occurs
- (b) If Covered Medical Expenses incurred during the last 3 months of any calendar year are used to satisfy all or part of the deductible amount for that year, they may also be used to satisfy all or part of the deductible amount for the next calendar year

The following Major medical provisions apply to retired employees and their dependents over age 65 and are Effective January 1, 1983

Benefit Provisions

If, as a result of illness or injury, you or a covered dependent incurs Covered Medical Expenses, as described below and while insured for Major Medical Expense Benefits, you will be paid a benefit equal to 80% of the amount by which such expenses for all illnesses or injuries during any one calendar year (January 1 — December 31) exceed the sum of

- (a) Any benefits payable for Covered Medical Expenses under the company's Basic Retired Group Insurance Plan, and
- (b) A deductible amount of \$100 of Covered Medical Expenses for which no benefits are payable under this Program or the Active Employee's Plan for you or a dependent, or a deductible amount of \$200 of Covered Medical Expenses for which no Major Medical Expense Benefits are payable for you and your dependents.

In applying the above deductible provisions

- (a) If you and one or more dependents or two or more dependents incur Covered Medical Expenses as a result of the same accident, only one \$100 deductible will be applied against such expenses during the calendar year in which the accident occurs

- (b) If Covered Medical Expenses incurred during the last 3 months of any calendar year are used to satisfy all or part of the deductible amount for that year, they may also be used to satisfy all or a part of the deductible amount for the next calendar year.

The following Major Medical provisions apply to all retired employees and their dependents

Maximum Benefits

The maximum benefit for an individual is \$10,000 for any one calendar year, \$20,000 for a lifetime, reduced by the amount of benefits paid on behalf of the individual under the Active Employees' Major Medical Plan. On any January 1 the remaining lifetime maximum amount of benefits available will be increased, without evidence of good health, by any excess of \$1,000 over the amount of Major Medical Expense Benefits paid for Covered Medical Expenses incurred in the preceding calendar year. In any event, the remaining lifetime maximum amount of benefits available on any January 1 shall be no less than \$1,000 and not more than \$20,000. If at any time Major Medical Expense Benefits of \$2,000 or more have been paid under the Program, the \$20,000 lifetime maximum will be reinstated upon submission of satisfactory evidence of good health as required by the Insurance Company.

To be eligible for these benefits, it is not necessary to be confined in a hospital, or to your home, or to undergo a surgical operation.

Covered Medical Expenses

The term "Covered Medical Expenses" means the reasonable and customary charges, as determined by the Insurance Company, incurred by you or a dependent for the following types of medical services, supplies, and treatments which are performed or prescribed as necessary by (i) a licensed physician, (ii) a dentist with respect to services of a dentist for which benefits are payable under the Program, or (iii) a licensed podiatrist with respect to the services of a podiatrist for which benefits are payable under the Program.

- (a) Services of licensed physicians received outside the province of residence, of the person to whom the service is rendered;
- (b) Services of dentists to the extent necessary for correction of damage caused by an accident occurring while covered for Major Medical Expense Benefits of the Program.
- (c) Services of licensed podiatrists (see exclusions (j) of Expenses Not Covered).
- (d) Hospital room and board charges up to the hospital's maximum semi-private rate. However, when a private room is used because of medical necessity, the excess of the private room rate over the hospital's maximum semi-private room rate will be considered a Covered Medical Expense. Private rooms will be considered medically necessary when either (1) the patient's condition requires him to be isolated for his own health or that of others, or (2) the facility has no semi-private or less expensive accommodations, or all such accommodations are occupied, and the patient needs hospitalization immediately — that is, in-patient treatment cannot be deferred until less expensive accommodations become available. If a private room is not medically necessary, the hospital's maximum semi-private room rate is used.

- (e) Other hospital services required for medical or surgical care or treatment;
- (f) Anesthetics and the administration thereof;
- (g) Diagnostic x-ray and laboratory procedures;
- (h) X-ray and radium treatment and chemotherapy;
- (i) Oxygen and its administration;
- (j) Blood transfusions, including cost of blood and blood plasma to the extent it is not donated or replaced through a blood bank or otherwise;
- (k) Services of a qualified physiotherapist;
- (l) Services of a registered graduate nurse (R.N.) other than a nurse who ordinarily resides in the employee's home or who is a member of the employee's immediate family;
- (m) Services of a licensed practical nurse (L.P.N.), other than a nurse who ordinarily resides in the employee's home or who is a member of the employee's immediate family, provided in the hospital only, when services of a R.N. are not available and the physician in charge of the case certifies that such services are necessary;
- (n) Prescription drugs and prescription medicines dispensed by a licensed pharmacist;
- (o) Immunization injections except any such injections received solely for the purpose of travel outside of Canada;
- (p) Local professional ambulance services;
- (q) Rental of iron lung or other durable equipment required for therapeutic use;
- (r) Artificial limbs or other prosthetic appliances (including dental appliances with respect to services described in (b) above) except replacements of such appliances;
- (s) Any medical services, supplies and treatments for which benefits are provided under the company's Basic Retired Group Insurance Plan for hospital, physicians' services and related expenses whether or not specifically enumerated above.

Expenses Not Covered

The following are not Covered Medical Expenses:

- (a) Dental care and treatments and appliances except as specified under Covered Medical Expenses;
- (b) Eyeglasses or contact lenses (except for one pair of eyeglasses or contact lenses and examinations for the prescription or fitting thereof following cataract operation), hearing aids, and examinations for the prescription or fitting thereof;
- (c) Health check-ups and routine physical examinations;
- (d) Cosmetic surgery or treatment except to the extent necessary for correction of damage caused by an accident or injury occurring while covered for the Major Medical Expense Benefits of the program;
- (e) Any services which are covered by any worker's compensation laws, employer's liability laws, or services which an employer is required by law to furnish in whole or in part;

- (f) Services received for illness or injury due to war (declared or undeclared) or any act of war, if such illness or injury shall have occurred after the most recent **effective** date of coverage for the Major Medical Expense Benefits of the Program.
- (g) Services for which the individual is **not** required to make payment;
- (h) Expenses for which payment or reimbursement is received by or for the account of the individual as a **result** of a legal action or settlement;
- (i) Services of surgical assistants when the hospital employs interns, residents or house **staff**;
- (j) **Treatment of corns, bunions** (except capsular or borie surgery **therefor**), callouses, nails of the **feet** except surgery for ingrown nails, flat feet, fallen arches, **weak feel**, chronic foot **strain** or symptomatic **complaints** of the feet, except when surgery is performed;
- (k) Services of any practitioner who is not legally licensed to practice **medicine** or surgery, except to the **extent** specifically provided in the Program or as required by law;
- (l) Any services received in connection with out-patient psychiatric care and any charges on account of convalescent nursing home care;
- (m) Any types of services, supplies or treatments not specified as Covered Medical Expenses;
- (n) Any services **or** supplies provided by the Provincial Medical Care Plan or when the Insurance Company is prohibited by law from making payment thereof.

Date Expenses Are Incurred

Benefits are provided only for Covered Medical Expenses incurred on a date when coverage by the Major Medical Expense Benefit provisions is in effect for the retiree or dependent who incurs such expenses. Covered Medical Expenses are considered to have been incurred on the date when the applicable medical services, supplies or treatments are received.

Nonduplication

In view of the broad scope of services provided for under the Major Medical Expense Benefits, the Plan has provisions for nonduplication of benefits as follows:

Covered Medical Expenses considered in determining Major Medical Expense Benefits of the Plan will be reduced by benefits provided under any Other Group Plan (except for benefits under such Other Group Plan which are payable for the same hospital services for which benefits are payable under the basic hospital expense portion of the company's Retired Group Insurance Plan) if the other Plan

- a) does not include a coordination of benefits or nonduplication provision, or
- b) includes a coordination of benefits or nonduplication provision and is primary plan as compared to this Plan.

In determining whether this Plan or another Group Plan is primary, the following will apply:

1. The Plan covering the patient other than as dependent will be the primary plan.

- 2 Where both plans cover the patient as a dependent child, the plan covering the patient as a dependent child of a male will be the primary plan.
- 3 Where the determination cannot be made in accordance with (1) or (2) above, the plan which has covered the patient for the longer period of time will be the primary plan

As used herein, "Group Plan" means (a) any Plan covering individuals as members of a group and providing hospital or Medical Care Benefits or services through Group Insurance or a Group Prepayment arrangement, or (b) any plan covering individuals as employees of or retirees from an employer and providing such benefits or services, whether on an insured, prepayment or uninsured basis

If it is determined that benefits under this Plan should have been reduced because of benefits provided under another Group Plan, the Insurance Company will have the right to recover any payment already made which is in excess of its liability. Similarly, whenever benefits which are payable under this Plan have been provided under another Group Plan, the Insurance Company may make reimbursement direct to the Insurance Company or other organization providing benefits under the other plan

For the purpose of this provision, the Insurance Company may, without the consent of or notice to any person, release to or obtain from any Insurance Company or other organization or person any information which may be necessary regarding coverage, expenses and benefits

Any person claiming benefits under this Plan must furnish the Insurance Company such information as may be necessary for the purpose of administering this provision

Filing a Major Medical Claim

A claim may be submitted when a retiree or dependent is required to pay Covered Medical Expenses which exceed the specified deductible amount in any calendar year. Additional claims for which benefits are payable may be submitted periodically during the calendar year as Covered Medical Expenses are incurred. Retirees should be encouraged to accumulate small but continuing expenses such as repetitive prescription drug charges involving a series of visits to a physician, etc., over a 2 or 3 month period rather than submit frequent claims for small amounts

All claims should be submitted within 90 days following the end of the calendar year for which benefits are payable. In any event, all claims must be submitted no later than the end of the calendar year following the calendar year for which the benefits are payable

SOME OTHER INFORMATION ABOUT THIS PLAN

Plan Documents

The **benefits of the Plan** are provided by **Group Contracts** with **the Metropolitan Life Insurance Company**. These contracts are for Life Insurance and Medical **Benefits**. Metropolitan Life Insurance Company is liable for all Life and Medical Care **Benefits** under the Plan which are **not** payable by **the American Can Insurance Plan Trust**. The **Group Plan** specifies the time when and the **circumstances** under which Metropolitan Life Insurance Company is liable for **such Medical Care Benefits**.

Plan Year

The "Plan Year" runs from **January 1st to the subsequent December 31st**.

Union Agreement

This plan is maintained pursuant to the Basic Agreement between the **American Can Company** and the **United Steelworkers of America**.

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SUPPLEMENTAL **UNEMPLOYMENT** **BENEFITS AGREEMENT**

Established pursuant to agreement between the United
Steelworkers

of America (AFL-CIO),
5 Gateway Center, Pittsburgh, Pennsylvania 15222

AND

BALL PACKAGING PRODUCTS CANADA, INC.

1700 No. 6 Road
Richmond, British Columbia, V6V 1W3

This Agreement became effective
December 3, 2000 and expires
November 30, 2003

SUPPLEMENTAL UNEMPLOYMENT BENEFITS PLAN AGREEMENT

Details of the Supplemental Unemployment Benefits Plan as referenced in the Collective Bargaining Agreement effective December 3, 2000.

Term of This Agreement

This Agreement is made with the understanding that it will become effective as of December 3, 2000 except as may be specifically otherwise provided herein, and will remain in effect until November 30, 2003 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 sixty (60) calendar days before November 30, 2003, or November 30th of any year thereafter; provided that in any event this Agreement shall remain in effect only as long as a Basic Agreement continues to exist between the parties.

BALL PACKAGING PRODUCTS CANADA, INC.

**UNITED STEELWORKERS OF AMERICA
AFL-CIO**

Part I - Supplemental Unemployment Benefits
and
Part II - Financial Administration
(as set forth below)

**PART I - SUPPLEMENTAL
UNEMPLOYMENT BENEFITS
WEEKLY BENEFITS**

- 1.0** For purposes of this Paragraph:
- (a) “Unemployment Insurance Benefit” means the amount of the Federal unemployment insurance benefit which an applicant would be entitled to receive for the particular week if he were totally unemployed and available for work under the applicable Federal law
 - (b) “Basic Benefit” means 28 times the employee’s average straight time hourly earnings minus the employee’s Unemployment Insurance Benefit for the week. The total of the Basic Benefit and the employee’s Unemployment Insurance Benefit will not exceed 95% of regular weekly income.
 - (c) The term “Average straight time hourly earnings” for the purpose of the Plan means the last calculated hourly earnings for vacation purposes, adjusted to exclude the effect of overtime, Saturday and Sunday premiums, and adjusted to reflect the effect of any intervening general wage change unless at the time of such change the employee is on layoff or disabled, in which case such general wage change will not be effective until his return to work. (See Paragraphs 11.0 & 11.1 of Part II of this Plan).
 - (d) “Compensation” means the amount of any wages or remuneration (including any pension or retirement income which the Unemployment Insurance Commission deducts or would deduct from Unemployment Insurance Benefits) as defined by the Unemployment Insurance Commission, payable to an applicant with respect to the particular week in excess of the amount to be disregarded; amount of wages or remuneration, not in excess of \$10, which would be

disregarded in the calculation of the unemployment insurance benefit of such applicant if he were eligible for such benefit.

1.1 All Weekly Benefits for weeks of layoff shall be computed as set forth in Paragraphs 1.2 through 1.5 subject to possible reduction as set forth in Paragraph 1.6 (except as otherwise provided in Paragraph 1.7).

1.2 The Weekly Benefit payable to an employee who receives an Unemployment Insurance Benefit shall be the Basic Benefit.

1.3 The Weekly Benefit payable to an employee who is ineligible for Unemployment Insurance Benefits solely because of the receipt of compensation shall be the Basic Benefit minus the amount, if any, by which his compensation exceeds his Unemployment Insurance Benefit.

1.4 The Weekly Benefit payable to an employee who is ineligible for an Unemployment Insurance Benefit because he has exhausted such benefits, or for any other reason than the receipt of compensation, shall be equal to the sum of the unemployment Insurance Benefit, if any, and the Weekly Benefit which he would have been eligible to receive under Paragraphs 1.2 or 1.3 except for such U.I.C. ineligibility and subject to the provisions of Paragraph 1.5.

1.5 If an applicant has received Unemployment Insurance Benefits for weeks in which he was eligible and did not apply for Weekly Benefits under this Plan, his Weekly Benefit shall be the Basic Benefit for the number of weeks during such benefit year equal to the total number of weeks for which Unemployment Insurance Benefits shall be paid in such year.

Reduction in Regular Weekly Benefits

1.6 Except as otherwise provided in Paragraph 1.7, a percentage figure representing the Fund Position of the Plan, as described in Part II of this Plan, will determine whether the Weekly Benefits for all weeks ending in a month are to be paid in the amount described above or are to be reduced. For any month when this percentage is 35% or higher, the Weekly Benefit described above will be paid. When it falls below 35%, the Weekly Benefit described above will be reduced to the percentage indicated in the following table.

<u>When the Fund Position is:</u>	<u>The Portion of the Benefit Paid is:</u>
25% or more but less than 35%	60%
15% or more but less than 25%	30%
When the Fund Position is less than 15%, no weekly benefits will be paid.	

Guaranteed Benefits

1.7 If (a) an employee is otherwise eligible to receive weekly Benefits, (b) such employee has ten or more years of accredited service as of his last day worked, and (c) his last day worked is on or after March 1, 1977, any Weekly Benefits that he is otherwise entitled to receive on or after February 16, 1981, (up to a maximum of 104 weeks) shall not be subject to reduction pursuant to Paragraph 1.6; provided, however, that an employee's eligibility for a maximum of 104 weeks shall not be subject to reduction pursuant to Paragraph 1.6; provided, however, that an employee's eligibility for a maximum of 104 weeks of Weekly Benefits pursuant to this Paragraph 1.7 shall be restored if he completes a total of 52 weeks of work following the date on which he was last eligible for 104 weeks of Weekly Benefits pursuant to this Paragraph 1.7; and provided further that in no event shall an employee be eligible for Weekly Benefits pursuant to this Paragraph 1.7 beyond the date prescribed by (1) and (2) of Paragraph 2.4 (b) if those provisions are applicable to the employee. Weekly Benefits described in this Paragraph 1.7 shall be deemed to be paid pursuant to this Paragraph 1.7 (regardless of whether such Weekly Benefits would otherwise be subject to reduction pursuant to Paragraph 1.6). Benefits described in this Paragraph 1.7 shall, for the purpose of this SUB Plan, be referred to as "guaranteed benefits".

DURATION OF WEEKLY BENEFITS

Credit Units

2.0 All employees will be credited with the balance of their credit units as of December 1, 1988. An additional one-half a credit unit will be credited for each week after February 15, 1981 in which he has any of the following hours (credit hours):

- (a) Hours worked for the Company.

- (b) Hours not worked but for which he is paid such as vacation hours or hours for which he received jury allowance,
- (c) Hours not worked and not for but which were lost because:
 - (1) He was performing his duties as a member of the Grievance Committee or Local Union Officer or
 - (2) He was absent because of disability for which benefits are payable under Worker's Coinpensation or Occupational Disease law or for which Weekly Sickness and Accident Benefits are payable.

However, an employee will not receive credit for weeks occurring when he has 104 credit units which is the maximum number tie may have.

Cancellation of Credit Units

- 2.1 Normally, one credit unit is canceled for each Weekly Benefit paid. However, if a weekly benefit is reduced because of the receipt of other compensation (other than from the Company), one-half credit unit will be canceled for that Weekly Benefit.
- 2.2 An employee, other than employees with 10 or more yeas of accredited service receiving benefits under the provisions of Paragraph 2.4, can not receive any Weekly Benefits unless he has one or some fraction of a credit unit. If he lias less than required to be canceled he will receive a reduced benefit in proportion to his credit unit balance.
- 2.3 If an employee willfully falsifies, or willfully withholds any records or other data on which his Weekly Benefit payments are based, the Company may cancel any or all of his credit units.

Duration of Benefits for Employees With 10 or More Years of Accredited Service

2.4 Employees who had 10 or more years of accredited service at the date of layoff and who are otherwise eligible for Weekly Benefits will receive such Weekly Benefits even though they have no credit units, subject to the following:

- (a) Weekly Benefits shall be payable for a maximum period of 260 weeks, provided that there are sufficient assets in the Fund to support such payments, and the maximum period of 260 weeks shall be restored in full upon completion of a total of 52 weeks during each of which the employee has performed work for the Company since he was last credited with 260 weeks.
- (b) Any employee who is eligible to apply for a normal, 30 year, disability or unreduced early pension under the Pension Agreement shall not receive Weekly Benefits during any one continuous period of layoff after the end of the month in which he completed 104 consecutive weeks of layoff from his last day worked (but not beyond:
 - (1) (a) the end of the month in which he completed 52 weeks of layoff after the date of a permanent plant shutdown or his last day worked, if later or
 - (b) in the case of any employee who becomes eligible for 70/75 or Rule-of-65 retirement, the end of the month in which he (i) has completed, after December 1, 1988, 52 weeks of layoff and (ii) has been advised by the Company (in its sole discretion) that such employee's return to active employment is unlikely, or (2) if later, the date he first becomes eligible to receive, or, upon proper application would be eligible to receive, such pension, if later)
 - (c) Weekly Benefits may be discontinued if the employee refuses reasonable, alternative employment.

- (d) In no event will any Weekly Benefit be payable after an employee receives a severance payment and/or loses all seniority and recall rights under the seniority provisions of the Agreement.
- (e) The extension of the duration of Weekly Benefits under Paragraph 2.4 shall not extend or alter in any way the accredited service of any employee nor extend or alter in any way the provisions of the Pension Plan or the Basic Group Insurance Plan relating to eligibility for, or, amount of benefits thereunder.

2.5 In no event shall any employee be permitted to receive more than a maximum of 104 weeks (260 weeks for employees with 10 or more years of accredited service) plus the number of days, if any, between the date on which such 104 weeks expires and the first day of the next following month of Weekly Sickness and Accident Benefits and SUB Weekly Benefits combined for any one continuous period of absence.

ELIGIBILITY FOR WEEKLY BENEFITS

Requirements

3.0 No employee will be eligible for Supplementary Unemployment Benefits if (s)he has been advised by the Company that (s)he will not be rehired.

in order to be eligible for a Weekly Benefit an employee must be on a layoff (as defined in Paragraph 3.8) which occurred in a reduction in force; he must have completed two years of accredited service prior to his layoff; he must, a some time prior to his layoff, have performed work for the Company (or work must have been available but was not performed due to illness, jury service, militray service or other reasons for which some time is compensated by the Company) on 50 per cent or more of the regular scheduled working days in each of 4

continuous months, or been eligible prior to the effective date of this Agreement to receive SUBpayments, and must:

- (a) Report and apply in person in the week for which he is claiming a Weekly Benefit at a time and place designated by the Company. The place at which reporting and applying are required will be at or near the location where the employee was last employed. If such place is an unreasonable distance from the employee's residence, or if he leaves the area to seek work, the Company shall, upon request of the employee in person, grant permission to report at another Company location where an adequate office for such reporting is maintained. If no such **office is** within reasonable distance, the Company shall, upon request of the employee in person, grant permission to report and apply by mail. The necessary forms and instructions for making SUB applications by mail shall be supplied by the Company to the employee at the time his request for mail reporting is granted.
- (b) Receive an Unemployment Insurance Benefit for the week. However, this requirement will not apply if he fails to receive that benefit only for one or more of the following reasons:
 - (1) He has exhausted his Unemployment Insurance Benefits.
 - (2) He has other compensation in an amount which disqualifies him for an Unemployment Insurance Benefit.
 - (3) He has not has sufficient employment to be covered under the Unemployment Insurance Act.
 - (4) He is on layoff on account of a complete or partial plant shutdown for vacation purposes and he was ineligible for vacation pay.

No employee shall receive a Weekly Benefit until he shows that he received an Unemployment Insurance Benefit for the week or failed to receive such benefit for a

reason which does not disqualify him from receiving a Weekly Benefit.

This may be done by showing an Unemployment

Insurance cheque or by some other method which must reasonably provide for securing such proof.

Examples of such methods are described in Paragraph 7.6. (See Paragraph 3.2 and 3.3 for information concerning waiting weeks and vacation periods).

- (c) Be available for work and maintain an active registration with the Unemployment Insurance Commission. These requirements will be considered to have been met for any week for which the employee receives an Unemployment Insurance Benefit.
- (d) Apply for, accept and not voluntarily leave employment with other employers as specified by the Company or otherwise, if the employment is considered suitable to the Unemployment Insurance Commission. This requirement will be considered to have been met for any week of which the employee receives an Unemployment Insurance Benefit.

Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under the Plan.

Disqualification

3.1 An employee will be disqualified from receiving a Weekly Benefit if:

- (a) He quit, or
- (b) He was suspended or discharged, or
- (c) His unemployment resulted from a labor dispute involving the Union, whether the labor dispute occurred at any operation of the Company or elsewhere; or a labor dispute at any operation of the

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Company involving any other employees of the Company which interferes with production or the ingress or egress of material or product at the operation where he was employed, or

- (d) His employment was the result of a refusal by him to accept assignment to any work at the plant where he was employed if it is work which he would be required to accept under this Agreement.

Waiting Weeks

- 3.2 In order to qualify for a Weekly Benefit an employee must have served a waiting week in his benefit year; provided, that an employee shall not be required to serve more than one waiting week in any single continuous period of layoff. Normally this waiting week will be the same as the waiting week under the Unemployment Insurance Act, and he is not required to report to the Company location in such week, if he is required to serve a waiting week under the Unemployment Insurance Act. If the Act does not require a waiting week of layoff, or he is not able to receive credit for a waiting week under the Unemployment Insurance Act because of the amount of his other compensation for the week, he will not receive a Weekly Benefit for the first week for which he applies and otherwise would have been qualified for a Weekly Benefit. However, he must establish a benefit year under the Unemployment Insurance Act as soon as he is eligible to do so and serve a waiting week, for which he will not be entitled to a Weekly Benefit. Should a second waiting week in a benefit year or in any single continuous period of layoff be imposed by the Act, an employee will, if otherwise eligible, receive a Weekly Benefit for that week.

Effect of Vacations

- 3.3 An employee may receive a Weekly Benefit only if he was not scheduled to be, or was not on, paid vacation; provided that if a layoff coincides in part or in whole with a scheduled vacation period, an employee will be considered to be on layoff only for any part of such period with respect to which he is not entitled to receive vacation pay and provided further, that for the purposes of the Plan an employee who has received pay in lieu of vacation shall be deemed to have a scheduled

vacation for the number of weeks of layoff between the time of receipt of such pay and December 31 of the same year equal to the number of weeks of vacation to which he was entitled.

Ineligibility

- 3.4 (a) An employee may not receive a Weekly Benefit for any week:
- (1) For which he claims and is eligible for sickness and accident or total disability benefit whether it is publicly financed in whole or in part by the Company, or
 - (2) When he is in the military service, including training encampments.
- (b) An employee may not receive a Weekly Benefit ~~for~~ any week when his layoff was the result of:
- (1) Any war or hostile action of a foreign power, or
 - (2) Government regulations or controls over amount or kind of material or product which the Company may use or sell, or
 - (3) Sabotage or insurrection.
- (c) An employee may not receive a Weekly Benefit for any week of layoff which is the result of an Act of God after the first two weeks of layoff resulting from such cause.

When an Employee is “On Layoff” for the Purposes of the Plan

- 3.5** For the purposes of the Plan, an employee is “on layoff” for any week in which, because of lack of work, he does not work at all for the Company

DISPUTES

- 4.0** If an employee disagrees with any determination relating to his eligibility to a benefit or the amount thereof, he should discuss the matter with a Company representative at the office at which he applies for benefits. If the dispute is not resolved by that discussion, he must file an SUB grievance. If he does not file such a grievance, the original determination will be final and conclusive. Even though the determination with which an employee disagrees may apply to more than one week, he should continue to report and apply for each week as to which he claims a Weekly Benefit but he need not file repetitious grievances.
- 4.1** A SUB grievance shall be filed and processed in the same manner and subject to the same provisions as other grievances under this Agreement, beginning at the second step except that within 10 days after the date of appeal to arbitration, either the Company or the Union may notify the other of its desire to have the grievance discussed by a representative of the Company at the Head Office level and a representative of the Union at the International Office level. If that occurs, the grievance shall not be processed to arbitration until it has been discussed by those representatives. If, however, within 60 days from the date of appeal to arbitration, the grievance is not resolved, it shall proceed to arbitration.

MISCELLANEOUS

Coverage by Another SUB Plan

- 5.0** An employee is not eligible to receive a Weekly Benefit if he receives, or is eligible to receive, a similar benefit under an arrangement provided by an employer with whom he has more service than with the Company.

Tax Withholding

- 5.1** Any Benefit an employee is entitled to receive will have deducted from it any amount the Company is required to withhold by reason of any law or regulation of any federal, provincial or municipal government.

Military Service

- 5.2** If an employee enters the armed forces directly from the employment of the Company he shall, while in service, be deemed for the purposes of the Plan to be on leave of absence and shall not be entitled to any Benefit. Only the credit units credited to him at the time of his entry into such service shall be credited to him upon his reinstatement as an employee of the Company, except as may otherwise be required by law or by Paragraph 2.0.

Effect on Other Rights

- 5.3** When an employee receives Benefits under the Plan he shall not be reason thereof be deemed to be working for the Company during such period, nor shall he by reason thereof receive benefits under any other plan to which the Company contributes other than those to which he would be entitled if he were not receiving benefits.

An employee's rights and the Company's right to discharge him shall not be enlarged or affected by reason of the plan. Nothing contained in the Plan shall be deemed to enlarge, qualify, limit, or alter in any manner the Company's management responsibilities.

Finality of Determination

- 5.4** The Company shall have the right to recover overpayments for the Fund and to correct underpayments to employees. However, any benefit determination shall become final **six** months after the date on which it is made if **(a)** no dispute is then pending, and **(b)** the Company has not thereto fore given written notice of an error

Receipt of Unemployment Insurance Benefit

- 5.5** Following are examples of methods which may be used by an employee to prove receipt of an Unemployment Insurance Benefit:
- (a) An Unemployment Insurance Benefitcheque.
 - (b) A form satisfactory to the Company issued by the Unemployment Insurance Commission.
 - (c) A photostat copy of the items listed in (a) or (b) above
 - (d) The above list is illustrative and is not intended to exclude other local arrangement which reasonably provide for securing proof.
- 5.6** In the event that the Federal system is modified to eliminate any “availability” requirement, the presumption relating to availability arising from receipt of an Unemployment Insurance Benefit pursuant to Paragraph 3.0(c) shall not apply, and the “availability” test theretofore applied under such Federal system shall be a condition of eligibility to a Weekly Benefit.

Expiration of Application

- 5.7** If an employee fails to take all steps necessary to become eligible for a Weekly Benefit within 6 months of the date the application is made, the application shall thereupon become void unless the reason for failure is to complete such steps in such time is a pending protest of an Unemployment Insurance Benefit determination or is the fault of the Company.

Disability on Recall

- 5.8 An employee will not be disqualified from a Weekly Benefit on the basis that he is not on "layoff" if he is recalled from layoff and is not physically able to perform the job to which recalled.

Unemployment Insurance Benefit Dispute

- 5.9 If an employee's eligibility to a Weekly Benefit depends on his eligibility to an Unemployment Insurance Benefit and his eligibility to an Unemployment Insurance Benefit is in dispute, the determination of his eligibility for the Weekly Benefit will be postponed until the question is resolved by the Unemployment Insurance Commission.

At that time a retroactive determination will be made to place him in the same position as he would be in if the determination could have been made promptly upon his application. Nevertheless, he must continue to report and apply each week for which he claims a Weekly Benefit. While the dispute is pending, his credit unit balance and the Fund balance will be treated as though the Weekly Benefit had been paid.

COVERAGE

- 6.0 An employee cannot receive any Weekly Benefit unless he is covered by the Plan at the time his layoff commences.
- 6.1 Credit units will be canceled whenever an employee is on layoff for two consecutive years. He will, thereafter, not be entitled to coverage by, or benefits from, the Plan except as provided in Paragraph 2.4. However, any such individual who returns to work, shall have restored any credit units canceled as a result of such layoff.

DEFINITIONS

7.0 When used in this Plan, the following terms, listed in alphabetical order, are intended to have the meanings explained below:

“Benefit” Unless qualified in the text, any benefit payable under the Plan.

“Benefit Year” The period used by the Unemployment Insurance Commission in connection with establishing the amount and duration of unemployment Insurance Benefits, usually also called a “benefit year” under the Federal system. If no such period is in effect, another period will be used for the purposes of the Plan.

“Fund” The Supplemental Unemployment Benefit Fund described in Part II of this Plan.

“Labor Dispute” Any strike, slowdown, work stoppage, picketing or concerted action.

“Other Compensation” Any compensation received by the employee as wages or other remuneration (including any pension or retirement income which the Unemployment Insurance Commission deducts or would deduct from Unemployment Insurance Benefits) from any employer or from self employment.

“Part-Time Employee” Any employee who regularly, for his own convenience, is not available for full-time employment.

“Plan” This Supplemental Unemployment Benefit Plan as set forth in this Part I.

“Federal System” Any system or program, now in effect or hereafter established by or pursuant to any federal laws, for paying benefits to persons on account of their unemployment, under which the eligibility of a person for benefit payments is not determined by application of a means test.

“Unemployment Insurance Benefit” A benefit payable under the Federal system.

“Week” The period used for determining Unemployment Insurance Benefits under the Federal System, or where no such period is established, an equivalent period used to determine eligibility for and the amount of Weekly Benefit, unless it is clear in this Plan that it is intended to refer to a calendar week. With respect to the determination of Credit Units, “week” means the payroll week.

“Weekly Benefit” The amount of Supplemental Unemployment Benefit payable under the Plan for a week of layoff,

PART II - FINANCING AND ADMINISTRATION

Purpose of Fund

- 1.0 The Supplemental Unemployment Benefits Fund is intended to provide the monies for payment of Supplemental Unemployment Benefits in accordance with Part I of this Plan.

Supplemental Unemployment Benefits

- 2.0 For the purpose of this Part II:
- (a) “Contributory Hour” means an hour actually worked for the Company by an employee covered by the S.U.B. Plan.
 - (b) “Maximum S.U.B. Fund Level” for any calendar month means the product of multiplying the total number of Contributory Hours in the twelve months ending September 30 in the preceding calendar year by a Fund factor equal to 16 cents. If during such 12 month period, there shall be any calendar month or months throughout all of which there was in progress a strike involving the Union which was not in violation of any basic labor agreement and which

caused the suspension of operations of the Company within the bargaining unit, the Contributory Hours in such month or months shall be excluded but the Contributory Hours in a like number of full months first preceding such 12 month period shall be included. The 16 cent Fund Factor referred to above shall be increased to 18 cents, effective on the first date on which the S.U.B. Total Finances are equal to or greater than the Maximum S.U.B. Fund Level (calculated on the basis of an 18 cent Fund Factor), and shall be increased to 21 cents effective on the first date on which the S.U.B. Total Finances are equal to or greater than the Maximum S.U.B. Fund Level (calculated on the basis of a 21 cent Fund Factor).

- (c) "S.U.B. Benefits" means the Supplemental Unemployment Benefits described in Part I of this Plan.
- (d) "Supplemental Unemployment Benefits Fund" (hereinafter referred to as 'S.U.B. Fund') means the fund established for the payment of S.U.B. Benefits.
- (e) "Total Finances" of the S.U.B. Benefits provisions (hereinafter called "S.U.B. Total Finances") of the S.U.B. Fund as of the close of the month are:
 - (1) The market value of the total assets in the S.U.B. Fund as of such date, plus
 - (2) The contribution obligation to the S.U.B. Fund accrued with respect to the Contributory Hours for the month, minus
 - (3) Benefits and expenses accrued but not paid as of such date.

Trustee and Fund Assets

- 3.0** The Trustee of the S.U.B. Fund shall be a corporate trustee or non-profit corporation selected by the Company. The assets of the S.U.B. Fund may be held in cash or invested by the Trustee in appropriate securities approved by the Company. The reasonable fees and expenses of the Trustee shall be paid from the S.U.B. Fund. No person shall have any interest in, or right to, the S.U.B. Fund or any part thereof, except as expressly provided in this Part II. The money and other assets of the S.U.B. Fund may not be used for any purpose except the payment of the S.U.B. Benefits and the payment of the Trustee's fees and expenses, and except as provided in Paragraph 15.0.

Contribution to the Fund

Regular Contribution

- 4.0** (a) Subject to subparagraph (b), below, the Company will contribute to the S.U.B. Fund for each month (the contribution Month) an amount equal to the product of multiplying seventeen cents (17) commencing March 1, 1981 by the total number of Contributory Hours in such month but not in excess of the sum which, when added to the S.U.B. Total Finances as of the close of the Contribution Month, excluding the contribution obligation for the month, will equal 120% of the product of multiplying the total number of Contributory Hours in the twelve months ending September 30 (adjusted, if necessary as provided in the second sentence of definition (b) in Paragraph 2.0 above) in the preceding calendar year (current calendar year in the case of November and December Contribution Months) by 21 cents, provided, however, with respect to 4.0(b)(3) below, that for any month accruals under this Paragraph 4.0(a) shall be reduced only if full recovery cannot be satisfied through reduction of that month's accruals provided for under Paragraph 4.0(c), Contingent Support Account - S.U.B. The Company's contribution for the month of February of 1981 will be determined in accordance with this Paragraph 4.0(a) except that the contribution rate will be thirteen cents (13) for Contributory Hours before March 1, 1981.

- (b) Notwithstanding the foregoing:

Recovery of Special Contribution

- (1) For any Contribution Month for which the Fund Position is not less than 70% (computed on the basis of 21 cents Fund Factor), the amount that the Company is required to contribute pursuant to this Paragraph 4.0 for such Contribution Month shall be reduced, provided such reduction will not reduce the Fund Position below 70%, until the total amount of the reduction pursuant to this Paragraph 4.0(b)(1) (including any such reductions for prior Contribution Months) is equal to the amount that the Company contributed pursuant to Paragraph 4.2 of this Part II; and

Recovery of Extended Benefits

- (2) For any Contribution Month for which the Fund Position exceeds 70% (computed on the basis of 21 cent Fund Factor), the amount that the Company is required to contribute pursuant to this Paragraph 4.0 shall be reduced, provided such reduction will not reduce the Fund Position below 70%, until the total amount of the reduction pursuant to this Paragraph 4.0(b) (2) (including any such reductions for prior Contribution Months) is equal to an amount that the Company has previously contributed pursuant to Paragraph 4.1 of this Part II with respect to the benefits paid pursuant to Paragraph 1.8 of Part I of this Plan.

Recovery of Guaranteed Contributions

- (3) For any Contribution Month for which the Fund Position (including for this purpose in the S.U.B. Total Finances the amount of the S.U.B. Support Account and the Contingent Support Account) exceeds 100% (computed on the basis of 21 cent Fund Factor), the amount that the Company is

required to contribute pursuant to this Paragraph 4.0 and any amount the Company is required to accrue in the Contingent Support Account - S.U.B., also shall be reduced, provided such reduction shall not reduce the Fund Position below 100%, until the total amount of the reduction pursuant to this Paragraph 4.0(b)(3) (including any such reductions for prior Contribution Months) is equal to the total amount that the Company has previously contributed pursuant to Paragraph 4.1 of this Part II (excluding any contributions made with respect to benefits paid pursuant to Paragraph 1.8 of Part I of this Plan.)

- (c) Notwithstanding the foregoing:

Contingent Support Account - S.U.B.

- (1) The Company will accrue on its books in a Contingent Support Account - S.U.B. as at the close of business of each Contribution Month commencing March, 1981, and ending with the month of February 1984, four (4) cents for ail Contributory Hours in such month..

S.U.B. Support Account

- (2) If the S.U.B. Total Finances as of the close of any Contribution Month through December 1983 will be less than 35% of the Maximum S.U.B. Fund Level for the second month following such Contribution Month, then there shall be transferred on the books of the Company from the Contingent Support Account S.U.B. and accrued in an S.U.B. Support Account an amount (not in excess of the balance at the time in the Contingent Support Account S.U.B.) equal to the amount by which 35% of such maximum S.U.B. Fund Level exceeds the aggregate of (i) the S.U.B. Total Finances plus (ii) any balance accrued in the S.U.B.

Support Account immediately prior to such transfer. For purposes of calculating the S.U.B. Fund Position under Paragraph 5.0 for any calendar month the balance accrued in the S.U.B. Support Account shall be deemed to be a part of the S.U.B. Total Finances in the numerator of such calculation.

Additional Contribution to the S.U.B. Fund

- (3) If at any time the S.U.B. Total Finances shall be less than the amount required to provide the S.U.B. Benefits due, then the Company shall make an additional contribution to the S.U.B. Fund (which shall operate to reduce the balance accrued in the S.U.B. Support Account by an amount equal to such contribution), in such amount as shall be required to provide the S.U.B. Benefits due as of such time; provided, however, that no such contribution shall exceed the balance accrued in the S.U.B. Support Account as of the first day of the current calendar month.

Cancellation of Contingent Support Account - S.U.B.

- (4) If the S.U.B. Total Finances as of the close of the Contribution Month of February, 1984 will be less than 70% of the Maximum S.U.B. Fund Level (computed on the basis of 21 cent Fund Factor) for April 1984, then there shall be transferred on the books of the Company from the Contingent Support Account-S.U.B. and accrued in the S.U.B. Support Account an amount (not in excess of the balance as of February 29, 1984 in the Contingent Support Account-S.U.B.) equal to the amount by which 70% of such Maximum S.U.B. Fund Level (computed on the basis of 21 cent Fund Factor) exceeds the aggregate of (i) the S.U.B. Total Finances plus (ii) any balance accrued in the S.U.B. Support Account immediately prior

to such transfer. Any balance then remaining in the Contingent Support Account-S.U.B. shall be canceled as of March 1, 1984.

- (d) Contributions by the Company to the S.U.B. Fund for any month will be made on or before the twentieth (20th) day of the following month.

- 4.1 By the end of each calendar month the Company will make a special contribution to the S.U.B. Fund equal to the amount, if any, of the distributions from the S.U.B. Fund which were reported in the statement issued by the Trustee with respect to the immediate preceding month to the extent that such distributions were made in payment of benefit pursuant to Paragraphs 1.7 and 1.8 (but only to the extent of any difference between full Weekly Benefits and Weekly Benefits otherwise payable under Paragraph 1.6 of Part I of this Plan), of Part I of this Plan.

Special Contribution to Bring S.U.B. Fund Level to 35%

- 4.2 Prior to April 1, 1981, the Company shall make a special contribution to the S.U.B. Fund equal to the excess of (a) the amount that the S.U.B. Total Finances would have been, as of the close of January of 1981, if the S.U.B. Fund Position for March of 1981 were equal to 35%, over (b) the actual S.U.B. Total Finances as of the close of January of 1981
- 4.3 If the Company at any time shall be required by reason of any federal, provincial, or municipal law or regulation to withhold any amount of a payment to the S.U.B. Fund the Company shall have the right to deduct such amount from the payment and pay only the balance to the S.U.B. Fund and the Company shall have no further liability or obligation in respect of such amount.
- 4.4 Notwithstanding any depreciation or loss of assets in the S.U.B. Fund whether arising from depreciation of the securities held in the S.U.B. Fund or otherwise, the Company shall not be liable for or obligated to make any payment to the S.U.B. Fund other than the contributions provided for in Paragraphs 4.0, 4.1, and 4.2.

Fund Position

- 5.0** There will be a S.U.B. Fund Position (stated as a percentage) for each calendar month. The S.U.B. Fund position for any particular month will be determined by dividing the S.U.B. Total Finances as of the close of the 2nd month preceding such month, by the Maximum S.U.B. Fund Level for such month; provided, that the Fund Position for March of 1981 shall be 35%.
- 5.1** Except as otherwise provided in Paragraph 1.7 of Part I of this Plan, the S.U.B. Fund Position for a particular month will determine whether the Weekly Benefits for all weeks ending in a month are to be paid in the amounts described in Part I of this Plan or are to be reduced. For any month for which the S.U.B. Fund Position is 35% or higher, the Weekly Benefits described in Part I of this Plan will be paid. When the S.U.B. Fund Position falls below 35%, such Weekly Benefits will be reduced to the percentage indicated in the following table:

When the Fund Position is:	The Portion of the Benefit Paid is:
25% or more but less than 35%	60%
15% or more but less than 25%	30%

When the S.U.B. Fund Position for a month is less than 15%, no Weekly Benefits will be paid. Notwithstanding anything herein to the contrary, this Paragraph 5.1 shall not apply to Weekly Benefits paid pursuant to paragraph 1.7 of Part I of this Plan.

- 5.2** Any error in the computations, or the figures used in making the computations, of the Maximum S.U.B. Fund Level or the S.U.B. Fund Position will, when discovered, be adjusted in the next month's computation of the Maximum S.U.B. Fund Level or the S.U.B. Fund Position, but will not be adjusted retroactively.

Payment of S.U.B. Benefits

- 6.0** All S.U.B. Benefits will be paid only from the S.U.B. Fund, and except for benefits paid pursuant to Paragraph 1.7, 1.8

(but only to the extent of any difference between full Weekly Benefits and Weekly Benefits otherwise payable under Paragraph 1.6 of Part II of this Plan), only to the extent that there are assets available therein for payment of such benefits.

Tax Withholding

- 7.0 Any benefit an employee is entitled to receive from the S.U.B. Fund will have deducted from it any amount which is required to be withheld by reason of any law or regulation of the federal, provincial or municipal government.

Administration of the Program

- 8.0 The Company will administer, or arrange for administration of the S.U.B. Benefits Program. The Company's procedures and regulations shall be in accordance with the subject to the terms and conditions of such S.U.B. Benefits provisions. The costs of administering such S.U.B. Benefits provisions will be borne by the Company and shall not be paid from the S.U.B. Fund.

Non-Alienation

- 9.0 No benefit shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution or encumbrance of any kind, and any attempt to accomplish the same shall be void. If the Company shall find that such an attempt has been made with respect to any Benefit due or to become due to any employee, the Company in its sole discretion may terminate his interest in such Benefit and apply the amount of such Benefit to or for the benefit of him, his spouse, parents, children or other relatives or dependents, as the Company may determine, and any such application shall be a complete discharge of all liability with respect to such Benefit.

Death or Incapacity

- 10.0 Any Benefits to which an employee may become entitled shall be payable only to him, except that if after becoming entitled

to Benefits, but before they are paid, he dies or becomes unable to manage his affairs for any reason, any benefits then payable to him shall be paid to his duly appointed legal representative, if there be one, and, if not, to his spouse, parents, children, other relatives or dependants or, if there are none such, to his creditors, as the Company in its sole discretion may determine. Any payment so made shall be a complete discharge of any liability with respect to such Benefit.

Special Rules for Weekly Benefit Calculations

- 11.0** When computing a benefit for a part-time employee, the calculation provided in Paragraph 1.0 of Part I **will** be made by use of a number in place of 28 which bears the same relation to 28 at the number of hours in his normal work week bears to 40.
- 11.1** The adjustment for the effect of an intervening general wage change referred to in Paragraph 1.0(c) of Part I will be made on the basis of percentage change in the weighted average standard hourly wage rate of the employees covered by the Plan.
- 11.2** For the purpose of Paragraph 1.0(c) of Part I, if an employee has not had a vacation calculation, the average straight time earnings during the latest four weeks immediately preceding layoff for which earnings records are available will be used adjusted to include any general wage change unless at the time of such change the employee is on layoff or disabled, in which case such general wage change will not be effective until his return to work.

Reports to the Union

- 12.0** The Company will provide the Union with information on the forms agreed to by the parties and at the times indicated thereon, and such additional information as will be reasonably be required for the purpose of enabling the Union to be properly informed concerning operations of the S.U.B. Benefits Program.

Government Rulings

- 13.0** (a) The Company shall not incur any obligation under this Supplemental Unemployment Benefits Agreement unless it has a currently effective ruling or rulings by the Minister of National Revenue, satisfactory to the Company, that all payments by the Company to the S.U.B. Fund or otherwise hereunder will constitute a currently deductible expense and all income of the S.U.B. Fund will be exempt from tax, under the Income Tax Act of 1948, as now in effect or as hereafter amended, or under any other applicable federal tax law.
- (b) The Company shall not incur any obligation under this Plan unless it has a currently effective ruling or rulings by the Minister of National Revenue, satisfactory to the Company, that no part of contributions by the Company to the S.U.B. Fund, and no payments of benefits hereunder to employees, will be included in the regular rate of any employee.

Other Information

- 14.0** (a) **Administration of the Plan**
Ball Packaging Products Canada, Inc. shall administer the Plan.
- (b) **Identification Numbers of the Plan**
The identification number assigned to the Plan by Revenue Canada Taxation for tax purposes is REG00170. The number assigned to the Plan by Employment & Immigration Canada, for Unemployment Insurance purposes is 4310/0025.

Termination of S.U.B. Benefits Provisions

- 15.0** Upon termination of the S.U.B. Benefits provisions of the S.U.B. Plan, the assets then remaining in the S.U.B. Fund shall be used until exhausted to pay the cost of providing S.U.B. Benefits to eligible employees who are laid off in the order, each week, of the respective dates as of which they were laid off. The provisions with respect to the reduction of Weekly Benefits which are set forth in Paragraph 1.6 of Part I of this Plan and in Paragraph 5.1 of this Part II shall not thereafter be effective. Arrangements for disposition of assets

remaining after payment of such benefits in a manner designed to promote the purposes of the S.U.B. Fund shall be made.

Such arrangements shall be by agreement with the collective bargaining representatives of the employees.

Any practice in effect which provides benefits that are in excess of or in addition to the benefits established above, shall remain in effect for the term of this Agreement.

This supplemental agreement effective December 3, 2000.

BALL PACKAGING PRODUCTS CANADA, INC.

Edward H. Stoner

UNITED STEELWORKERS OF AMERICA

Carol Landry

EXHIBIT A - JOB AND INCOME SECURITY PROGRAM

Effective February 16, 1981, the Job and Income Security Program is revised to provide the following:

Part I - Interplant Job Opportunities, including Relocation Allowance as set forth below

Part II - Supplemental Unemployment Benefits, including Short Week Benefits and Severance Allowance

AND

Part III - Financing and Administration are set forth in a separate booklet entitled "Job and Income Security Program"

Part II - Supplemental Unemployment Benefits

Part III - Financing and Administration

PART I INTERPLANT JOB OPPORTUNITIES

Section 1.

Job Opportunities Within a Region

A P&M employee under this agreement on layoff from a plant at which the Company has announced a permanent plant closing or an employee continuously on layoff for thirty (30) days or more and who had two or more years of accredited service on the date of layoff and who is not eligible for an immediate pension and social security shall be given priority over other applicants (new hires, including probationary employees) for job vacancies (other than temporary vacancies not to exceed thirty (30) days at other plants of the Company located with a limited agreed upon geographical region (hereinafter referred to as "region"), where P&M employees are represented by the United Steelworkers of America, all in accordance with the following:

- a. The plants within each such agreed upon region are set forth in Appendix A(1) in this agreement.

- b. The job vacancies for which employees shall be eligible under these provisions shall be only those that are not filled from the particular plant in accordance with the provisions of Article 11.
- c. An employee shall be given such priority only if he files with the management of the plant from which he is laid off a written request for such employment specifying the other plant or plants at which he would accept employment. The employee must, in person, make himself available for an employment interview at such plants in order to be given such priority. The Company may, but shall not have the obligation to hire hereunder prior to the expiration of thirty (30) days after the date of such filing.
- d. Employees who thus apply must thereafter be given priority in the filing of job vacancies (other than temporary vacancies not to exceed thirty (30) days over new hires and probationary employees, and after they have been continuously on layoffs for thirty (30) days shall be given such priority in the order of their total company accredited service earned at the time of their lay off from their home plant (regardless of the time at which they made their application). In the event two or more employees have the same amount of accredited service, they shall be given priority by the last date of employment with the Company. In each case such employees must have the necessary qualifications (ability and physical fitness) required to perform the available job with the degree of proficiency required of other employees at such plant. For the purposes of this Part I, a job vacancy shall include any job which is filled by a probationary employee. In the event that it is determined that an employee is unable to perform the job to which the employee is initially assigned, the employee shall be reassigned in line with the employee's seniority, ability and physical fitness.
- e. An employee laid off from one plant who is offered and who accepts a job at another plant in accordance with the foregoing provisions will have the same obligation to report for work there as though he were a laid off employee at that plant. During his employment at that plant, he will be subject to **all** the rules and conditions of employment in effect at that plant.

- f. If an employee rejects a job offered to him under these provisions, *or* if he does not respond within five (5) days to such offer directed to his last place of residence as shown on the written request referred to in paragraph "c" above, his name shall be removed from those eligible for priority hereunder, and he may thereafter apply, pursuant to paragraph "c" above for reinstatement; provided, however, that he shall be entitled to only one such reinstatement during the period of ninety (90) days after such unaccepted offer unless he is recalled to active employment and again laid off during the ninety (90) days after such unaccepted offer.
- g. An employee who accepts employment at another plant under these provisions will continue to accrue seniority at his home plant in accordance with Section 11.11 of this Agreement. If he is recalled to work at his home plant:
- (1) He shall have an option to stay or return unless management directs him to return, in which event his seniority will continue to accrue at the other plant until the expiration of one of the following applicable periods if he has not returned to employment at the other plant by that time.

The periods are as follows:

If recalled to a job class 9 or below job at his home plant, six months;

If recalled to a job class 10 or above job at his home plant, one year;

If promoted to a higher job classification after his recall to his home plant, any longer period of seniority accrual at the other plant as determined by one of the periods above shall apply as of the date of his initial recall to the home plant, at the expiration of which period it will be canceled if he has not returned to employment at the other plant. At any time within the period specified above, management at the home plant may give the employee the option of returning to the other plant. If the employee elects the return to the other plant, his seniority at his home plant shall be canceled.

- (2) If management makes his return to his home plant optional and he elects to return, his seniority at the other plant will be canceled.
- (3) If management makes his return to his home plant optional and **he** elects to remain at the other plant, his seniority at his home plant will be canceled.

Section 2.

Job Opportunities Outside of Region

Priority in the filling of job vacancies (other than temporary vacancies not to exceed thirty (30) days) in plant outside of the region (one region to another) where P&M employees are represented by the United Steelworkers of America, shall be afforded employees who have applied for employment in the region in which laid off and management has failed to provide employment and:

- a.
 - (1) Who have ten or more years of accredited service at the time of layoff from a plant at which the Company has announced a permanent closing, or
 - (2) Who are laid off due to permanent plant closing and who have two (2) but less than ten (10) years of accredited service at the time of layoff provided the plant at which the vacancy exists is within 100 miles of the plant being closed (or a longer distance if agreeable to the parties), or
 - (3) Who have one (1) or more years of accredited service at the time of layoff from their plant and (a) in the opinion of management are not likely to be returned to active employment in their plant or in a plant in the region within two (2) years from the date of layoff, or have been on continuous layoff for one (1) year and make application at their home plant, and (b) within thirty (30) days after being advised by the management of such option apply for employment hereunder.
- b. The plants within each such agreed upon region are set forth in Appendix A(1) to this Agreement.

- c. The job vacancies for which employees shall be eligible under this Section 2 shall be only those that are not filled from the particular plant or from the particular region with employees with ten or more years of accredited service in accordance with Section 1.
- d. An employee provided a job under this section in a plant outside of the region shall retain his home plant seniority and shall continue to accrue seniority at his home plant in accordance with the applicable seniority rules; however, if he is recalled to his home plant and accepts such recall, he shall relinquish his seniority at his new plant and if he declines such recall, he shall relinquish his plant seniority at his home plant. If an employee is transferred to subsequent new plants and is then recalled to a former plant the same principle of seniority continuance or discontinuance will apply. An employee continuously on lay off from a plant will lose his seniority at that plant in accordance with Section 11.5 of Article 11.- Seniority.
- e. In filling such job vacancies hereunder, the provisions of subparagraphs c, d, e, and f of Section 1 shall be applicable

Section 3

Non-Preferential Interplant Transfer

- A. Whenever any job in a local P&M operating unit covered by this agreement cannot be filled in accordance with the above provisions, management may offer such a job to an employee laid off for reasons other than a permanent plant closing and who had ten (10) years of accredited service as of the date he was laid off and who is receiving Weekly S.U.B. benefits subject to the following:
 - (1) If such offer is made to an employee laid off for any reason other than a complete and permanent shutdown of a plant, such offer must be made after the employee has been continuously on layoff for a year or more.
 - (2) The job which management offers must be one which the employee has the ability and physical fitness to perform.

- (3) The employee must be allowed at least 14 days to reply to any job offer made pursuant to this paragraph.
- B. If such an employee refused to accept such an offer, he shall not be eligible to receive Weekly Supplemental Unemployment Benefits under Part I here-of during that continuous period of layoff beyond two years from his last day of work provided the offer conforms to the following requirements:
- (1) The job which management offers must have already been offered to all employees, if any, with less accredited service to whom the same job could be offered under this Section 3 and who have not yet lost their eligibility for more than 2 years of S.U.B. Benefits.
- (2) The employees to whom such offer is made must have had 2 previous job offers under this Section 3 and such offers must have been at least 15 days apart. Employees will be charged with all refusals of job offers made under this Section 3; provided, however, only one employee can be disqualified for S.U.B. Benefits for each job opening.
- C. The Company shall have the final right to determine such factors as the job and location to be offered to an employee, but it will make every effort to make such determination in accordance with each employee's preference as to the location of the jobs for which he wishes to be considered.
- D. An employee who accepts a job which is offered to him under Section 3, shall have the same obligation to report for work at his new plant as though he were a laid off employee at that plant. During his employment at such new plant he shall be subject to all of the rules and conditions of employment in effect at that plant.
- E. If an employee accepts a job which is offered to him under his Section 3, and which is in the same region as the last job which he held, his seniority rights at his home plant and his new plant shall be governed by subparagraph (g) Section 1 above. If such new job is in a different region than his last job, his seniority

rights at his home plant shall be governed by subparagraph (d) of Section 2 above.

Section 4.

General Provisions

A. 1. An employee with 10 years or more of accredited service who has been laid off for reasons other than a permanent plant closing and accepts employment under this Part I at least 50 miles from the plant from which he was laid off and who changes his permanent residence as a result thereof will receive a relocation allowance (as a reimbursement for actual moving expenses) under this program promptly after the commencement of his employment at the plant to which he has relocated, on the following terms:

(a) The amount of relocation allowance will be determined in accordance with the following:

<u>Miles Between Plant Locations</u>	<u>Single Employees</u>	<u>Married Employees</u>
50-99	\$400.	\$1,200.
100-299	\$500.	\$1,300.
300-499	\$600.	\$1,500.
500-999	\$700.	\$1,900.
1,000-1,999	\$900.	\$2,400.
2,000-or more	\$1,100.	\$2,900.

2. An employee who is laid off as a result of a permanent plant closing and who accepts employment under this Part I at least 25 miles from the plant being closed and who changes his permanent residence as a result thereof shall be entitled to the following:

- (a) Movement of normal household goods, arranged for by the Company. The cost of such to be paid out of the fund.
- (b) Reimbursement for the reasonable one-way transportation for the employee and his dependents to the new residence, The cost of such to be paid out of the Fund.

- (c) Reimbursement by the Company for reasonable legal fees and other fees and closing costs of a new home up to a maximum of \$500.
 - (d) A transfer bonus equal to \$75 per year of accredited service up to ten (10) years plus \$100 per year of accredited service for the next additional ten (10) years, plus \$125 per year of accredited service in excess of twenty (20) years. The Company will make such payment after the employee has been employed at the new plant for thirty (30) days. If the employee subsequently exercises his plant closing retirement rights as provided in Section 4, paragraph G of this Part I, the Company shall deduct such Transfer Bonus from the employees Special Retirement Payment.
- 3. The employee must make written request for such allowance described in paragraphs 1 and 2 above in accordance with the procedures established by the Company.
 - 4. The amount of any such relocation allowance described in paragraphs 1 and 2 above will be deducted by the amount of any relocation allowance or its equivalent to which the employee may be entitled under any present or future federal or state legislation; and the amount of the allowance paid under this Section shall be deducted from monies owed by the Company in the form of pay, vacation benefits, Supplemental Unemployment Benefits, pensions or other benefits if during the 12 months following the start of such new job, the employee quits (except as it shall be agreed locally that the employee had proper cause or as provided in Section 4, paragraph G) or is discharged for cause at any time.
 - 5. Only one relocation allowance described in paragraphs 1 and 2 above will be paid to the members of a family living in the same residence.
- B. An employee with 10 years or more of accredited service who obtains a job under any of the provisions of this Part I shall be entitled to receive the same Income Differential Allowance guarantee he was receiving prior to layoff for a period of one year from the date of transfer. Following the first year, the employee shall be subject to the rate retention practices in effect at his new plant.

An employee who had 10 years or more of accredited service at the time of layoff and who accepts a job transfer under any of the provisions of this Part I shall be credited with two years of local plant seniority at the plant to which he is transferred. This provision shall not be applicable to plants which were not covered by this agreement on November 1, 1975, unless the local union at such plant agrees to make it applicable.

2. If two or more employees are transferred to the same plant and have the same seniority date at the new plant then such employees shall be listed for seniority purposes in order of their accredited service even though each will have the same calendar date for seniority.

3. **At** each plant where more than one employee from a plant which has been permanently closed is offered and accepts employment under this Part I, a common plant seniority date will be established for all such employees (and a separate but common seniority date, subject to the provisions of section 4, paragraph C.1. of this Part I shall be established for all who has ten (10) or more years of accredited service) which date will be the date that the first of such employees reports for work at the new plant. Thereafter, all employees laid off from the same former plant who accept employment under this section will be placed on the seniority roster of the new plant in the same relative position they held at the former plant. This provision will be applicable only to those employees who request employment within the first sixty (60) days immediately following the date of layoff, or such longer period if mutually agreeable.

D. An employee rejected by the Company or not called for a job under the provisions of this Part I shall have the right to process a grievance against such action at the third step of the grievance procedure through his home plant staff representative provided any back pay shall be restricted to the period beginning with the week following the initiation of such grievance. Any other grievances will be processed pursuant to Article 14 of the basic Agreement.

- E. For the purposes of this Part I, a job will be considered filled at the time an employee accepts an offer of employment under Part I.
- F. If any laid off employee, eligible for preferential employment under this Part I requests reasonable information concerning job opportunities, expected hiring dates and pre-employment requirements at other plants covered by the labor agreement, the plant will promptly teletype such plant and, upon receipt of reply, pass on this information to such laid off employee and the Local Union. This will not guarantee employment because employment needs are not precisely predictable, nor will it create any obligation on the part of either plant, but is a service which should be beneficial to a laid off employee genuinely seeking employment within the Company
- G. An employee who has been laid off as a result of a permanent plant closing and who is eligible to retire in accordance with the provisions of Article IV-Retirement Age, Section 3(a) of the Pension Plan, but who requests employment under Section 1 of this Part 1 will be eligible for preferential employment, provided such employee has the necessary qualifications (ability and physical fitness) required of any other applicant for employment at the plant which offers the job. If the offer is accepted, the employee will retain Plant Closing retirement rights for one year or up to a two-year CREEP if needed to qualify for a 70/75 Pension; that is employee can quit his new plant within this period and retire on 70/75 Pension if then eligible, or retire on 70/75 Pension when and if eligible prior to the end of the two-year period from original plant lay off date. In either case pension benefits will be determined as though the lay off had continued at the home plant.
- H. An employee who is laid off as a result of a permanent plant closing and accepts a job under the provisions of this Part I shall upon employment at the new location:
- (1) Be immediately insured under the current active insurance Plan if such coverage has not otherwise been retained.
 - (2) Retain EEP Vesting Date if previously established.

(3) Be entitled to receive the same Income Differential Allowance guarantee he was entitled to prior to his lay off for a period of one year from the date of transfer.

(4) Be credited with the number of unused SUB credit units he was entitled to at his old location.

- I. If an employee affected by a Plant Closing does not transfer to another plant he may elect a Severance Payment, if otherwise eligible, as provided in Paragraph 5.0 of Part I of this Article 23 of the Job and Income Security Program.
- J. Except as otherwise provided in an existing agreement, payment of severance payment under this Program will terminate any further benefit continuance with the Company for all purposes.
- K. The provisions of this Plant Closing Program shall apply to employees within the salaried local operating units represented by the United Steelworkers of America. Filling of job vacancies shall be between salaried bargaining units under the Basic Agreement unless the parties mutually agree to extend such job opportunities.
- L. The operation of this Part I will be subject to periodic review by a representative or representatives appointed by the Company and the Union respectively, who shall meet periodically to review the operation of the Part I. The Company shall supply to these representatives pertinent information relating to the operation of this Part I. The function of these representatives is to review any problems that arise as the result of the administration of this Part I and to make recommendations to the parties for the solution of such problems.

EXHIBIT A - JOB AND INCOME SECURITY PROGRAM

Effective February 16, 1981, the Job and Income Security Program is revised to provide the following:

- Part I - Interplant Job Opportunities, including Relocation Allowance as set forth below
- Part II - Supplemental Unemployment Benefits, including Short Week Benefits and Severance Allowance

AND

- Part III - Financing and Administration are set forth in a separate booklet entitled "Job and income Security Program"
- Part II - Supplemental Unemployment Benefits
- Part III - Financing and Administration

PART I INTERPLANT JOB OPPORTUNITIES

Section 1. Job Opportunities Within a Region

A P&M employee under this agreement on layoff from a plant at which the Company has announced a permanent plant closing or an employee continuously on layoff for thirty (30) days or more and who had *two* or more years of accredited service on the date of **layoff** and who is not eligible for **an** immediate pension and social security shall be given priority over other applicants (new hires, including probationary employees) for job vacancies (other than temporary vacancies not to exceed thirty (30) days at other plants of the Company located with a limited agreed upon geographical region (hereinafter referred to as "region"), where P&M employees are represented by the United Steelworkers of America, **all** in accordance with the following:

- a. The plants within each such agreed upon region are set forth in Appendix **A**(1) in this agreement.

- b. The job vacancies for which employees shall be eligible under these provisions shall be only those that are not filled from the particular plant in accordance with the provisions of Article 11.
- c. An employee shall be given such priority only if he files with the management of the plant from which he is laid off a written request for such employment specifying the other plant or plants at which he would accept employment. The employee must, in person, make himself available for an employment interview at such plants in order to be given such priority. The Company may, but shall not have the obligation to hire hereunder prior to the expiration of thirty (30) days after the date of such filing.
- d. Employees who thus apply must thereafter be given priority in the filing of job vacancies (other than temporary vacancies not to exceed thirty (30) days over new hires and probationary employees, and after they have been continuously on layoffs for thirty (30) days shall be given such priority in the order of their total company accredited service earned at the time of their lay off from their home plant (regardless of the time at which they made their application). In the event two or more employees have the same amount of accredited service, they shall be given priority by the last date of employment with the Company. In each case such employees must have the necessary qualifications (ability and physical fitness) required to perform the available job with the degree of proficiency required of other employees at such plant. For the purposes of this Part I, a job vacancy shall include any job which is filled by a probationary employee. In the event that it is determined that an employee is unable to perform the job to which the employee is initially assigned, the employee shall be reassigned in line with the employee's seniority, ability and physical fitness.
- e. An employee laid off from one plant who is offered and who accepts a job at another plant in accordance with the foregoing provisions will have the same obligation to report for work there as though he were a laid off employee at that plant. During his employment at that plant, he will be subject to all the rules and conditions of employment in effect at that plant.
- f. If an employee rejects a job offered to him under these provisions, or if he does not respond within five (5) days to such offer directed to his last place of residence as shown on the written request referred to in paragraph "c" above, his name shall be removed from those eligible for priority hereunder, and he may thereafter apply, pursuant to paragraph "c" above for reinstatement; provided,

however, that he shall be entitled to only one such reinstatement during the period of ninety **(90)** days after such unaccepted offer unless he is recalled to active employment and again laid off during the ninety **(90)** days after such unaccepted offer.

g. An employee who accepts employment at another plant under these provisions will continue to accrue seniority at his home plant in accordance with Section 11.11 of this Agreement. If he is recalled to work at his home plant:

- (1) He shall have **an** option to stay or return unless management directs him to return, in which event his seniority will continue to accrue at the other plant until the expiration of one of the following applicable periods if he has not returned to employment at the other plant by that time.

The periods are as follows:

if recalled to a job class 9 or below **job** at his home plant, six months;

if recalled to a job class 10 or above job at his home plant, one year;

If promoted to a higher job classification after his recall to his home plant, any longer period of seniority accrual at the other plant as determined by one of the periods above shall apply as of the date **of** his initial recall to the home plant, at the expiration **of** which period it will be canceled if he has not returned to employment at the other plant. At any time within the period specified above, management at the home plant may give the employee the option of returning to the other plant. If the employee elects the return to the other plant, his seniority at his home plant shall be canceled.

- (2) If management makes his return to his home plant optional and he elects to return, his seniority at the other plant will be canceled.
- (3) **If** management makes his return to his home plant optional and he elects to remain at the other plant, his seniority at his home plant will be canceled.

Section 2.

Job Opportunities Outside of Region

Priority in the filling of job vacancies (other than temporary vacancies not to exceed thirty (30) days) in plant outside of the region (one region to another) where P&M employees are represented by the United Steelworkers of America, shall be afforded employees who have applied for employment in the region in which laid off and management has failed to provide employment and:

- a.
 - (1) Who have ten or more years of accredited service at the time of layoff from a plant at which the Company has announced a permanent closing, or
 - (2) Who are laid off due to permanent plant closing and who have two (2) but less than ten (10) years of accredited service at the time of layoff provided the plant at which the vacancy exists is within 100 miles of the plant being closed (or a longer distance if agreeable to the parties), or
 - (3) Who have one (1) or more years of accredited service at the time of layoff from their plant and (a) in the opinion of management are not likely to be returned to active employment in their plant or in a plant in the region within two (2) years from the date of layoff, or have been on continuous layoff for one (1) year and make application at their home plant, and (b) within thirty (30) days after being advised by the management of such option apply for employment hereunder.
- b. The plants within each such agreed upon region are set forth in Appendix A(1) to this Agreement.
- c. The job vacancies for which employees shall be eligible under this Section 2 shall be only those that are not filled from the particular plant or from the particular region with employees with ten or more years of accredited service in accordance with Section 1.
- d. An employee provided a job under this section in a plant outside of the region shall retain his home plant seniority and shall continue to accrue seniority at his home plant in accordance with the applicable seniority rules; however, if he is recalled to his home plant and accepts such recall, he shall relinquish his seniority at his new plant and if he declines such recall, he shall relinquish his plant seniority at his home plant. If an employee is transferred to subsequent new

plants and is then recalled to a former plant the same principle of seniority continuance or discontinuance will apply. An employee continuously on lay off from a plant will lose his seniority at that plant in accordance with Section 11.5 of Article 11.- Seniority.

- e. In filling such job vacancies hereunder, the provisions of subparagraphs c, d, e, and f of Section I shall be applicable

Section 3

Non-Preferential Interplant Transfer

- A. Whenever any job in a local P&M operating unit covered by this agreement cannot be filled in accordance with the above provisions, management may offer such a job to an employee laid off for reasons other than a permanent plant closing and who had ten (10) years of accredited service as of the date he was laid off and who is receiving Weekly S.U.B. benefits subject to the following:

- (1) If such offer is made to an employee laid off for any reason other than a complete and permanent shutdown of a plant, such offer must be made after the employee has been continuously on layoff for a year or more.
- (2) The job which management offers must be one which the employee has the ability and physical fitness to perform.
- (3) The employee must be allowed at least 14 days to reply to any job offer made pursuant to this paragraph.

- B. If such an employee refused to accept such an offer, he shall not be eligible to receive Weekly Supplemental Unemployment Benefits under Part I here-of during that continuous period of layoff beyond two years from his last day of work provided the offer conforms to the following requirements:

- (1) The job which management offers must have already been offered to all employees, if any, with less accredited service to whom the same job could be offered under this Section 3 and who have not yet lost their eligibility for more than 2 years of S.U.B. Benefits.
- (2) The employees to whom such offer is made must have had 2 previous job offers under this Section 3 and such offers must have been at least 15 days apart. Employees will be charged with all refusals of job offers made under this

Section 3; provided, however, only one employee can be disqualified for S.U.B. Benefits for each job opening.

- C. The Company shall have the final right to determine such factors as the job and location to be offered **to** an employee, but it will make every effort to make such determination in accordance with each employee's preference as to the location of the jobs for which he wishes to be considered.
- D. An employee who accepts a job which is offered to him under Section 3, shall have the same obligation to **report** for work at his new plant as though he were a laid off employee at that plant. During his employment at such new plant he shall be subject **to** all of the rules and conditions of employment in effect at that plant.
- E. If an employee accepts a job which **is** offered to him under this Section 3, and which is in the same region as the last job which he held, his seniority rights at his home plant and his new plant shall be governed by subparagraph (g) Section 1 above. If such new job is in a different region than his last job, his seniority rights at his home plant shall be governed by subparagraph (d) of Section 2 above.

Section 4. General Provisions

- A. I. An employee with 10 years or more of accredited service who has been laid off for reasons other than a permanent plant closing and accepts employment under this Part I at least 50 miles from the plant from which he was laid off and who changes his permanent residence as a result thereof will receive a relocation allowance (as a reimbursement for actual moving expenses) under this program promptly after the commencement of his employment at the plant to which he has relocated, on the following terms:
 - (a) The amount of relocation allowance will be determined in accordance with the following:

<u>Miles Between Plant Locations</u>	<u>Single Employees</u>	<u>Married Employees</u>
50-99	\$400.	\$1,200.
100-299	\$500.	\$1,300.
300-499	\$600.	\$1,500.
500-999	\$700.	\$1,900.
1,000-1,999	\$900.	\$2,400.
2,000-or more	\$1,100.	\$2,900.

2. An employee who is laid off as a result of a permanent plant closing and who accepts employment under this Part I at least 25 miles from the plant being closed and who changes his permanent residence as a result thereof shall be entitled to the following:

- (a) Movement of normal household goods, arranged for by the Company. The cost of such to be paid out of the fund.
- (b) Reimbursement for the reasonable one-way transportation for the employee and his dependents to the new residence. The cost of such to be paid out of the Fund.
- (c) Reimbursement by the Company for reasonable legal fees and other fees and closing costs of a new home up to a maximum of \$500.
- (d) A transfer bonus equal to \$75 per year of accredited service up to ten (10) years plus \$100 per year of accredited service for the next additional ten (10) years, plus \$125 per year of accredited service in excess of twenty (20) years. The Company will make such payment after the employee has been employed at the new plant for thirty (30) days. If the employee subsequently exercises his plant closing retirement rights as provided in Section 4, paragraph G of this Part I, the Company shall deduct such Transfer Bonus from the employees Special Retirement Payment.

3. The employee must make written request for such allowance described in paragraphs 1 and 2 above in accordance with the procedures established by the Company.

4. The amount of any such relocation allowance described in paragraphs 1 and 2 above will be deducted by the amount of any relocation allowance or its equivalent to which the employee may

be entitled under any present or future federal or state legislation; and the amount of the allowance paid under this Section shall be deducted from monies owed by the Company in the form of pay, vacation benefits, Supplemental Unemployment Benefits, pensions or other benefits if during the 12 months following the start of such new job, the employee quits (except as it shall be agreed locally that the employee had proper cause or as provided in Section 4, paragraph G) or is discharged for cause at any time.

5. Only one relocation allowance described in paragraphs 1 and 2 above will be paid to the members of a family living in the same residence.
- B. An employee with 10 years or more of accredited service who obtains a job under any of the provisions of this Part I shall be entitled to receive the same Income Differential Allowance guarantee he was receiving prior to layoff for a period of one year from the date of transfer. Following the first year, the employee shall be subject to the rate retention practices in effect at his new plant.
- C.
 1. An employee who had 10 years or more of accredited service at the time of layoff and who accepts a job transfer under any of the provisions of this Part I shall be credited with two years of local plant seniority at the plant to which he is transferred. This provision shall not be applicable to plants which were not covered by this agreement on November 1, 1975, unless the local union at such plant agrees to make it applicable.
 2. If two or more employees are transferred to the same plant and have the same seniority date at the new plant then such employees shall be listed for seniority purposes in order of their accredited service even though each will have the same calendar date for seniority.
 3. At each plant where more than one employee from a plant which has been permanently closed is offered and accepts employment under this Part I, a common plant seniority date will be established for all such employees (and a separate but common seniority date, subject to the provisions of section 4, paragraph C.1. of this Part I shall be established for all who has ten (10) or more years of accredited service) which date will be the date that the first of such employees reports for work at the new plant.

Thereafter, all employees laid off from the same former plant who accept employment under this section will be placed on the seniority roster **of** the new plant in the same relative position they held at the former plant. This provision will be applicable only to those employees who request employment within the first sixty (60) days immediately following the date of layoff, or such longer period if mutually agreeable.

- D. **An** employee rejected by the Company or not called for a job under the provisions of this Part I shall have the right to process a grievance against such action at the third step of the grievance procedure through his home plant staff-representative provided any back pay shall be restricted to the period beginning with the week following the initiation of such grievance. Any other grievances will be processed pursuant to Article 14 of the basic Agreement.
- E. For the purposes of this Part I, **a** job will be considered filled at the time an employee accepts an offer of employment under Part I.
- F. If any laid off employee, eligible for preferential employment under this Part I requests reasonable information concerning job opportunities, expected hiring dates and pie-employment requirements at other plants covered by the labor agreement, the plant will promptly teletype such plant and, upon receipt of reply, pass on this information to such laid off employee and the Local Union. This will not guarantee employment because employment needs are not precisely predictable, nor will it create any obligation on the part of either plant, but is **a** service which should be beneficial **to** a laid off employee genuinely seeking employment within the Company
- G. An employee who has been laid off as a result **of** a permanent plant closing and who is eligible to retire in accordance with the provisions **of** Article IV-Retirement Age, Section 3(a) of the Pension Plan, but who requests employment under Section 1 of this Part I will be eligible for preferential employment, provided such employee has the necessary qualifications (ability and physical fitness) required of any other applicant for employment at the plant which offers the job. **If** the offer is accepted, the employee will retain Plant Closing retirement rights for one year or up to a two-year CREEP if needed to qualify for a 70/75 Pension; **that is** employee can quit his new plant within this period and retire on 70/75 Pension if then eligible, or retire on 70/75 Pension when and **if** eligible prior to the end of the two-year period from original plant

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lay off date. In either case pension benefits will be determined as though the lay off had continued at the home plant.

- H. An employee who is laid ~~off~~ as a result of a permanent plant closing and accepts a job under the provisions of this ~~Part~~ 1 shall upon employment at the new location:
- (1) Be immediately insured under the current active insurance Plan if such coverage has not otherwise been retained.
 - (2) Retain EEP Vesting Date if previously established.
 - (3) Be entitled to receive the same Income Differential Allowance guarantee he was entitled to prior to his lay off for a period of one year from the date of transfer.
 - (4) Be credited with the number of unused SUB credit units he was entitled to at his old location.
- I. If an employee affected by a Plant Closing does not transfer to another plant he may elect a Severance Payment, if otherwise eligible, as provided in Paragraph 5.0 of Part 1 of this Article 23 of the Job and Income Security Program.
- J. Except as otherwise provided in an existing agreement, payment of severance payment under this Program will terminate any further benefit continuance with the Company for all purposes.
- K. The provisions of this Plant Closing Program shall apply to employees within the salaried local operating units represented by the United Steelworkers of America. Filling of job vacancies shall be between salaried bargaining units under the Basic Agreement unless the parties mutually agree to extend such job opportunities.
- L. The operation of this Part 1 will be subject to periodic review by a representative or representatives appointed by the Company and the Union respectively, who shall meet periodically to review the operation of the Part 1. The Company shall supply to these representatives pertinent information relating to the operation of this Part 1. The function of these representatives is to review any problems that arise as the result of the administration of this Part 1 and to make recommendations to the parties for the solution of such problems.