

Collective Agreement

Between

Genfast Manufacturing Co.

and

United Steel Workers of America
Local 3767

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09/01/2005

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08/31/2008

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BASIC AGREEMENT

DATED SEPTEMBER 1, 2005

- between -

GENFAST MANUFACTURING COMPANY

(hereinafter called “the Company”)

- and -

UNITED STEELWORKERS
LOCAL UNION
NO. 3767

(hereinafter called “the Union”)

Representing a unit of employees at
Genfast Manufacturing Company

SECTION 1 INTENT AND PURPOSE

1.01 It is the intent and purpose of the Parties hereto to set forth herein the basic agreement covering wages, hours of work, and conditions of employment to be observed and to provide a procedure for the prompt, and equitable adjustment of alleged grievances, to the end that there shall be no interruption or impeding of work, work stoppages, strikes or other interference with production during the life of this Agreement.

SECTION 2 RECOGNITION OF UNION

2.01 (A) The Company recognizes the Union as the certified bargaining agency for all the hourly and production employees of Genfast Manufacturing Company in Brantford Ontario, but excepting:

- (a) Officers of the Company.
- (b) Salaried employees.
- (c) Officials and other persons acting in a supervisory capacity or having authority to discharge or discipline employees.
- (d) Technical and sales personnel.
- (e) Security Guards.

2.01 (B) In the event the Company relocates any of the current production machinery or current hourly employees in the Province of Ontario, Genfast Manufacturing Company will recognize USW Local 3767 as the certified

Bargaining Agent.

2.02 The term "employee" or "employees" as used in this Agreement shall mean only such persons as are included in the above defined bargaining unit. Wherever the words referring to masculine gender are used herein, such as "he", "his", or "him", the same shall include and cover females and males.

2.03 The Parties agree that:

- (a) There shall be no intimidation of, and there shall be no discrimination against any employee either by the Company or the Union by reason of any activity or lack of activity, past, present, or future, with respect to Union affairs or membership.

2.04 Supervisors will not do work ordinarily performed by employees except for:

- (a) Instructions and training of employees, and
- (b) Emergency work when employees are absent or not available when required.

2.05 It is recognized that the Company may place non-bargaining unit personnel on bargaining unit jobs for the purpose of providing training for non-bargaining unit position. It is understood that employees will not be displaced thereby and nothing herein shall be deemed to waive the provisions of Section 7. The Company will notify the Union in writing of any personnel hired or selected for such training.

SECTION 3 COLLECTION OF UNION DUES

3.01 During the term of this Agreement the Company agrees to deduct Union dues from the wages of each employee who has authorised such deduction and shall forthwith remit the amounts so deducted to the International Treasurer of the Union.

3.02 Such deduction shall be made from the wages payable to each employee on each pay day in each calendar month. In the event that such wages are insufficient to pay Union dues, such deduction shall be made from the wages payable to an employee on the second pay day in the calendar month, provided that sufficient funds are available. The Company shall notify the Financial Secretary of the Union of the name of any employee whose wages were insufficient to permit such deduction, and shall not be obligated to make such deduction from subsequent wages. The Company will supply the gross earnings and the dues deducted from each employee monthly.

3.03 The amount of Union dues to be deducted shall be the regular monthly membership dues duly authorized by the Constitution of the Union. The Financial Secretary of the Union shall notify the Company by letter of the monthly amount of such dues and any changes therein, and such notification shall be the Company's conclusive authority to make the deductions specified.

3.04 All employees hired during the term of this Agreement, shall, as a condition of employment, be required to execute an authorisation for deduction of their Union dues, in the form hereinafter provided. Such authorisation, and all other authorisations in effect on or after the signing date of this Agreement, shall not be revocable, subject to the provisions of this Agreement,

Genfast Manufacturing Co.	Clock No.	Name	
	Address		
	City or P.O.		
<p>I hereby authorize Genfast Manufacturing Co., to deduct my Union dues from my wages payable on each of the Company's pay days in each calendar month and to remit such amount to the International Treasurer of the United Steelworkers.</p> <p>This authorization shall not be revocable, and subject to the provisions of the Basic Agreement between the Union and the Company, shall remain in effect so long as the Union is the bargaining agent of a unit of employees to which I belong.</p>			
Date Effective	Authorization	Department	Clock No.
Signature of Witness		Signature of Employee	

3.07 Authorization shall be witnessed by an Officer, Chief Steward, or steward of the Union or by a representative of the Company, and shall be signed in duplicate, one copy being held by the Company and the other by the Union.

3.08 The Company may deduct and remit Union dues as aforesaid but shall not be under any obligation to do so unless there is a Collective Agreement in full force and effect between the Company and the Union.

3.09 In consideration of the deducting and forwarding of Union dues by the Company, the Union agrees to indemnify and save the Company harmless against any claim or liability arising out of or resulting from the operation of this Section.

SECTION 4 MANAGEMENT FUNCTIONS

4.01 The Management of the plant and the direction of the working forces, the maintenance of order, discipline and efficiency including the right to direct, plan and control plant operations, to schedule working hours, and the right to hire, promote, demote, transfer, suspend or discharge employees for just cause or to release employees because of lack of work or for other legitimate reasons, or the right to introduce new and improved methods or facilities or to change existing production methods and facilities, to determine the products to be manufactured and to manage the plant in the traditional manner is vested exclusively in the Company subject to the express provisions of this Agreement.

SECTION 5 HOURS OF WORK AND OVERTIME

5.01 This section provides the basis for establishing work schedules and the calculation of overtime payments and shall not be read or construed as a guarantee of hours of work per day or week, or a guarantee of days of work per week.

- (a) An employee who fails to scan in at the start of the shift or out at the end of the shift will be deducted fifteen (15) minutes as full discipline for the specific failure to scan.

5.02 The normal working hours will be:

(a) **Single Turn Operations**

The standard working day will be eight (8) hours plus one half hour lunch period punched out and in.

(b) **Double, Triple Turn and Continuous Operations**

The standard working day will be eight (8) hours or ten (10) hours.

- (c) Subject to 5.03 the standard work week will be any five (5) standard work days within a work week.

5.03

- (a) The normal work pattern for operations scheduled for fifteen (15) turns or less within a seven (7) day period shall be five (5) consecutive work days beginning at the time the night shift commences on Sunday at 11:00 pm.

- (b) The normal work pattern for continuous operation shall be seven (7)twelve (12)hour work days within a fourteen (14) day period beginning at 7:00 A.M. Sunday and designated as the continuous schedule Appendix. Attached.
- (c) The normal work pattern for operations scheduled for ten (10)hour shifts shall be four (4)consecutive work days beginning at the time the day shift commences on Monday.
- (d) The Company may increase or decrease the number of turns or days on or during which a department may be scheduled, but all employees shall be scheduled on the basis of the work pattern except where:
 - 1. Such schedules regularly would require the payment of overtime.
 - 2. Deviations from the work pattern are necessary due to breakdowns or other conditions beyond the control of the Company.
 - 3. Schedules deviating from the work pattern for reasons other than (1)or (2)above are established by agreement between the Company and the Union. The parties will designate their representative in writing to deal with such matters.

5.04 Schedules of work for each calendar week shall be posted or otherwise made known to employees by 11:59 p.m. Wednesday of the preceding week. Scheduled overtime for the coming weekend shall be posted or otherwise made known to employees by 11:59 p.m. on the preceding Wednesday.

5.05

- (a) Schedules may be changed by the Company at any time, provided, however, that any changes made after 11:59 p.m. Wednesday of the week preceding the calendar week in which the changes are to be effective, the employee shall be entitled to overtime rates for the first re-scheduled straight time shift worked unless the change is mutually agreed to by the employee.
- (b) Schedules may be changed by the Employer at any time however, an employee on continuous operation or an employee being scheduled to a continuous operation must be given fourteen (14) days notice of any schedule change unless mutually agreed upon between the Employer and the employee. Failure of such notice shall entitle the employee to overtime rates for the first seven (7) day period of such new pattern of schedule.

5.06 On each turn of double and triple turn and continuous operations, there will be one (1) thirty-minute break period when employees may leave their place of work for rest or the eating of lunch. No other periods will be provided and no time will be allowed for washing up.

It is agreed that for the purposes of this Clause 5.06 an employee, who requests permission to leave the plant premises during his break period, will not be paid for such break period. Such permission shall not be unreasonably withheld.

5.07 An employee on continuous, triple turn or the first turn of double turn operations shall not cease work until relieved on his job, or otherwise instructed by his supervisor.

Employees may be relieved early up to a limit of ten (10) minutes.

Overtime

5.08 Overtime is defined as hours worked in excess of a standard working day or a standard working week, and shall be paid for periods of fifteen (15) minutes or multiples thereof. Overtime, as defined, shall be on a voluntary basis. Single day vacations will be considered as hours worked for the purpose of computing overtime.

5.09 Except as provided in Clause 11.04, overtime shall be paid at one and one-half times the employee's standard hourly rate. Single day vacations shall be treated as hours worked for the purpose of computing overtime.

5.10 Hours compensated for at overtime rates shall not be counted further for any purpose in determining overtime liability under the same or any other provision. Overtime will be calculated under one provision of this Agreement only, even though the hours worked may be overtime under more than one provision.

Other Allowances

5.11

- (a) When an employee reports for work after having been scheduled or notified to report and the work for which he is usually employed is not available for at least four (4) hours, he shall receive four (4) hours pay, at the standard hourly rate of the job for which he was scheduled or notified to report, plus any out-of-line differential that may apply, subject, however to the provisions of paragraph (b) and 5.12 below.

- (b) If such employee is offered other work he shall perform such other work for a period of four (4) hours at the standard hourly rate of the job for which he was scheduled to report, plus any out-of-line differential that may apply or the rate of pay for such other work, whichever is higher. Such employee will perform such other work for such further period of time as may be required by the Company and will be paid for such further work in accordance with the provisions of Clause 6.46.

5.12 An employee shall not be entitled to receive the four (4) hours pay as provided in 5.11 if,

- (a) he has been notified by the Company not to report for work at least two (2) hours before his regular starting time. An employee shall be deemed to have been so notified if the Company has given a message at the telephone number recorded by him in the Human Resources Department, or
- (b) he has not so recorded any telephone number, or
- (c) he refuses to perform other assigned work as provided in 5.11(b), or
- (d) work is not available because of conditions beyond the control of the Company.

5.13 When because of a breakdown or other emergency, an employee is called in to work at times other than his regular turn, a minimum of four (4) hours pay at his standard hourly rate plus any out-of-line differential shall be paid.

Turn Premiums

5.14 Turn premiums will be paid as follows:

- (a) 1. For hours worked by an employee on his regularly scheduled second turn - thirty-five (35) cents per hour.
2. For hours worked by an employee on his regularly scheduled third turn - fifty (50) cents per hour.
- (b) The appropriate turn premium under (a) above shall be paid to an employee who works overtime on any afternoon or night shift overtime hours as defined therein.

5.15 A premium of seventy-five (75) cents per hour shall be paid to each employee for all hours worked during the twenty-four (24) hour period following the commencement of the day shift on Sunday. This premium is in addition to any other payments for such hours.

5.16 In no case will a premium paid pursuant to 5.14 or 5.15 be at an overtime rate.

SECTION 6 WAGES

6.01 The Co-operative Wage Study (C.W.S.) Manual for Job Description Classification and Wage Administration, dated October 1, 1956 as amended September 7, 1966, (hereinafter referred to as "The Manual") is incorporated in this agreement as Appendix "A".

6.02 Each job shall be described and classified and a rate of pay applied to each employee on such job in accordance with the provisions of this agreement.

6.03 Effective September 1, 2005 the Standard Hourly Rate for Job Class 1 shall be \$18.123 and the standard hourly wage scale shall be shown as in Appendix "B" hereto.

6.04 The Standard Hourly Rate for each job class shall be the Standard Hourly Rate for all jobs classified within such job class, except for students hired for relief employees between May 01 and September 10 will be compensated at seventy-five (75%) percent of the applicable job rate of pay. Relief employees will receive reimbursement for one pair of CSA approved work boots in the first year of employment only. Relief employees shall not be entitled to any of the fringe benefits available to employees under the terms of the collective agreement.

6.05 Effective on the date specified in 6.03 the rate of pay of an employee who was receiving an out-of-line differential prior to such date shall be adjusted by increasing that rate by the amount of increase in the rate for Job Class 1 and the following shall then govern:

- (a) If the employee's new rate resulting from such increase is greater than the standard hourly rate for the job as provided in 6.03, the amount of such excess shall become the employee's new out-of-line differential and shall apply in accordance with the provisions of this Agreement.
- (b) If the employee's new rate resulting from such increase is equal to or less than the standard hourly rate for the job as provided in 6.03, the rate of pay of such employee shall be adjusted to conform to the standard hourly rate for the job as provided in 6.03 and the former out-of-line differential shall be terminated.

Production and Maintenance Jobs

6.06 The standard hourly rate for each production or maintenance job other than a trade or craft or apprentice job shall be paid to any employee during such time as the employee is required to perform such job, except as otherwise provided in this Agreement.

Trade or Craft Jobs

6.07 The term "trade or craft job" shall have the same meaning as defined in the Manual.

6.08 The following schedule of rates shall apply to trade or craft jobs:

- (a) A standard rate equal to the standard hourly rate for the respective job class of the job;
- (b) An intermediate rate at a level two (2) job classes below the standard rate; and
- (c) A starting rate at a level four (4) job classes below the standard rate.

6.09 Each employee regularly performing the described work of a journeyman in a trade or craft or each employee hired for or transferred in accordance with the applicable provisions of this Agreement to a trade or craft job, shall be assigned either to the starting rate, intermediate rate or standard rate classification of the respective trade or craft, which assignment shall be on the basis of his qualifications and ability in relation to the requirements of the job.

6.10 The Company will notify the Union of any assignment under 6.09 or of any change in the assignment

of trade or craft employees on the form shown as Exhibit "E" of the Manual.

6.11 An employee assigned to a starting rate or intermediate rate may, following the completion of periods of 1040 hours of actual work for the Company in the given trade or craft, request and shall receive a determination of qualifications and ability, and shall be reclassified into the next higher rate of the respective trade or craft if such determination discloses that satisfactory qualifications and ability have been developed by the employee during the intervening period of time. The periods of 1040 hours shall commence at the date of initial assignment or the date referred to in 6.12.

6.12 The result of the determination of such an employee's qualifications and ability shall be made effective by the Company at the beginning of the pay period closest to the date upon which the employee requested such determination. On the same date such employee, if below the standard rate classification shall be considered to have begun to accumulate the succeeding prescribed 1040-hour period.

6.13 Any dispute concerning the determination of an employee's qualifications and ability with respect to a trade or craft job shall be resolved in accordance with the principles and procedures set forth in the "Program for the Classification of Journeymen on the basis of Qualifications and Ability" and annexed to this Agreement as Appendix "E".

6.14 The established starting rate, intermediate rate or standard rate of pay for a trade or craft job shall be paid to each employee during such time as the employee is assigned to the respective rate classification.

Apprentice Jobs

6.15 Employees who possess the requisite qualifications and ability shall be eligible together with other recruits, for apprentice training in the respective trades or crafts as the need requires. All apprentices shall sign an Apprenticeship Agreement but in the case of any conflict between such Agreement and the Basic Agreement, the latter shall govern.

6.16 *An* employee training through an Apprenticeship Course in a given trade or craft shall commence his training at the beginning of the first 520-hour or 1040-hour period and be paid the standard hourly rate for Job Class 1, unless assigned by the Company to a different 520-hour or 1040-hour period, in which case he shall be paid the standard hourly rate appropriate to that period and shall thereafter, at the conclusion of each training period of 520-hour or 1040-hours of actual experience with the Company, be advanced to the standard hourly rate for the job class of the succeeding period as set out in the schedule of apprentice training and annexed to this Agreement as Appendix "F".

6.17 Rate changes as determined by the 520-hour or 1040-hour periods as provided in 6.16 shall be made at the beginning of the pay period closest to the completion of the 520-hour or 1040-hours.

6.18 If, at the time an employee has satisfactorily completed a recognized Ontario Provincial Trade or Craft Apprenticeship course, a vacancy in the said trade or craft job exists, the employee shall, subject to the provision of Section 7 and 6.20 be assigned to the vacant job and paid the established standard rate of the respective trade or craft.

6.19 If there is no vacancy in the respective trade or

craft job upon satisfactory completion of his apprenticeship course, the apprentice shall nevertheless be considered as having the qualifications of a starting rate journeyman in the respective trade or craft. When subsequently transferred or assigned to the trade or craft job, the provisions of 6.18 shall apply.

6.20 Before hiring new employees for a trade or craft job, the Company shall consider any requests for such transfer to such job, which have been registered with the Human Resources Department by employees having the required trade or craft skills and who were previously employed on trade or craft jobs at this Works or had satisfactorily completed an apprenticeship course in the respective trade or craft at this Works.

Learner Rates

6.21 Learner Rates will apply only to the jobs shown on the list annexed to this Agreement as Appendix "G". Jobs may be added to or removed from such list by mutual agreement between the Parties.

6.22 The schedule of Learner Rates shall be determined on the basis of Factor 2 (Employment Training and Experience) of the Job Classification as follows:

(a) Jobs in Code B.4

One learner period of 240 hours at a level two job classes below the standard hourly rate of the job.

(b) Jobs in Code C.8

One learner period of 520 hours at a level two job classes below the standard hourly rate of the job.

(c) **Jobs in Codes D1.2 and E1.6**

Two learner periods, each of 520 hours, the first at a level four job classes and the second at a level two job classes below the standard hourly rate of the job.

(d) **Jobs in Codes F2.0 and higher**

Three learner periods, each of 520 hours, the first at a level six job classes, and the second at a level four job classes, and the third at a level two job classes below the standard hourly rate of the job.

6.23 *An* employee assigned to a job with a schedule of learner rates shall receive credit for all time previously worked on such job in determining the appropriate rate level in the learner schedule.

6.24 Before hiring a new employee for a learner job the Company shall consider any present employee's request recorded by the Human Resources Department for transfer to such job. Such records shall be verified by the employee and be available to the Union.

6.25 Rate changes as determined by the schedule of Learner Rates shall be made at the beginning of the turn following the completion of the learner period.

Multiple Assignment

6.26 It is agreed that there are conditions under which an employee is regularly required to perform work covered by more than one (1) job description or by more than one (1) job classification without having been transferred from one job to another as provided for under 6.46. When work is so performed, an employee is considered as having a

multiple assignment to the jobs which he is regularly required to perform.

6.27 It is agreed that the jobs to which an employee may receive a multiple assignment are listed in the letter from the Company to the Union on the signing date of this Agreement. This list may be added to or subtracted from by agreement between the Parties.

6.28 An employee having a multiple assignment shall be paid the applicable standard hourly rate for all time worked in each classification comprising the job.

6.29 When an employee having a multiple assignment is temporarily transferred from his regular work, the standard hourly rate of the classification in which he worked the most time during the three pay periods immediately preceding the temporary transfer shall be used for purposes of 6.46.

Out-of-Line Differentials

6.30 An out-of-line differential is the amount an employee's existing rate on a job exceeds the standard hourly rate for such job.

6.31 Except as an out-of-line differential may be changed by the means herein provided, it shall continue to be paid in the amount shown on a list furnished to the Union by the Company on the signing date of this Agreement to any employee included in such list during such time as the employee occupies the job class for which the differential was established. The Company shall also furnish the Union with a list showing the amounts and employees who are to be paid new or increased out-of-line differentials by reason of 6.38.

6.32 If an employee with an out-of-line differential is transferred or assigned to a job having a higher standard hourly rate, then the differential shall be reduced by the amount of the increase in the standard hourly rate.

6.33 If an employee with an out-of-line differential is transferred or assigned to another job and under the terms of this agreement a lower standard hourly rate is applicable, then the out-of-line differential shall be terminated.

6.34 If such employee referred to in 6.32 and 6.33 shall be returned to the job for which the out-of-line differential was established, the out-of-line differential shall be reinstated except as it may have been reduced or eliminated by 6.35.

6.35 In addition to other means provided in this Agreement, increases in the increment between job classes shall be used to reduce or eliminate out-of-line differentials.

Description and Classification of New or Changed Jobs

6.36 The description and classification for each job in effect as of the date of this Agreement and others subsequently established shall continue in effect unless:

- (a) The Company changes the job content to the extent of one full job class or more;
- (b) The job is terminated or not occupied during a consecutive period of one year; or
- (c) The description and classification is changed by mutual agreement of the Company and Union.

6.37 Whenever the Company establishes a new job or changes the job content of an existing job to the extent of one full job class or more, upwards or downwards, a new job description and classification for the new or changed job shall be established in accordance with the following procedure:

- (a) The Company will develop a description and classification of the job in accordance with the provisions of the Manual.
- (b) The proposed description and classification will be submitted to the Union C.W.S. Committee, which shall consist of three employees, one of whom shall be chairman, for approval. Each member of the Union C.W.S. Committee will be paid at his average hourly rate during the preceding pay period for attendance at meetings held with the Company, under the provisions of Clauses 6.37 to 6.41 of the Basic Agreement, up to but not exceeding a total of six (6) hours in any calendar month for the whole Committee and the hours may be cumulative during the term of this Agreement.
- (c) The applicable standard hourly rate for the job shall become effective on the date the new job was established or on the date the job content of an existing job was changed.

6.38 If the change in job content results in a lower classification of a job any incumbent of such job at the date of such lower classification, shall receive an out-of-line differential equal to the difference between the standard hourly rate for the job before such change and the standard hourly rate thereafter. Such out-of-line differential shall be in addition to any other out-of-line differential an incumbent

then has and shall be governed by the provisions of this Section.

6.39 Should the Company and the Union C.W.S. Committee be unable to agree upon the description and classification, the following shall be the procedure:

- (a) The Company shall install the proposed classification and the standard hourly rate for the job class to which the job is thus assigned shall apply as set forth in 6.37(c)
- (b) The Union C.W.S. Committee may within 30 days thereafter refer in writing to the two Representatives designated in 6.43 an allegation that the job is improperly described or classified under 6.37.

6.40 If the Company is alleged to have established a new job, or changed the job content of an existing job to the extent of one full job class or more, and has failed to develop and submit a new description and classification, the Union C.W.S. Committee shall notify the Company in writing, specifying its allegations. The Company and the Union C.W.S. Committee shall discuss the matter, after which the Company shall reply in writing to the Union C.W.S. Committee's allegations. If the Company's reply is not satisfactory, the Union C.W.S. Committee may within 30 days of the date of such reply refer the matter in writing to the two Representatives designated in 6.43.

Any change in job class shall become effective in accordance with 6.37(c) provided, however, that retroactivity shall not apply for more than ninety (90) days prior to the date the Union C.W.S. Committee notifies the Company of its allegations.

6.41 When the Company changes a job but the job content change is less than one full job class, a supplementary record shall be established to maintain the job description and classification on a current basis and to enable subsequent adjustment of the job class assignment of the job for an accumulation of small job content changes in accordance with the following:

- (a) The Company will prepare a record of such change to supplement the original job description and classification.
- (b) Such record will be submitted by the Company to the Union C.W.S. Committee. It shall not be necessary for the Union C.W.S. Committee to indicate its agreement with such record. If it is claimed that the Company has incorrectly assessed the job change or the change or changes in the job, when added to prior change or changes, requires a change in the job classification to the extent of one full job class or more, the Union C.W.S. Committee shall notify the Company in writing, specifying its allegations. The Company and the Union C.W.S. Committee shall discuss the matter, after which the Company shall reply in writing to the Union C.W.S. Committee's allegations. If the Company's reply is not satisfactory, the Union C.W.S. Committee may within thirty (30) days of the date of such reply refer the matter in writing to the two Representatives designated in 6.43.
- (c) A notification made by the Union C.W.S. Committee as provided in (b) above must be filed within thirty (30) days of the date the record was submitted by the Company to the Union.

Any change in job class shall be effective as of the date of

the most recent change in job content.

6.42 When and if job content changes of less than one full job class accumulated to a total of one job class or more:

- (a) The job shall be reclassified to the appropriate job class on the basis of such total accumulation and the reclassification shall become effective from the date of the most recent change in job content.
- (b) The appropriate standard hourly rate shall be effective as of the date of such reclassification.
- (c) A new description and classification shall be established in accordance with 6.37 embodying such accumulation of job content changes.

6.43. The Company and the Union shall each designate a representative to consider referrals submitted under Clauses 6.39, 6.40 and 6.41. The Union's representative shall be a representative of the International Union.

- (a) The two (2) representatives selected shall meet within thirty (30) days of the date the matter was referred to them. If either representative is unable to meet within this thirty-day period, a substitute representative shall be designated by the party concerned and the thirty-day period referred to above shall be deemed to commence as of the date of his appointment. Within sixty (60) days after the date of their first meeting, the two (2) representatives shall jointly notify the parties hereto in writing of their agreement or failure to reach agreement. Agreement between the two (2) representatives shall be final and binding.
- (b) If the two (2) representatives are unable to reach

agreement within the specified period, the Union may, within thirty (30) days of the date of the written notification of the ~~two~~ (2) representatives, notify the Company in writing of its intention to submit the dispute to arbitration under the provisions of Clauses 8.14 to 8.21. The Union's written notification shall contain particulars of the issues in dispute and for the purpose of 8.14 shall be considered as a grievance not adjusted in Step No. 3.

Correction of Errors

6.44 Any mathematical or clerical errors made in the preparation, establishment or application of the job descriptions, job classifications or standard hourly rates shall be corrected to conform to the provisions of this Agreement.

Transfers

6.45 When an employee is transferred in lieu of layoff or permanently transferred for any other reason, he shall be paid the rate of the job to which he has been transferred except as provided in 6.32.

6.46 An employee who is temporarily transferred from his regular job shall be paid the standard hourly rate of the job to which he has been transferred provided that if such standard hourly rate is less than the standard hourly rate of his regular job plus any out-of-line differential paid to him on his regular job, then he shall be paid the standard hourly rate of his regular job plus any out-of-line differential for the period of such temporary transfer. The word "temporary" herein shall mean not more than thirty (30) calendar days and in no case will a job be considered temporary for more than thirty (30) calendar days.

Wage Grievances

6.47 Except as otherwise provided herein, no basis shall exist for an employee to allege that a wage rate inequity exists, and no grievance on behalf of an employee alleging a wage rate inequity shall be filed or processed during the term of this Agreement.

SECTION 7 SENIORITY

Service and Employment

7.01 For the purpose of this Agreement, service shall mean an employee's length of service with the Company at Genfast Manufacturing Co. since the date of his last hiring or rehiring, but shall include service as provided in 7.10 hereunder. Where two or more employees have the same service date, the employee older in age shall be considered to have the longest length of service.

7.02

- (a) An employee shall be considered a probationary employee until he has been in the employ of the Company continuously for three (3) months. Upon completion of such probationary period he shall have service dating from his last hiring date, and, in the case of an employee who was previously laid off and rehired, there shall be added to such service, any periods of continuous employment of thirty (30) days or more as a probationary employee within the six (6) month period preceding his last hiring date.
- (b) The parties agree that a probationary employee is not entitled to grieve his discharge and may be discharged

at the sole discretion of the Company unless discharge for Union activity is alleged. A probationary employee is entitled to all other rights and privileges accruing to employees under this agreement. This clause shall continue to be so interpreted during the term of this agreement unless and until it is amended, modified or altered as a result of specific change or amendment to the current Labour Relations Act.

Should ~~an~~ employee who is discharged for reasons other ~~than~~ Union activity wish to appeal the Company decision, he may within seven (7) days of his discharge, request a meeting with the Manager of Employee Relations or his delegate, with a Union representative in attendance at the employee's request. Within seven (7) days following such meeting, the Company will issue a final decision regarding the discharge.

A probationary employee who is so discharged will be advised of the provisions of this procedure at the time of his termination. It is understood that failure to so notify the employee will not nullify the termination of such employee.

7.03 Service and employment shall be terminated when an employee:

- (a) Resigns.
- (b) Is discharged.
- (c) Is laid off for lack of work
- (d) Is absent due to a disability not compensable under the Workers' Compensation Act, for a period exceeding the limits set forth in 7.10(a) relating to length of service and recall entitlement.

- (e) Is absent for more than three (3) consecutive working days subject to the letter of Agreement Re Employee Absences.
- (f) Is absent due to a disability compensable under the Workers Compensation Act for a period exceeding either, the period in respect of which temporary total or temporary partial disability compensation payments are made to him under the said Act, or for a period exceeding the limits set forth in 7.10 (a) relating to length of service and recall entitlement, except that in the case of an employee with ten (10) or more years of service, for a period of five (5) years, whichever is the greater.
- (g) Fails to return to work at the termination of a Leave of Absence except with the written consent of the Company.
- (h) Fails to report for work within eight (8) working days after being instructed to report by delivering to him of a registered notice at the last address appearing on the Human Resources Department records, unless the employee has obtained a written Leave of Absence from the Company for a period which does not expire within such eight (8) days. Unless a different meaning is expressly provided, for all purposes of the Collective Agreement, "working days" shall mean Monday to Friday, not including Statutory Holidays.

7.04 The Company shall provide a service list in each department showing the starting date with the Company of all employees in such department. Such list shall be posted on the bulletin board and shall be available at the Human Resources Department for inspection by officers of the Union or any steward. Copies of such lists will be given to

the Union and will be brought up to date on a quarterly basis.

Decrease or Increase of Working Forces

7.05 In all cases of promotion (except promotion to positions excluded from the Bargaining Unit or positions requiring technical or other training or special educational qualifications or appointments to lead hand or co-ordinator positions) and, in all cases of decrease or increase of working forces, the following factors shall be considered by the Company:

- (a) Service.
- (b) Knowledge, efficiency and ability to perform the work.
- (c) Physical fitness.

Where factors (b) and (c) are relatively equal, factor (a) shall govern.

- (d) The Company shall provide the Union with a list of employees appointed to Lead Hand or Co-ordinator positions.

7.06 The Parties agree that in the case of short temporary periods of layoff, decrease in working force or other interruptions of work, it may not be practicable to implement the provisions of this Section. Both Parties agree to make every reasonable effort to reach a mutually satisfactory understanding in such cases.

- (a) It is not intended that the provisions of the section are to be waived in respect of any such short periods in excess of a maximum of:

- (i) five (5) working days in a calendar month, or
 - (ii) ten (10) working days in each half of a calendar year, or
 - (iii) fifteen (15) working days in a calendar year, except by mutual consent.
- (b) It is understood that the application of this clause will not result in a loss of more than five (5) consecutive working days at any one time.
 - (c) It is further understood that the Company will make every reasonable effort to avoid repeated loss of time for an employee or a group of employees in the application of this paragraph.
 - (d) This article is intended to address issues that are outside the control of the employer and outside the scope of regular operations, such as power outages, fire, flood or "acts of mother nature". This article does not apply to layoffs required to address a decrease in sales.

7.07 Subject to the provisions of 7.05 whenever a decrease in working force is necessary, students will be laid off first, then probationary employees and then an employee with service displaced from his job may be transferred in lieu of layoff in the following order to:

- (a) The job in his department within the same job title held by any employee junior to him in service.
- (b) Within a job title, there is a presumption that employees who have finished the same learner periods are at the same level of qualifications, provided that:

- (i) consideration will be given to an employee for each 100 hours completed at the next learner level, and
 - (ii) with a reasonable familiarization period, a qualified employee must be capable, in fact of performing the available work.
- (c) Then the job of the junior employee in the highest classification for which he is qualified in his department provided his service is greater than that of the employee to be displaced;
- (d) Then the job of the junior employee in any other department, held by the junior employee in the highest classification for which he is qualified, provided his service is greater than that of the employee to be displaced.

Such displaced employee shall not be entitled to be laid off work until he has exercised his entitlement under the above provisions and work is not available to him.

7.08 Executive Officers, the Chief Steward, and the Joint Health and Safety Chairperson of Local 3767 who are employees of the Company will be given preferential service during a layoff for the purpose of carrying on their Union duties, provided, that any such Officers, Chief Steward, and Joint Health and Safety Chairperson can satisfactorily perform the jobs available during such layoff, and provided further that the total number of Union Officers, Chief Steward, and Joint Health and Safety Chairperson granted such service will not exceed seven (7).

A list of Executive Officers, Chief Steward, and Joint Health and Safety Chairperson shall be furnished to the Company.

7.09

- (a) Whenever a permanent vacancy occurs on a job within a department, notice of such vacancy will be posted on the main bulletin board and on a bulletin board at each badge reading station for a period of five (5) working days. Any employee concerned may apply in writing to the Human Resources Department within such five (5) day period. The job will be filled in accordance with 7.05 with the employees being considered in the following order:
- (1) employees of the department in which the vacancy occurs, and where an appointment is not made from that group,
 - (2) employees entitled to recall to the department as provided in 7.12, and where an appointment is not made from that group,
 - (3) employees of other departments, and where an appointment is not made from that group,
 - (4) former employees entitled to recall in accordance with 7.10.

A successful applicant must take the job he posted for. The successful applicant must be transferred to the new occupation within eight (8) calendar weeks.

In the event of no qualified applicant, the job will be filled in accordance with the provisions of the Basic Agreement and upon completion of prescribed learner periods, the applicant shall be deemed an incumbent.

In an effort to consider those employees justifiably absent

during the posting process, a letter may be submitted to the company listing a maximum of three (3) possible postings, in order of preference, that the employee would like to apply for. These letters will be returned for renewal and/or reconsideration every six (6) months.

Copies of all Posted job vacancies, a list of all applications and a list of all successful applicants shall be forwarded to the Chief Steward within five (5) days of the expiry of such posting. The Company will advise the Chief Steward, in writing, with detailed reasons, if it decides to cancel a posted job vacancy.

- (b) All subsequent vacancies which result from the filling of the above posted vacancy will be filled by employees within the department in accordance with 7.05 or by such employees entitled to recall to the department as provided in 7.12.
- (c) In applying the provisions of (a) and (b) above, only an employee who has occupied his job for a minimum period of six (6) months or who is occupying a job as a result of a decrease in working force, will be considered for a job vacancy which carries an equal or lower standard hourly rate than the job which he occupies.
- (d) An employee assigned to a training position for the job of Operator Boltmaker Machine or Operator Cold Heading Machine or Operator Heat Treat, shall not be entitled to apply for nor shall he be considered for any other permanent job vacancy which may occur during the three (3) year period from the date he was assigned to such training unless his training is discontinued by the Company, in which event he will be entitled to apply for permanent job vacancies subsequently.

- (e) Nothing herein shall preclude the Company from making a temporary appointment, not to exceed thirty (30) calendar days to any job.

7.10

- (a) When an employee has been laid off he shall be entitled for the appropriate period as hereinafter provided in (1), (2), (3), (4) and (5), to recall subject to 7.05.
- (1) Less than two (2) years of service at the date of layoff - for a period of eighteen (18) months from the date of layoff.
 - (2) Two (2) years but less than three (3) years of service at the date of layoff - for a period of twenty-four (24) months from the date of layoff.
 - (3) Three (3) years but less than four (4) years of service at the date of layoff - for a period of thirty (30) months from the date of layoff.
 - (4) Four (4) years but less than five (5) years of service at the date of layoff - for a period of thirty-six (36) months from the date of layoff.
 - (5) Five (5) or more years of service at the date layoff - for a period of forty-two (42) months from the date of layoff.
- (b) If a former employee is recalled and rehired within the applicable period, his service shall include service prior to such layoff and further accumulation of service as follows:

- (1) In the case of an employee with at least one (1) year of service at the date of layoff, the first twelve (12) months of the layoff will be included with his prior service, or
 - (2) In the case of an employee with three (3) years or more of service at the date of layoff, the first twenty-four (24) months of the layoff will be included with his prior service.
- (c) A former employee who is entitled to recall shall be eligible to file a grievance concerning such recall.

7.11 If a former employee fails to report for work within eight (8) working days after being recalled by a registered letter delivered to the last address on the employment records, he shall not be further entitled to recall and shall be considered to have resigned his position.

7.12 An employee transferred in lieu of layoff to another department or departments in accordance with the provisions of 7.07 or recalled to another department in accordance with the provisions of 7.10, shall, for a period of one (1) year from the date he was displaced from his original department and subject to 7.05, be entitled to recall to the department from which he was originally displaced and, if recalled, be required to return to that department. The Company may release the employee from his obligation to return to the department.

7.13 An employee may be temporarily transferred from one job to another within a department or to another department but no such transfer shall exceed a period of thirty (30) calendar days, except by mutual agreement between the Company and the Union. Where such transfers involve training opportunities, the Company will

give consideration to the senior qualified employees available for transfer in the department.

7.14 If non-bargaining unit personnel who have previously worked in the bargaining unit are transferred from a non-bargaining unit position to a bargaining unit job, they shall be entitled to credit for their full service with the Company including time worked outside the bargaining unit, except bargaining unit personnel who are transferred to non-bargaining unit positions after August 1st 1998 shall not be entitled to transfer back into the bargaining unit after nine (9)calendar months. All time to be accumulative.

7.15 Whenever a training opportunity exists on a job, notice of such opportunity will be posted on the appropriate bulletin boards as specified in 7.09 (a),for a period of five (5) working days. Any employee concerned may apply in writing to the Human Resources Department within such five (5) day period. The job will be filled in accordance with 7.05 with employees considered in accordance with 7.09. This posting will be identified as a “training opportunity” and learner rates will apply.

- (a) Employees may make written requests for cross-training within a classification. If opportunities for cross-training arise, then the Company shall consider any written requests that have been made. The Company shall prefer the senior employee who has filed a written request unless the Company has a reasonable basis to make a different decision, which shall be promptly communicated to the Local Union President in writing. The Company shall act in a good faith manner that is not arbitrary or discriminatory in making selections for cross-training.

Temporary Vacancies

7.16

- (a) When it can be determined that a temporary vacancy, caused by an employee being on leave of absence for sickness, injury, or other reasons, will exist for longer than thirty (30) days, notice of such vacancy will be posted in the same manner as a permanent job vacancy and the vacancy will be filled for its term in accordance with 7.05 and 7.09. The name of the employee so appointed shall be posted on the designated bulletin boards.
- (b) When two (2) or more employees are filling temporary vacancies under the provisions of (a) above, on the same job and one (1) of the temporary vacancies cease to exist, the senior employee in service will first be entitled to remain on the existing vacancy or return to the job he/she previously held. In the event that such senior employee remains on the vacancy, the employee junior in service will be returned to the job he/she previously held.

7.17 The Company and the Union have agreed that when an employee has exercised his/her entitlement to all of the provisions of clause 7.07 and would otherwise be laid off work, such employee will be entitled to be considered for assignment to a job as follows:

- (a) the highest job held by an employee in the plant who is junior in service to such employee specified above provided such job is included on the list of jobs attached hereto, and
- (b) provided that such senior employee has the basic

knowledge to absorb the necessary training so as to become qualified to perform such job within a four (4) week period, in which event,

- (c) the Company will not apply the provisions of clause 7.05 (B) when assigning such senior employee to such job.

It is understood and agreed to, that employees on layoff will also be allowed to mutually exercise their rights to this clause when conditions allow for recall of such laid off employees.

It is understood and agreed that no other employee may file a grievance with respect of the application of these provisions and in any event such grievance will not be arbitrable.

The Company and the Union agree that new classifications which would be considered under this section will, by mutual agreement of the parties, be added to the list attached to this section.

LIST OF JOBS TO BE CONSIDERED IN THIS SECTION

- #5025 WASH OPERATOR
- #5030 OPERATOR INDUSTRIAL TRUCKS
- #5033 RAW MATERIAL HANDLER AND STOCKER
- #5043 MANUAL VERIFIER
- #5060 PACKER
- #5070 JANITOR
- #5084 DUPLICATING M/C OPERATOR

SECTION 8 ADJUSTMENT OF DISPUTES

Union Representation

8.01 The Union shall be entitled to select one (1) Chief Steward for the plant, and also one (1) Steward for each department as set out in Appendix "H" hereto.

8.02 The Chief Steward, the Union President and one (1) other Union member shall constitute a Grievance Committee of three (3) members, one (1) of whom shall be Chairman.

8.03 Employees so selected in 8.01 and 8.02 to represent the Union shall, at the time of their appointment, have at least one (1) year of service. The Union shall advise the Company in writing of all employees so selected.

8.04 The duties of the Chief Steward, Stewards and Grievance Committee shall be to assist in adjusting disputes in accordance with the terms of this Agreement. The duties of the Steward shall be limited to the servicing of disputes in the department for which each is appointed while such disputes are being processed through Step No. 1, and at the discretion of the Chief Steward, at Step No. 2. The duties of the Chief Steward shall be limited to servicing of disputes while such disputes are being processed through Step No. 2 and as a member of the Grievance Committee to the extent hereinafter provided.

8.05 The Grievance committee shall be afforded such time off as may be required for attendance at meetings with management. Each member of the grievance committee will be paid at his average hourly earned rate during the preceding pay period.

8.06 A representative of the Union shall notify a Supervisor or Manager before leaving his work to deal with a grievance. Union representatives will endeavour to cooperate with management representatives to minimize disruption to production while maintaining the right to deal with grievances on a timely basis.

Grievance Procedure

8.07 Step No. 1

Any employee who believes that he has a justifiable grievance may discuss and attempt to settle same with his Supervisor or Manager with or without a departmental Steward being present, as the employee may elect. Grievances not adjusted in this way within ~~two~~ (2) working days may be appealed to Step No. 2.

8.08 Step No. 2

Notice of appeal must be given to the Department Manager, by the Chief Steward within three (3) working days after receiving the decision of the Supervisor or Manager. Such notice shall consist of a written statement of the grievance in triplicate containing particulars of the incident giving rise to the grievance and shall be signed by the aggrieved employee and dated as of the date of its submission. The Department Manager or his delegate shall meet with the Chief Steward within eight (8) working days, investigate the grievance and attempt to settle it.

A written decision shall be given by the Department Manager or his delegate within three (3) working days after the date of such meeting. Grievances not adjusted in Step No. 2 may be appealed directly to Step No. 3.

8.09 Step No. 3

Notice of appeal must be given in writing within seven (7) working days from the date of the written decision of the Department Manager to the General Manager or designate who shall meet with the Grievance Committee, which may be accompanied by an International Representative of the Union, investigate the grievance and attempt to settle it. A written decision shall be given by the General Manager within ten (10) working days after the date of such meeting.

8.10 Except as otherwise provided, grievances must be presented at Step No. 2 within nine (9) working days from the date of the incident giving rise to the grievance. Grievances not presented within the times aforesaid shall not be considered under the Grievance Procedure and in any event are not arbitrable.

8.11 A grievance once processed at any step of the Grievance Procedure will not be again considered except by way of appeal taken within the times therein provided.

8.12

- (a) No employee other than a probationary employee shall be discharged without first being given seven (7) days notice except in cases of serious misconduct when discharge shall be effective immediately. The Company will notify the Chief Steward of all immediate discharges or notices of discharge given to employees excepting probationary employees within forty-eight (48) hours after such discharge or notice of discharge has been effected. Grievances relating to discharge may be initiated at Step No. 2 of the Grievance Procedure and appealed directly to Step No. 3. The Company has the discretion to determine whether or

not there is "serious misconduct", the entitlement to seven (7) days notice may be subject to arbitration as part of the discharge grievance, but such entitlement is merely procedural and does not fundamentally affect employee's substantive rights.

- (b) Written warnings and recorded verbal warnings shall be removed from an employee's file after one (1) year, provided that there has been no other similar disciplinary infraction during the one (1) year period. Suspensions shall be removed from an employee's file after ~~two~~ (2) years, provided that there has been no other similar disciplinary infractions during the two (2) year period.
- (c) All discipline that is provided in writing to an employee shall be signed by the Chief Steward or designate to acknowledge receipt.

8.13

- (a) In the event that more than one employee is directly affected by one specific incident and each such employee would be entitled to process a grievance, the Chief Steward may sign the statement of the grievance on behalf of the aggrieved employees and shall identify the grievance as a "Group Grievance". Where retroactive wages are claimed, the names of such employees shall be attached to the grievance.
- (b) If the Company is alleged to have violated any provisions of this agreement and such violation affects the interest of the Union as a party to the Agreement, the Union may file a grievance, beginning at Step No. 2, which shall be signed on behalf of the Union by the Chairman of the Grievance Committee and shall be identified as a "Union Policy Grievance".

8.14 The Grievance and Arbitration Procedure may be invoked by the Company. Such grievances may be initiated by the Company at Step No. 3 of the Grievance Procedure by filing with the Chairman of the Grievance Committee. For such purposes the provisions of this Section 8 shall be read and construed with necessary changes.

Arbitration

8.15 Grievances, not adjusted in Step No. 3, relating to the interpretation, application, administration or alleged violation of this Agreement, including any question as to whether a matter is arbitrable, may be referred to a single arbitrator, by notice in writing to the General Manager or his delegate within fifteen (15) working days from the date of his written decision. Such notice shall specify the agreement clauses involved.

A Board of Arbitration, hereinafter called the Board, may still be referred to at the discretion of either party with proper notification. Only if the Board is used would clauses 8.16, 8.17, 8.18 and 8.19 apply.

8.16 Within ten (10) days from the date on which the grievance is referred to arbitration, the Union shall notify the Company in writing of the appointment of a representative to the Board and the Company shall, within five (5) days thereafter, notify the Union in writing of the appointment of a representative.

No person shall be appointed as a representative who has participated in prior efforts to settle the grievance to be arbitrated.

8.17 The two appointees so selected shall, within five (5) days of the appointment of the second of them appoint

a third person who shall be the Chairman

8.18 Where the representative of the Union has been appointed in accordance with 8.16 and the Company fails to appoint a representative as therein provided, or where the two representatives fail to agree upon a Chairman within the time specified, the appointment shall be made by the Minister of Labour for Ontario, upon the request of either party.

8.19 The Board shall not have any authority to alter or change any of the provisions of this Agreement, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and provisions of this Agreement, or to deal with wages except as provided in this Agreement, but, save as aforesaid, the decision of the Board or of a majority of the arbitrators shall be final and binding upon the Parties hereto and upon any employee or employees concerned. The Board may nevertheless decide whether or not retroactive wages are payable because an employee has been deprived of wages as a result of a violation of the Agreement by the Company, and, where such violation involves disciplinary action, should be modified if in the opinion of the Board the extent of the discipline is unreasonable in relation to the offence. Except as otherwise provided in this Agreement, the Board may not award such retroactive pay for a period in excess of sixty (60) days immediately preceding the date of the written statement of the grievance provided at Step No. 2 of the Grievance Procedure.

8.20 In no event will retroactive pay be allowed in connection with the settlement of a grievance of an individual employee or a group of employees who, while the grievance is pending, engages in a work stoppage, strike, slowdown, sit-down, or any other interference with

production or work.

8.21 The Union and the Company shall each pay one-half of the remuneration and expenses of the Arbitrator, and save as aforesaid, shall each bear its own expenses of any such arbitration.

SECTION 9 STRIKES AND LOCKOUTS

9.01 There shall be no lockout by the Company and no interruption, work stoppage, strike, sit-down, slowdown, or any other interference with production by any employee or employees during the term of this Agreement.

9.02 Any employee who participates in any interruption, work stoppage, strike, sit-down, slowdown, or any other interference with production may be disciplined or discharged by the Company.

SECTION 10 VACATIONS

10.01

(a) An employee shall be entitled to an annual vacation with pay in accordance with the following schedule, on the basis of his service at July 1st in each year:

One (1) year of service but less than five (5) years - Two (2) weeks.

Five (5) years of service but less than nine (9) years - Three (3) weeks.

Nine (9) years of service but less than fifteen (15) years - Four (4) weeks.

Fifteen (15) years of service but less than twenty-two (22) years - Five (5) weeks.

Twentytwo (22) years of service or more - Six (6) weeks.

Thirty (30) years of service or more, as of September 25th, 2005 - Seven (7) weeks.

10.02 For the purpose of this section “vacation year” shall be as defined in letter re Vacation Pay.

10.03

- (a) Except as provided in (b) hereof vacation pay for each week of vacation shall be established by multiplying the employee's average hourly earnings during the calendar quarter year immediately preceding the vacation by forty (40).
- (b) Vacation pay for each week of vacation shall be 2% of the employee's earnings during the vacation year, if the employee:
 - (1) has been on leave of absence for reasons other than disability or Union business directly related to the bargaining unit, for more than a combined total of 350 hours during the vacation year, or
 - (2) has worked less than 1,040 hours during the vacation year for any reason.

Hours not worked during the vacation year while on Union business directly related to the bargaining unit shall also be deemed to be hours worked for the purpose of this provision. The Company shall advise the Union by March 1

of each year of the employees who have not reached their required hours under 10.03 (b) (1) and 10.03 (b) (2) and shall include the number of hours worked to date for those employees who fall under 10.03 (b) (2).

10.04

- (a) **An** employee shall receive an additional payment equal to a percentage, as provided below, of the appropriate amount, calculated under 10.03 in respect to the length of vacation he is entitled to under 10.01 (a) depending upon the month when each such week of his vacation entitlement is taken:
- (i) During the months of January, February, March, April, November and December -- 25%
 - (ii) During the months of May, June, July, August, September and October -- 20%
- (b) The appropriate payment as provided above for each such week of vacation entitlement will be determined on the basis of the month in which the first scheduled day of such week of vacation is taken.
- (c) Such additional payment shall not apply to vacation pay for extended vacations provided in 10.01 (b).

10.05 An employee with three (3) months of service but less than one (1) year at July 1st shall be paid as vacation pay 4% of his earnings from the date of his employment to July 1st.

10.06 An employee whose employment is terminated shall be paid vacation pay in the amount of 2% of his earnings since the preceding July 1st in respect of each

week of vacation to which he was entitled on such July 1st, plus any payment to which he is entitled under Clause 10.04.

10.07 The time at which the vacation of any employee shall be taken shall be prescribed by the Company. When a department is completely shut down, all employees qualifying for vacations with pay normally will be required to take their vacations during the shutdown period. In cases where the length of the vacation is greater or less than the shutdown period, management will endeavour to make satisfactory arrangements.

10.08 The Company and the Union have agreed that an employee may be scheduled for a week of vacation, commencing on any day of the last calendar week of December, even though such week of vacation may not terminate until after December 31st and providing that such week of vacation commences prior to January 1st.

The parties agree that any employee scheduled for vacation in accordance with the above, will be considered as having been properly scheduled and paid for such week of vacation on the basis that the week of vacation will be considered for all purposes to be a week of vacation entitlement in the calendar year in which it commenced. In addition, hours not worked while on such week of vacation shall be deemed to be hours worked for the purpose of Clause 10.03 (b) (2).

10.09 An employee who has not completed one (1) year of service as of July 1, will be entitled upon completion of his probationary period to one (1) day of vacation for each month of completed service as of July 1, to a maximum of five (5) days of vacation. Payment for such vacation shall be in accordance with Clause 10.05. The time at which vacation shall be taken shall be prescribed by the Company.

10.10

- (a) **An** employee with twenty five (25) years credited service shall be entitled to postpone up to two (2) weeks of vacation each year. Such accumulated vacation shall not exceed a total of fifteen (15) weeks and shall be taken immediately prior to retirement date.
- (b) Any weeks of vacation postponed in accordance with 10:10(a) shall be paid in accordance with the payment provisions of this section at the rates applicable at the time of the employee's retirement.

SECTION 11 STATUTORY HOLIDAYS

11.01 All employees covered by the Basic Agreement will receive a day's pay (computed under the provisions of 11.03) for Christmas Day.

11.02 An employee having at least thirty (30) days service shall receive a special allowance for the day on which New Year's Day, Good Friday, Victoria Day, Dominion Day, Civic Holiday, Labour Day, Thanksgiving Day and Boxing Day is celebrated.

In addition to such holidays, eligible employees shall receive a Statutory Holiday Allowance for two (2) Floating Holidays to be scheduled in and around the Christmas/New Year's week. Prior to March 1st of each year, the General Manager or designate and the Local Union President shall agree upon the date for the observance of such holidays. In the event that they are unable to reach agreement, the

Company shall designate the dates that are to be observed. Once decided, these dates shall not be changed unless agreed to by the Local Union President, which agreement shall not be unreasonably withheld in consideration of production requirements and customer demands.

In order to qualify for the special allowance, an employee or former employee must have worked one day in the month in which the holiday is observed. Days of scheduled vacation or days on union business shall be considered scheduled turns.

11.03 The special allowance shall be computed by multiplying the number of hours normally scheduled for a turn for the employee by the average hourly rate earned by him in the preceding pay period.

11.04 An employee who qualifies for the special allowance and is scheduled to work and works the hours for which he is scheduled on any such day, shall be paid for the time worked on such a day at two times his regular rate of pay in addition to such special allowance. Hours worked by such an employee in excess of the standard working day on any such holiday shall be paid at the rate of double time.

11.05 Employees who do not qualify for the special allowance shall be paid at the rate of two times their regular rate for work performed on a day on which any such holiday is celebrated.

11.06 The hours of the statutory holiday shall be the twenty-four (24)hour period following the commencement of the day turn on the holiday unless some other twenty-four (24)hour period is mutually agreed upon.

SECTION 12 BULLETIN BOARDS

12.01 The Union will be allowed space on bulletin boards furnished by the Company at different locations throughout the plant for the purpose of posting notices regarding meetings and matters pertaining only to the Union.

SECTION 13 HEALTH AND SAFETY

13.01 The Company and the Union agree to maintain the standards of health and safety required to prevent occupational illness and industrial injury in the plant. In this regard, the parties agree that their respective representatives shall act in a co-operative and responsible manner so as to further health and safety in the plant.

13.02 The Union Health and Safety Committee shall be appointed by the Union and have at least three (3) representatives from each department, one of whom shall be the Union Health and Safety Chairperson. The Company shall be represented on such committee by an equal or lesser number one of whom shall be the General Manager or his or her delegate.

13.03 The Joint Health and Safety Committee meeting will be held at least bi-monthly to discuss matters relative to health and safety in the plant. An agenda will be established by the parties prior to the meeting and may include matters pertaining to:

- a) Joint Health and Safety Committee tours
- b) Ways and means of improving accident prevention programs so as to reduce accident frequency and severity.

- c) Data gathered relative to in-plant air and water quality control and employee health monitoring and surveillance.

The Joint Health and Safety Committee shall be chaired by the Union Health and Safety Chairperson and the Company representative or delegate (co-chair) on a rotating basis, also all minutes will be kept on a rotating basis by a Union Representative and a Company representative.

13.04 The Union Health and Safety Chairperson and a company representative of the committee will arrange to conduct a Joint Health and Safety committee tour of the plant at a mutually convenient time on a bi-monthly basis but not more than once a month. Upon completion of the tour the two representatives will meet with the General Manager or his delegate to discuss their findings. A report of the tour and meeting will be prepared by the Company representative, and will be approved by the Union representative prior to being sent to the J.H.S.C. Matters arising out of such reports may be the subject of discussion of the J.H.S.C.

In addition a Union Representative on the J.H.S.C. and a Company representative or delegate will inspect their department at least once per month. A report of the tour and meeting will be prepared by the company representative and approved by the Union representative prior to being sent to the J.H.S.C. Matters arising from such reports may be the subject of discussion of the J.H.S.C.

13.05 Time spent by members of the Union H. & S. Committee in the performance of their duties will be deemed to be time worked and will be paid according to the provisions of the Basic Agreement.

13.06 Joint minutes shall be maintained and distributed to all those in attendance at any J.H.S.C. meetings. Designates from the Company and the Union shall distribute and post the minutes on the main bulletin board in each facility within five (5) working days. The Company's response to such minutes shall be sent to the Union co-chair and posted on the main board in each facility within twenty-one (21) calendar days.

13.07 The Company shall provide and maintain protective equipment and other safety devices in accordance with present practise, and any additional personal protective equipment determined necessary by the J.H.S.C. The Company shall provide an in plant office for the Health and Safety Chairperson with necessary supplies.

13.08 The Company shall maintain a full time working Union Health and Safety Chairperson ("UHSC") in such manner as to attend to matters of health and safety in the plant. The UHSC shall be assigned to a straight day schedule. The UHSC shall have his regular duties to perform and for this purpose shall report to his Supervisor or Manager. The UHSC shall be released from his regular duties to attend to matters of health and safety on notification to his Supervisor or Manager. The Union may appoint an alternate UHSC who shall have a comparable straight day schedule assignment in the event of vacation, illness or extended absence for any reason.

In the event that any question arises as to the application and interpretation of this paragraph, such question will be the subject of discussion between the Human Resources Manager and the President of the Local Union or their respective delegates.

13.09 The Union H. & S. Chairperson or his or her

representative shall be notified and permitted to attend and participate in all department accident investigations. For the purpose of this provision accidents which shall be investigated will mean the following:

- (1) All lost time accidents.
- (2) All possible lost time accidents.
- (3) All minor, near misses and incidents where an accident has occurred with potential for serious injury.

All minutes of Departmental Accident Investigations shall be supplied to the Department Health and Safety Representative, and the Union Health and Safety Chairperson.

13.10 The Health and Safety Representative in the department shall be provided the opportunity to review and comment on any change to the written job safety procedures currently in effect within the department, and of any new job safety procedures, prior to the issue of such job safety procedures.

13.11 The Company and the Union will recognize The Day of Mourning on such date officially established each year, and in recognition publish jointly a proclamation respecting the above, and participate in other activities as deemed appropriate.

SECTION 14 LEAVE OF ABSENCE

14.01 An employee requesting a leave of absence shall apply to his Supervisor and if such leave is granted it shall be authorised in writing but shall not exceed ninety (90)

days, provided, however, that if an emergency arises which prevents the employee on leave from returning at the end of the leave granted, he may apply for an extension.

14.02 Upon written application to the Manager, the Company will grant extended leaves of absence, without pay, to not more than one member of the Union to enable him to attend to the affairs of the Union. During any such leave of absence all service rights shall be retained except that service rights shall not be counted for the period of such leave of absence. Any such leave of absence shall not exceed six (6) months and not more than two (2) leaves of absence shall be applied for or granted in any calendar year regardless of the duration thereof.

14.03 Upon written application to the General Manager the Company shall grant a leave of absence to not more than three (3) employees to attend Union conferences, conventions, training sessions, or other Union functions that require time away from work. The Union shall give as much notice as reasonably possible and the expected duration of such absence.

The Union will endeavour to cooperate with the Company in scheduling leaves so as to minimize disruption to production.

SECTION 15 JURY SERVICE AND BEREAVEMENT PAY

15.01 The Company shall pay to any employee who may be required to serve as a juror or as a subpoenaed crown witness in any court of law in Canada, the difference, if any, between the amount paid to him for his jury or crown witness services and the amount he would have received for

services normally rendered to the Company during the same period of time.

15.02 An employee shall be permitted time off from work up to a maximum of three (3) days for the purpose of arranging and attending the funeral of a member of his immediate family, or where he does not attend the funeral, one (1) day. When any of such days fall on a scheduled working day for the employee, he shall be paid a bereavement allowance for each day equivalent to eight (8) times the average hourly rate earned by him in the preceding pay period. Immediate family shall mean spouse, son, daughter, mother, father, sister, brother, grandmother, grandfather, grandson, granddaughter, mother-in-law, father-in-law, sister-in-law or brother-in-law, son-in-law, daughter-in-law or, a common law spouse and mother, father, sister, or brother of such common law spouse, provided the employee has co-habitated with such spouse for three (3) or more years.

For the purpose of this clause, the terms "sister-in-law" and "brother-in-law" shall be defined as the brother or sister of the employee's spouse and the wife or husband of the employee's brother or sister.

SECTION 16 TECHNOLOGICAL CHANGE

16.01 Both parties recognize the importance of lessening as much as reasonably possible the effects of technological change upon the job security and the earnings of an employee who may be displaced from his job as a result of such change.

In order to reduce the impact of displacement from a job

due to technological change, an eligible employee will be entitled to assistance in accordance with the following provisions.

Definition

16.02 Technological change shall mean:

- (a) the automation of equipment, or
- (b) the introduction of new equipment, or
- (c) the replacement of existing equipment with new equipment, or
- (d) the mechanisation or automation of duties. or
- (e) the replacement of an existing facility with a new facility, which produces the same or similar product, which directly results in the permanent displacement of an employee from a job. The subsequent permanent displacement of junior service employees by an employee directly displaced from a job in accordance with the above shall also be considered to be a direct displacement due to a technological change.

The displacement of an employee from a job as a result of depressed business conditions, relocation or reassignment of equipment which is not the direct result of a technological change in such equipment, resource depletion or product obsolescence or market shift which is not the cause or the result of a technological change, fault of the employee, or layoffs caused by any strike, slowdown, lockout, sabotage, Act of God, or breakdown, shall not be considered to be a technological change.

Eligibility

16.03 An employee, in order to be eligible for a Maintenance of Earnings Benefit, must:

- (i) have eighteen (18) or more months of service, and
- (ii) be permanently displaced from a job to which he has been permanently appointed or permanently assigned, as a direct result of a technological change, and
- (iii) have been assigned to the department in which such technological change displacement has occurred, for the three (3) month period immediately preceding such displacement, and
- (iv) remain in the employment of the Company during the benefit period, and
- (v) accept the job with the highest rate of pay to which he is entitled and qualified to receive under the terms of the Basic Agreement during the benefit period and continue to accept assignment to any job with a higher rate of pay during the term of the benefit period.

Maintenance of Earnings Benefit

16.04 For each pay period during the Benefit Period to which an employee is entitled as provided in 16.05, an eligible employee will be paid a Maintenance of Earnings Benefit, calculated as follows:

- (1) A Maintenance of Earnings Benefit differential will be calculated which represents the difference between the Gross Hourly Rate of the job from which the employee was displaced as specified in 16.03 (ii) and the Gross

Hourly Rate of the job to which the employee is permanently assigned at the time of the displacement.

- (2) The Maintenance of Earnings Benefit differential will be applicable for each hour worked on a job during the pay period which carries a job class equal to or lower than the Gross Hourly Rate of the job to which the employee is permanently assigned as specified in (1) above.
- (3) In the event that an employee works on a job during the pay period which carries a higher Gross Hourly Rate than the Gross Hourly Rate of the job to which he is permanently assigned as specified in (1) above, the differential will be reduced by the difference between the Gross Hourly Rate of the job to which he is permanently assigned and any higher Gross Hourly Rate of a job on which the employee works in the pay period.
- (4) The Maintenance of Earnings Benefit will represent the total of the earnings calculated in accordance with (2) and (3) above plus the balance of the employee's actual earnings during the pay period.
- (5) The Gross Hourly Rate of the jobs specified in (1), (2) and (3) above shall include in addition to the applicable Standard Hourly Rate, any other hourly supplementary payments applicable for hours worked on such jobs. Where such supplementary payments are calculated and paid on a quarterly basis, the appropriate hourly differential payment for such hours worked shall continue to be paid on a quarterly basis. For the purposes of this provision such hourly supplementary payments shall, where applicable, include the Supplementary Payment Plan.

Duration

16.05

- (i) An eligible employee will be entitled to have his earnings maintained in accordance with 16.04 for the greater of fifty-two (52) pay periods or four (4) pay periods for each year of Company service not to exceed one hundred and four (104) pay periods.
- (ii) **An** eligible employee who exhausts the one hundred and four (104) pay periods will further be entitled to have his earnings maintained for an additional twenty-six (26) pay periods at fifty (50) percent of his applicable Maintenance of Earnings Benefit.
- (iii) The period of time during which an employee will be eligible to receive a Maintenance of Earnings Benefit will commence at the beginning of the pay period immediately following the pay period in which the employee became eligible and shall continue for each subsequent consecutive pay periods thereafter for the appropriate number of pay periods to which the employee is entitled as provided above.
- (iv) Any pay period, during the whole of which an employee is absent from work solely due to sickness or injury (as evidenced by a Doctor's certificate as required by the Company) and is not entitled to any payment from the Company during such pay period, shall, subject to the provisions of part (vi) below, not be counted and the benefit period shall continue for the remainder of its unexpired term commencing with the pay period in which the employee returns to work or would have returned to work following such sickness or injury, provided further that such employee remains in

the employment of the Company. The day's pay to which an employee is entitled under the provisions of Clause 11.01 will not be considered as a payment of the Company for purposes of this paragraph.

- (v) Any pay period during which, either in whole or in part, an employee is absent from work for any reason other than sickness or injury, shall be considered as a part of the consecutive period of time.
- (vi) Any period during which **an** employee is absent from work due to sickness or injury shall be considered as a part of the consecutive period of time, where such employee had been absent from work for the entire twelve (12) months immediately preceding the time that he would have been displaced from the job as specified in 16.03 (ii).

16.06 Payments made by the Company for Maintenance of Earnings Benefits shall be deducted by the Company from the funds in the Technological Change Account. No Benefits will be paid for any pay period in which the Company determines that the funds available in the Technological Change Account are insufficient to pay Benefits in that pay period.

Training

16.07 If an eligible employee requires training or retraining, the Company will offer such training or retraining under the provisions of the "Employee Training Program" on a job in his department which would potentially provide as closely as possible the job classification level which he held before his displacement.

If the eligible employee requires training and requests same

on a job other than the job designated by the Company, and such requested job would potentially provide as closely as possible the job classification level of the job designated by the Company, he may apply for such training under the provisions of the "Employee Training Program".

In the event that the Company determines that the eligible employee requires training and a training opportunity as specified above does not exist within his department, the Company will, subject to operating requirements and the availability of training opportunities, retrain him for a job in another department which would potentially provide the job classification level which he held prior to his displacement. If the employee accepts such training in another department, he will be entitled to exercise his service record for the purposes of applying for a permanent vacancy on such job.

If he is appointed to the job in the new department, he will be transferred by the Company in accordance with the provisions of Clause 7.12 of the Basic Agreement. Any such training shall be carried out in accordance with the provisions of the "Employee Training Program".

An employee displaced from a job in accordance with 16.03(ii) above will be given preferential consideration for a vacancy in a Trade or Craft Apprenticeship or Assigned Maintenance Training Program, provided that the employee has the prerequisite qualifications as established by the Company.

For the purposes of this Clause 16.07, the provisions of the "Employee Training Program" relating to rates of pay for such training shall not apply during the period that an employee is entitled to a benefit under Clause 16.05 hereto.

16.08

- (a) The Company will notify the Union in writing as soon as possible in advance of any technological change which may cause a displacement of employees from their jobs.
- (b) There will be a Union Technological Change Committee not to exceed four (4) employees, one (1) of whom will be the Union president or his delegate, the other three (3) employees as selected by the Union. The Company Committee will consist of the Plant Manager and the Employee Relations Manager or their delegates and two (2) other Company representatives.
- (c) Meetings between the two Committees. will be convened once every three (3) months at a mutually convenient date and time and more frequently on urgent matters as the case may be requested by either party. Time spent at such meetings by employees on such Union Committee will be paid at their average hourly rate during the preceding pay period.
- (d) The purpose of such meetings will be to review any technological change and matters which may arise out of such Technological Change as it applies to employees. In advance of such meeting, the parties will establish an agenda of matters to be discussed.
- (e) The Company will provide, as soon as practicable, the estimated time frame for the implementation of any technological change and will advise as to the number of employees potentially affected. Such estimates will be refined by the Company from time to time in subsequent meetings.

- (f) The Company will each year furnish the Union with a statement showing the net worth of the Technological Change Account and the amounts paid from the account during the preceding year.

SECTION 17 TERMINATION

17.01 This agreement shall be in effect until August 31, 2008, and shall thereafter continue for a further period of one (1) year unless during the one hundred and ten (110) day period immediately preceding the expiration date, either party shall give written notice to the other that it desires revision or termination of this agreement at its expiration date. Where notice of revision is given, negotiations shall commence during the ninety (90) day period immediately preceding the expiration date.

Publication and Distribution of Agreements

17.02 The Company agrees to bear the cost of printing the agreement with an initial distribution of 300 copies to the Union. The Company is responsible to have sufficient copies available as required during the life of the agreement. The Company shall have (90) calendar days to print the agreement following ratification.

Signed this 01 day of September 2005

FOR:

Genfast Manufacturing Company

Cesare Berti
Marcel Petrella
Bernie Thiteca

FOR:

**United Steelworkers
Local 3767**

Bob Green
Jeff Smith
Paul Robbins
Rob Henderson

CLASSIFICATION ADJUSTMENTS

a) Electrician b) Maintenance c) Toolmaker d) Auto-mechanic e) Boltmaker (1Level) f) Inspector (1Level)

Company agrees to move 1 classification level per year to max 3 classification levels starting September 1, 2005, provided that such agreement is not used as a springboard for other classifications, these agreed changes cannot be reviewed by the CWS and all classifications including the above as changed are crystallized as of date of ratification. For clarification, material future changes are subject to future review. Maintenance Mechanic and toolmaker will be moved the 4th level to jc24 on August 31, 2008.

WAGES

Each year of the agreement, effective September 1, add .20 to base rate 1st year, .20 to base rate 2nd year, .20 to base rate 3rd year: 1.5 cents to each increment each year.

JOB SECURITY

Applicable at time of layoff if at least 50% of any department has been laid off (relative to the size of the department as of ratification), 2 weeks of severance pay (hourly rate x 40 hours x 2) for year of service to a cap of 60 weeks, plus \$500 per affected member to be allocated to USW adjustment committee for retaining/placement services. An affected employee may retain collective agreement recall rights, in which case the severance pay shall be held in trust for the benefit of the employee in an interest bearing account. Payment would be made forthwith at the employee's election or when recall rights expire. To be clear, this satisfies any statutory obligation (at least as the Employment Standards Act 2000 is currently drafted).

APPENDIX "B"
STANDARD HOURLY WAGE SCALE

YEAR 1

YEAR 2

YEAR 3

J.C.	Current	Total Increase	New Rate Sept 1/05	J.C.	Total Increase	New Rate Sept 1/06	J.C.	Total Increase	New Rate Sept 1/07
1	17.908	0.215	18.123	1	0.215	18.338	1	0.215	18.553
2	18.136	0.230	18.366	2	0.230	18.596	2	0.230	18.826
3	18.362	0.245	18.607	3	0.245	18.852	3	0.245	19.097
4	18.602	0.260	18.862	4	0.260	19.122	4	0.260	19.382
5	18.865	0.275	19.140	5	0.275	19.415	5	0.275	19.690
6	19.134	0.290	19.424	6	0.290	19.714	6	0.290	20.004
7	19.406	0.305	19.711	7	0.305	20.016	7	0.305	20.321
8	19.667	0.320	19.997	8	0.320	20.317	8	0.320	20.637
9	19.947	0.335	20.282	9	0.335	20.617	9	0.335	20.952
10	20.219	0.350	20.569	10	0.350	20.919	10	0.350	21.269
11	21.049	0.365	21.414	11	0.365	21.779	11	0.365	22.144
12	21.327	0.380	21.707	12	0.380	22.087	12	0.380	22.467
13	21.605	0.395	22.000	13	0.395	22.395	13	0.395	22.790
14	21.883	0.410	22.293	14	0.410	22.703	14	0.410	23.113
15	22.162	0.425	22.587	15	0.425	23.012	15	0.425	23.437

APPENDIX "B"
STANDARD HOURLY WAGE SCALE

YEAR 1

YEAR 2

YEAR 3

J.C.	Current	Total Increase	New Rate Sept 1/05	J.C.	Total Increase	New Rate Sept 1/06	J.C.	Total increase	New Rate Sept 1/07
16	22.441	0.440	22.881	16	0.440	23.321	16	0.440	23.761
17	22.719	0.455	23.174	17	0.455	23.629	17	0.455	24.084
18	22.998	0.470	23.468	18	0.470	23.938	18	0.470	24.408
19	23.278	0.485	23.763	19	0.485	24.248	19	0.485	24.733
20	23.554	0.500	24.054	20	0.500	24.554	20	0.500	25.054
21	23.834	0.515	24.349		0.515	24.864	21	0.515	25.379
22	24.112	0.530	24.642		0.530	25.172	22	0.530	25.702
23	24.390	0.545	24.935	23	0.545	25.480	23	0.545	26.025
24	24.670	0.560	25.230	24	0.560	25.790	24	0.560	26.350
25	24.946	0.575	25.521	25	0.575	26.096	125	0.575	26.671
26	25.225	0.590	25.815	26	0.590	26.405	26	0.590	26.995

APPENDIX "B"
CO-ORDINATOR HOURLY WAGE SCALE

Increase Year 1 **Increase Year 2** **Increase Year 3**
Effective September 1, 2005 **Effective September 1, 2006** **Effective September 1, 2007**

Co-ordinator	J.C	NEW RATE	Co-ordinator	J.C	NEW RATE	Co-ordinator	J.C	NEW RATE
Stores	10C	20.569	Stores	10C	20.919	Stores	10C	21.269
Shipping	11C	20.856	Shipping	11C	21.221	Shipping	11C	21.586
Man Verifier	11C	20.826	Man Verifier	11C	21.191	Man Verifier	11C	21.556
Auto Verifier	14C	21.715	Auto Verifier	14C	22.125	Auto Verifier	14C	22.535
Inspection	13C	22.000	Inspection	13C	22.395	Inspection	13C	22.790
Maintenance	24C	25.230	Maintenance	24C	25.790	Maintenance	24C	26.350
Roll Thread	16C	22.881	Roll Thread	16C	23.321	Roll Thread	16C	23.761
Boltmaker	19C	23.763	Boltmaker	19C	24.248	Boltmaker	19C	24.733
Header	19C	23.763	Header	19C	24.248	Header	19C	24.733
Formax	19C	23.763	Formax	19C	24.248	Formax	19C	24.733
Parts Former	17C	23.174	Parts Former	17C	23.629	Parts Former	17C	24.084
Tool Room	22C	24.642	Tool Room	22C	25.172	Tool Room	22C	25.702
Auto Mechanic	19C	23.763	Auto Mechanic	19C	24.248	Auto Mechanic	19C	24.733
Heat Treat	19C	23.763	Heat Treat	19C	24.248	Heat Treat	19C	24.733
Tool/Die Build	19C	24.265	Tool/Die Build	19C	24.750	Tool/Die Build	19C	25.235

APPENDIX "F"

SCHEDULE OF APPRENTICE TRAINING

	520 HOUR PERIODS				1040 HOUR PERIODS					
TRADE JOB CLASS	1	2	3	4	5	6	7	8	9	10
21	1	2	3	4	6	9	12	14	17	19
20	1	2	3	4	6	9	12	14	16	18
19	1	2	3	4	6	9	12	14	15	17
18	1	2	3	4	6	9	12	14	15	16

APPENDIX "G" – CLASSIFICATIONS WITH LEARNER RATES

Job Title	Code Factor	Job Class	No. of L/P	Hours and Job Class of Learner Periods (L/P)			
				1st 240	1st 520	2nd 520	3rd 520
Pipe fitter	2.4	15	3		7	9	11
Maintenance Helper	0.8	13	2		7	9	
Operator Milling Machines	2.4	15	3		7	9	11
Operator Grinders	2.0	14	3		6	8	10
Operator Numerically Controlled Lathes	2.0	14	3		6	8	10
Die Fabricator	2.4	15	3		7	9	11
Operator Engine Lathes	2.4	13	3		5	7	9
Tool Assemblyman	2.0	16	3		8	10	12
Steel Cut-off Operator	0.8	8	1		6		
Boltmaker Operator	1.6	15	2		10	12	
Cold Header Operator	1.6	14	2		10	12	
Roll Thread Operator	1.2	11	2		7	9	
Operator Auto-Pointers	1.2	10	2		6	8	
Operator Auto-Trimmer Machines	1.2	11	2		7	9	
Wash Operator	0.4	7	1	5	-		
Operator Industrial Trucks	0.8	9	1		7		
Raw Material Handler & Stocker	0.8	9	1		7	-	
Inspector	1.6	11	2		6	8	
Operator Machine Verifiers	0.8	9	1		7		
Heat Treat Operator	2.0	14	3	-	8	10	12
Packer	0.4	7	1	5	-	-	
Stores Attendant	1.2	8	2		4	6	
Q.O.S. Facilitator	1.6	11	2	-	7	9	
Duplicating M/C Operator	0.4	4	1	2	-		
Expeditor	0.8	11	1		9		

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APPENDIX "H"

Departments	Stewards
Boltmakers	1
Cold Headers	1
Shipping/Material Handling/Expeditors/	
Janitors	1
Quality Assurance	1
Toolroom	1
Mechanical	1
Heat Treat	1
Finishing	1
Chief Steward	1
	<hr/>
Total	9

ITEM 1

LETTER OF AGREEMENT RE: VACATION SCHEDULING

The Company recognizes the desirability of scheduling vacations during the summer months of the year and the objective will be to schedule as many weeks of vacation as practical during July and August.

The number of vacation weeks to be scheduled, business conditions, the availability of qualified employees for vacation relief are factors which must be considered in establishing vacation schedules.

The Company, however, will schedule two weeks vacation entitlements during the period which will commence with the beginning of the first week of June and will end with the week beginning the third week of September for all employees having five (5) years' service or more. If it is practical for departments to improve upon this schedule, the Company will do so. If conditions beyond the Company's control prevent it from carrying out this commitment the Company will discuss the matter with the Union with the objective of working out suitable alternative arrangements.

ITEM 2

LETTER OF AGREEMENT RE: INTERPRETATION OF CLAUSE 5.07

Clause 5.07 shall be interpreted to provide that an employee will not cease work until relieved on his job except that such employee will not be compelled to work more than two (2) hours beyond his quitting time of any scheduled shift.

ITEM 3

LETTER OF AGREEMENT RE: SAFETY EQUIPMENT

- (a) **An** employee will continue to be entitled, at no cost, to one (1) pair of metatarsal boots upon completion of proper Company approval. A new employee entering the employ of the Company shall be obliged to purchase at his expense the initial pair of metatarsal boots.
- (b) The Company will pay for custom moulded earplugs if medically necessary.

ITEM 4

LETTER OF AGREEMENT RE: APPLICATION OF THE "FW" SCHEDULE

1. Implementation and Application

This letter sets out the conditions under which the parties agree to implement a schedule of working hours, designated as the "FW" Schedule and attached hereto as Appendix "A", applicable only to employees assigned to operations scheduled for 144 hours per week.

It is understood that the Company may implement a schedule which is not identical to the schedule set out in Appendix "A" for employees assigned to operations scheduled for 72 or 108 hours per week, provided that such schedule will be similar in pattern to the attached schedule and this letter will apply to such similar schedule.

It is understood that this Agreement covers only groups of employees who are working schedules in ~~the~~ same pattern as the "FW" Schedule attached after having reached agreement between the Company' and Union and signed a letter of intent outlining the implementation of such schedules. The provisions of the Basic Agreement will apply to employees who work eight (8) hour shifts and the provisions of this Letter of Agreement with respect to employees who work twelve (12)hour shifts.

Amendments to the **Basic** Agreement

The Company and the Union agree that the following shall constitute amendments to the Basic Agreement in order to give effect to a "FW" schedule as provided herein where and when it applies to an employee.

The implementation or termination of such schedule shall not result in the payment of overtime hours or any other premiums which would otherwise be applicable.

The term "work day" or "standard working day" as used through the Basic Agreement shall mean a regularly scheduled work day of twelve (12)hours. Specifically:

5.02 Is amended to read:

"The normal work day for purposes of Clauses 5.02 to 5.07 inclusive shall be twelve (12)hours of work in a 24-hour period."

5.03 Is deleted in its entirety.

5.06 Is amended by adding the following:

"When an employee is scheduled to a twelve (12)hour shift, he will be provided with two (2)twenty-five (25)minute

lunch periods. The first lunch period will be scheduled within the middle four (4) hours of the first eight (8) hours of the shift and the second lunch period will be scheduled as soon as possible after the completion of the first eight (8) hours of the shift."

5.07 Is amended by adding "twelve (12) hour shift", immediately following the word "continuous" and changing ten (10) minutes to thirty (30) minutes.

5.08 Is amended to read as follows:

Overtime rates shall be paid, for periods of fifteen (15) minutes or multiples thereof, for:

- (a) Hours worked in excess of twelve (12) hours in a work day;
- (b) Hours worked in excess of 120 hours in a period consisting of three (3) consecutive calendar weeks as designated by the Company;
- (c) Hours worked before his regular starting time when an employee is called in before the regular starting time of any shift of twelve (12) hours;
- (d) Hours worked after his regular quitting time when an employee is held after the regular quitting time of any shift of twelve (12) hours;
- (e) Hours worked if an employee is notified that he is required to work on his scheduled day off, provided however that this provision shall not apply in the case where an employee's schedule is changed to another shift or to a new working schedule which provides alternative day(s) off and such change in schedule is in accordance with the provisions of clause 5.05. A day(s) lost from work as a result of the application of Section 7

shall not be considered as a scheduled day(s) off for the purpose of this clause. The Company will designate the day(s) lost from work as the result of the application of Section 7.

5.09 Except as provided in Clause **11.04**, overtime shall be paid at one and one-half times the employee's standard hourly rate.

5.14 Turn premiums will be paid as follows:

- (a) 1. For hours worked by an employee on his regularly scheduled day turn during the last four (4) hours of the shift - thirty-five (35) cents.
 2. For hours worked by an employee on his regularly scheduled night turn for the first four (4) hours of the shift - thirty-five (35) cents.
 3. For hours worked by an employee on his regularly scheduled night turn for the last eight (8) hours of the scheduled shift - fifty (50) cents.
- (b) The appropriate turn premium under (a) above shall be paid to an employee who works overtime on any afternoon or night shift overtime hours as defined therein.

8.07 Is amended by adding the following:

"When the employee is working a twelve (12) hour shift pattern, the supervisor will make known his decision to the employee within five (5) working days."

8.08 Amend to change "three (3) working days" to "six (6) working days" wherever it occurs.

11.03 Is amended by adding the following:

"The expression "employees regularly scheduled hours" shall mean eight (8) hours. However, when a statutory holiday falls on a day which an employee is scheduled to work a twelve (12) hour shift but is not required by the Company to work such shift, the special allowance shall be calculated on the basis of twelve (12) hours."

15.01 Is amended by adding:

"The expression "period of time" shall mean twelve (12) hours."

15.02 Is amended to read:

"An employee shall be permitted time off from work up to a maximum of three (3) days for the purposes of arranging and attending the funeral of a member of his immediate family or, where he does not attend the funeral, one (1) day. Where any of such days fall on a scheduled work day for the employee, he shall be paid a bereavement allowance for each day equivalent to eight (8) or twelve (12) times the average hourly rate earned by him in the preceding pay period. Immediate family shall mean spouse, son, daughter, mother, father, sister, brother, grandmother, grandfather, grandson, granddaughter, mother-in-law, father-in-law, sister-in-law or brother-in-law, son-in-law, daughter-in-law or, a common law spouse and mother, father, sister or brother of such common law spouse, provided the employee has cohabited with such spouse for three or more years.

For the purpose of this clause, the terms "sister-in-law" and "brother-in-law", shall be defined as the brother or sister of the employee's spouse and the wife or husband of the employee's brother or sister."

C.W.S. Program

It is understood and agreed that the implementation of this schedule will not in itself result in any amendment or modification to the C.W.S. program or cause the Union or any employee to claim that an existing job description and classification has changed.

In the future, new jobs will continue to be described and classified on the basis of a regular eight (8) hour shift of work and no consideration will be given to the extended hours of work beyond eight (8) hours.

APPENDIX "A" "FW" SCHEDULE
144 hours per week

		SMTWTFS	SMTWTFS	SMTWTFS	SMTWTFS
Wk. 1 to 4	7:00 a.m. - 7:00 p.m.	OAAACCC OBBBDDD	OBBBDDD OAAACCC	OBBBDDD OAAACCC	OAAACCC OBBBDDD
	Daysoff Days off	OCCCAA ODDDBBB	ODDDBBB OCCCAA	ODDDBBB OCCCAA	OCCCAA ODDDBBB
Wk. 5 to 8	7:00 a.m. - 7:00 p.m.	ODDDBBB OCCCAA	OCCCAA ODDDBBB	ODDDBBB OCCCAA	OCCCAA ODDDBBB
	Daysoff Daysoff	OBBBDDD OAAACCC	OAAACCC OBBBDDD	OBBBDDD OAAACCC	OAAACCC OBBBDDD
Wk. 9 to 12	7:00 a.m. - 7:00 p.m.	OBBBDDD OAAACCC	OAAACCC OBBBDDD	OAAACCC OBBBDDD	OBBBDDD OAAACCC
	Daysoff Daysoff	ODDDBBB OCCCAA	OCCCAA ODDDBBB	OCCCAA ODDDBBB	ODDDBBB OCCCAA
Wk. 13 to 16	7:00 a.m. - 7:00 p.m.	OCCCAA ODDDBBB	ODDDBBB OCCCAA	OCCCAA ODDDBBB	ODDDBBB OCCCAA
	Daysoff Daysoff	OAAACCC OBBBDDD	OBBBDDD OAAACCC	OBBBDDD OAAACCC	OBBBDDD OAAACCC

Note:

Note:

ITEM 5

LETTER OF AGREEMENT RE: EDUCATION FUND

A Fund will be established to assist all employees at Genfast Manufacturing Co. who wish to improve their education through attendance at seminars, school classes or such other training programs as may enhance the development and performance of the employee, including the establishment of an appropriate Union training and educational facility. The Education Fund will be administered by the local Union, and once per year the Company may request a meeting with the Union to review the financial position and the administration of the Fund.

The Company will contribute one (1) cent per hour worked to the Education Fund and such contribution will be made for straight time hours worked only and will not be made for overtime hours or premium hours. Hours not worked, even though compensated in accordance with a specific provision of the Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of this Fund. Contributions to the Fund will be made quarterly, in the middle of the month immediately following completion of each calendar quarter year as specified in Item 8 of the Basic Agreement.

It is clearly understood that this Fund is strictly an education fund, to be utilised only for the education of employees of Genfast Manufacturing Co. in accordance with the general purposes as outlined above. If it is determined by the Company that this Fund is not being utilised in the agreed upon manner, the Company may withhold contributions to the Fund until it is satisfied that the Fund is being properly utilised. In the event that the Company does decide to withhold any contributions for this reason, the Union may appeal the decision of the Company through the grievance and arbitration provisions of this Agreement.

It is understood that the contribution made by the Company towards the Union Educational Fund may be administered jointly under a Union Educational Fund for other plants of Genfast Manufacturing Co. for which the Company is making contributions and such contributions remitted to a single designated Union Official representing such Locals.

ITEM 6

LETTER OF AGREEMENT RE: TRAINING RATES

The company agrees that those hourly rated employees who demonstrate a commitment and effort to perform above the normal expectations of their routine duties for the purpose of training other employees, will be recognized for their efforts, specifically, they will be paid **two (2)** job classes higher than the rate of pay for the job being performed for training purposes.

ITEM 7

LETTER OF AGREEMENT RE: EMPLOYEE TRAINING PROGRAMME

The Company has always recognized the importance of providing training opportunities for employees so that they could improve their **skills** and advance to jobs of greater responsibility and higher pay.

Now, because of changing conditions, and in particular, changing technology, new approaches to and expansion of employee training are required. The Company has, therefore, agreed with the Union to expand and enlarge its efforts to provide training opportunities for employees so that they can equip themselves for advancement.

It is mutually recognized that there are many complicated practical problems involved and enlargement of training

opportunities must, therefore, be approached on an experimental basis and on the understanding that certain procedures or methods may not work satisfactorily and might have to be changed from time to time, and others tried.

On this basis the Company has agreed with the Union to expand the scope of opportunities for training, and the parties agree to co-operate to this end as follows:

Apprenticeship

The company shall commit to the training of journeyman through the apprenticeship program. APPENDIX "F" shall be amended to reflect current government standards. If practical and subject to operational requirements, the training of journeymen through apprenticeship **will** be increased by enrolling additional apprentices in existing Apprentice Programmes.

Trade or Craft

The existing procedure is that trade or craft employees, other than graduates from the Apprentice Programmes, are required to take trade tests in all cases before being upgraded. It is agreed that henceforth the qualifications required for upgrading toward a higher rate will be determined by supervisory assessment. If supervision determines that the employee does not have the necessary qualifications for advancement, the results of the determination will be discussed with the employee and suggestions as to how qualifications might be improved will be made, and ways and means of carrying out such suggestions will be explored with the employee.

If the employee does not agree with the determination made, he may request and shall receive a trade test.

Other Occupations

The Company will explore the possibilities of improving training opportunities for assigned maintenance, service groups and other occupations not specifically referred to in this programme.

Training Requirements

An employee who receives training on production or other occupations will be required to:

- (a) complete the prescribed number of learner periods, and
- (b) apply for any posted job vacancy in the job for which he has been successfully trained.

Technological Change

Both parties recognize the importance of lessening as much as reasonably possible the effects of technological change upon the job security and the earnings of employees older in service who may be displaced from their jobs as a result of such change. If any such employee incurs any substantial loss of earnings because of lack of training, the Company will give special consideration to retraining him with a view to attaining as closely as possible the job classification level which he held before displacement.

Outside Educational Courses - Tuition Reimbursement Programme

The Company proposes to increase its promotion of this programme whereby employees are encouraged to improve their vocational development in the Company through educational courses. Where the employee attends such a course with the advance approval by the Company, he will be reimbursed to the extent of one half of the regular tuition

fees upon evidence that he has satisfactorily completed the course. Where the Company instructs the employee to take a course as part of his job duties, all expenses will be paid by the Company.

Extension courses offered by accredited universities, high schools, technical training centres, and professional associations are eligible. To be approved by the Company, the course must be of a type that can reasonably be expected to improve the performance and development of employees in relation to their careers in the Company but is not required to be wholly vocational.

Governmental Training Assistance & Educational Programmes

The Company will explore the feasibility of providing programmes of instruction to facilitate any required upgrading of basic educational qualifications. Various levels of government have in recent years increasingly concerned themselves with industrial training. The Company commits itself to investigating the various training facilities of the Ontario and Federal Departments of Government and utilise such facilities and services to the extent that it is practicable.

In view of the experimental nature of this programme, it is understood it does not constitute part of the Basic Agreement. While differences of opinion and mutual problems will be discussed by the Company with the representatives of the Union from time to time, at the request of either party, it is agreed that nothing herein shall be subject to the Grievance Procedure nor shall it be arbitrable.

The Company commits itself in good faith to endeavour to solve the many complex problems of training. While this programme is to be regarded as experimental and thus

subject to change as the result of experience, it is understood that such portions as may be found to be practicable and mutually acceptable will be incorporated in the next and subsequent Basic Agreements.

ITEM 8

LETTER OF AGREEMENT RE: VACATION PAY

The term "calendar quarter" which is used in Clause 10.03 (a) shall mean the periods of time outlined below:

Calendar Year	Calendar Quarter Year	Period of Time
2005	Third	June 05, 2005 to Sept. 10, 2005
	Fourth	Sept. 11, 2005 to Dec. 03, 2005
2006	First	Dec. 04, 2005 to Mar. 11, 2006
	Second	Mar. 12, 2006 to June 03, 2006
	Third	June 04, 2006 to Sept. 09, 2006
	Fourth	Sept. 10, 2006 to Dec. 02, 2006
2007	First	Dec. 03, 2006 to Mar. 10, 2007
	Second	Mar. 11, 2007 to June 02, 2007
	Third	June 03, 2007 to Sept. 08, 2007
	Fourth	Sept. 09, 2007 to Dec. 01, 2007
2008	First	Dec. 02, 2007 to Mar. 08, 2008
	Second	Mar. 09, 2008 to May 31, 2008
	Third	June 01, 2008 to Sept. 06, 2008

The term "vacation year" which is used in Clause 10.03(b) shall mean the periods of time outlined below:

Vacation Year	Period of Time
2006	June 05, 2005 to June 03, 2006
2007	June 04, 2006 to June 02, 2007
2008	June 03, 2007 to May 31, 2008

Nothing in this letter shall affect any employee's vacation entitlement which is determined under Clause 10.01 of the Basic Agreement.

It is understood that in the event that the above dates are changed as a result of any changes to the payroll system this Item will be amended accordingly. At that time the Company will meet with the Union to discuss such changes.

ITEM 9

LETTER OF AGREEMENT RE: TOOL ALLOWANCE

The Company will pay fifty (50) percent of the cost of those tools required by an apprentice enrolled in a Trade or Craft apprenticeship course and an employee receiving training under an Assigned Maintenance Training Programme, where the total cost of such tools equals or exceeds one hundred and fifty dollars (\$150).

The Company will also pay one hundred (100) percent of the cost of a required tool which is broken in the performance of normal duties by a Trade and Craft or Assigned Maintenance employee. The broken tool must be submitted at the time the employee obtains a replacement tool.

Where, in accordance with the above provisions, the Company requires an employee to purchase metric tools, the Company agrees to subsidise the cost of such tools less any government rebate to which the employee may be entitled.

The Company will determine, select, order, and make available as it considers necessary, such tools for purchase by Trade and Craft and Assigned Maintenance employees.

ITEM 10

LETTER OF AGREEMENT RE: HEALTH AND SAFETY

The company and the Union agree to protect workers rights to a safe and healthy workplace as spelled out in the "Occupational Health and Safety Act and regulations for industrial establishments" as amended and issued September 1996.

ITEM 11

LETTER OF AGREEMENT RE: JOINT EMPLOYEE ASSISTANCE PROGRAM

The parties recognize that our organisation's most important assets are employees, and that human problems have the potential of being successfully addressed, provided that they are identified in their early stages and an individual effort is made to obtain assistance from an appropriate resource. Whether alcoholism, drug abuse, physical illness, mental or emotional stress, marital distress, financial problems, family conflict or other concerns, these are human problems which may have a profound impact upon the lives of employees affected, their families, and their job performance.

The Union and the Company wish to foster and maintain an attitude of assistance towards such problems when encountered by an employee, or member of his immediate family. Therefore, the parties agree to establish and maintain an employee assistance program designed to :

1. Prevent or resolve personal, social or health problems which may have a negative impact on work performance.
2. Enable employees to improve their quality of life, and
3. Assist troubled employees in arranging for appropriate outside resources.

The parties agree to form a Joint E.A.P. Committee, with **two (2)** representatives selected by management and **two (2)** representatives selected by the Union and with the authority to implement, administer and monitor the E.A.P. within the following parameters.

In addition the Company and the Union will each select **two (2)** representatives to act as a referral committee. These employees so picked will refer employees for counselling in accordance with guidelines established by the joint E.A.P. Committee.

An employee will be able to participate in the E.A.P. on a confidential basis. With the exception of general information demonstrating the existence and availability of an E.A.P., an employee's participation will not be referred to by either party in an arbitration proceeding relating to discipline. An individual who participates in the administration of the E.A.P. shall not be used by either party as a witness with respect to an employee's involvement in the E.A.P.

The Company will make every reasonable effort to facilitate

an employee's participation in the E.A.P., including attendance at a counselling or treatment program to which such employee has been referred under the E.A.P.

The E.A.P. Committee shall not discuss individual cases nor shall it have access to information regarding an individual case.

Each participant in the E.A.P. holds particular rights and responsibilities related to the Program. An employee who participates in the program is entitled to maintain his privacy. All actions required in the administration of the Program will be performed in a manner which will maintain a high level of confidentiality and respect for privacy. An employee's participation, in itself, shall not jeopardise job security and/or create discrimination in promotional opportunities. A participant is responsible for his rehabilitation, with the E.A.P. providing assistance only. He must decide on the nature and extent of the treatment program and will not hold the Company or the Union liable for the treatment results or for any matter arising out of the E.A.P. It is recognized that any participation in the Program is voluntary.

The E.A.P. is available to all employees, following completion of their probationary period. Eligible employees, spouse, or common law spouse (where the couple have been co-habiting for a minimum of one (1) year) and dependant children (including step or adopted children) under the age of (21) or over (21) and attending University or a similar institution, chiefly dependant on the employee for support and maintenance are also entitled for the program.

Each participant shall be entitled to eight (8) sessions per referral.

Participation shall be at no cost to employee or family.

Nothing in this Agreement prohibits the Company from disciplining any employee notwithstanding that such employee is participating, has participated or intends to participate in the E.A.P. The Company maintains the right to establish standards of performance and to administer and exercise its established disciplinary policy distinctly from the E.A.P. The Union maintains its right to ensure the fair and equitable treatment of its members and to protect their rights in accordance with the established grievance procedure.

A decision by the Union or the Company to withdraw from this agreement must be given in writing to the other party no less than thirty (30) days prior to such action.

It is understood that any E.A.P. will not result in any additional costs as the result of the implementation of such program, except as may be agreed to by the Company.

ITEM 12

LETTER OF AGREEMENT RE: REHABILITATIVE AND MODIFIED WORK OBJECTIVE:

It is agreed that the objective of the program is to provide meaningful work opportunities to assist in the rehabilitation of Genfast Manufacturing Co. employees who are considered medically to be physically challenged or temporarily physically challenged as the result of occupational or non-occupational injury/illness. The prime aim is to utilise the WSIB Rehabilitation Program to return employees to their regular work function without physical restrictions or where agreed to by the Company and Union, acceptable restrictions within the regular work scope. Failing this, the secondary aim is to explore the availability of non-posted work functions and/or work initiatives that

will permit the assignment of physically challenged employees on a temporary basis for the purpose of rehabilitation and a return to work with the Company.

Permanently Physically Challenged applies to employees who have been medically assessed as totally unfit to return to their pre-accident/illness occupation.

Temporary Physically challenged applies to employees who have been medically assessed as temporarily unfit to return to their pre-accident/illness occupation but who may be able to do so following rehabilitation initiatives.

ADMINISTRATION

1. STEERING COMMITTEE

- (a) Operations Manager
- (b) Union President
- (c) **Two (2) Modified Committee** Members, one (1) for the Company and one (1) for Union.

2. MODIFIED AND REHABILITATION COMMITTEE

UNION:

- (a) Union Health and Safety Chairperson or Delegate
- (b) Chief Steward or Delegate

COMPANY:

- (a) Company Safety Representative
- (b) A Manager representative from the employees Department.

3. Where required a representative from **WSIB**.

FUNCTION OF THE MODIFIED AND REHABILITATION COMMITTEE:

1. The Committee will review the disposition of each program participant and on the basis of medical opinion determine the category of participation as outlined best suited for the rehabilitation of the employee involved.
2. The Committee will participate in the pre-program interview with the program participant and any other party involved to ensure there is a clear understanding and acceptance of the conditions applicable to the respective category of participation.
3. The Committee will participate in all follow-up reviews with the program participant and, all other parties involved for the purpose of determining the following:
 - (a) Returning the participant to full regular work, with or without restrictions and
 - (b) Extended participation in other categories of the program.
4. Any disputes or disagreements arising from participation in any and all parts of this program are to be referred to the committee for initial review.
5. The Company and Union agree that any employee displaced from his/her job as a result of Designated Substances Regulations and/or the Occupational Health and Safety Act, 1990 or any special circumstance provisions contained within this agreement shall be reassigned to another occupation with the assistance of the Rehabilitation Committee.
6. Once the non-posted temporary job or work initiative has been identified by the committee for the injured

worker, this job cannot be changed without the consent of the committee.

7. It is the responsibility of the company to ensure that all persons responsible for the direction of the workforce are aware of the injured workers restrictions and follow the program as set out by the committee.

CRITERIA GOVERNING PARTICIPATION:

1. (a) **At** the time of entry into the program a physically challenged employee must show "active" on the Company records.
(b) The physically challenged employee must have medical documentation as required outlining his/her physical challenge.
(c) The Company and the Union agree that this program is not structured to facilitate the placement of employees at the time of initial injury. The Company and the Union agree that the program is to facilitate physically challenged employees after maximal medical recovery has been made and the physical and/or psychological restrictions have been identified by the medical profession.
2. The Company and Union agree to work with the WSIB Services to assist physically challenged employees to return to their pre-accident occupations.
3. The Company and Union agree that the initial objective of the Modified Work or Rehabilitation Committee will be to assign the physically challenged workers to the "owner" department shown on the current employment record (not previous department) at the time the disabled employee becomes a participant in the program.

4. The Company and Union agree to establishing a physically challenged employee(s) rehabilitation program with the intention of assisting the physically challenged employee(s) in returning to the pre-accident employment status. To facilitate this initiative, the Company and Union agree that physically challenged employees who enter the program "temporary assignment of physically challenged employees" shall:
- (a) Retain full recall to his/her department where seniority would take him/her had the injury/illness not taken place and shall remain on the department seniority list.
 - (b) Have entitlement to 7:09 and 7:16 (a)and (b).
 - (c) Be allowed to work in all departments of Genfast Manufacturing Co. in accordance with his/her established medical restrictions.
 - (d) Not displace any occupations.
 - (e) In the event of a decrease in the workforce all provisions of Section 7 of the Basic Agreement shall apply to physically challenged employees temporarily assigned under the rehabilitation program.
 - (f) In the event of a layoff, the Company and Union agree to assist the physically challenged employee as much as possible in dealings with the WSIB and any other such agencies where required.
 - (g) Physically challenged employees participating in the temporary assignment to non- posted jobs under this program and/or temporarily assigned to "work initiatives" as agreed to by the Modified Work or Rehabilitation Committee for the purpose of rehabilitation shall be paid at the rate of the job

assigned. Any physically challenged employee incurring a wage loss will be reported to the WSIB for the purpose of wage loss differential reimbursement, as deemed appropriate.

(h) All overtime should be avoided.

5. Temporary assignment to work initiatives in the employee's own department.

This applies only to physically challenged employees who have been assessed as medically unfit to participate in the WSIB Rehabilitation Program and who cannot be placed on a temporary assigned non-posted job. During the placement interview with the Modified or Rehabilitation Committee, the physically challenged employee and the employee's department representative, the availability of such work initiatives would be discussed, and, the duration of such work that may be available.

INJURED EMPLOYEE REHABILITATION PROGRAM (WSIB LABOUR MARKET RE ENTRY SERVICES)

1. **Intent**

In many instances physically challenged employees are prohibited from returning to work based on medical assessments stipulating varying degrees of physical restrictions. In essence the results of these assessments determine what the employee cannot do and severely limits flexibility. The intent of this program is to provide a specified period of "physical assessment" during which time the employee is permitted to display what he/she can do and consequently determine the following:

- (a) During the course of or at the conclusion of the assessment period, the employee may indeed be

able to cope with the full range of regular duties.

- (b) **At the conclusion of the assessment period, a return to regular work with restrictions agreeable to all parties concerned**
- (c) In the event an employee cannot cope to the extent he/she is referred for Labour Market Re Entry services under the WSIB LMR Services, the results of the physical assessment under this work program may be of value to the WSIB and the employee in pursuit of the placement of subsequent meaningful employment.

2. Conditions of program jointly agree to:

- (a) The WSIB Rehabilitation Services offers a six (6) week assessment program.
- (b) During this six (6) week program the employee remains under the protection of the WSIB and is in receipt of whatever WSIB benefits are in effect at that time.
- (c)
 - (i) The employee DOES NOT punch in or out.
 - (ii) The employee' work time and applicable job class(es) will be recorded and submitted to payroll by way of normal payroll booking procedures.
 - (iii) Overtime to be avoided.
 - (iv) At the conclusion of the assessment period, payroll will calculate and submit to the Human Resources Dept. the gross earnings and the net earnings the employee would have earned had the employee been at work under normal circumstances.

- (v) Time spent on this program will be considered accrued vacation entitlement.
- (d) The Human Resources Department will submit the earnings information to the WSIB. The WSIB will determine and, if applicable, reimburse the employee of any differential entitlements.
- (e) Depending on the length of absence and/or the nature of work to be performed the employee will be provided a reasonable period of "re-induction" on a day shift basis. This is to ensure the employee is made aware of potential changes to procedures/practices that have developed within the Department during the employee's absence.
- (f) Following the agreed upon "re-induction" period, the employee will resume an attempt at the full scope of regular duties on a regular shift pattern. This return to a "normal lifestyle" is an important part of the overall assessment.
- (g) All of the conditions set forth under the program will be fully explained to the employee during the initial meeting with the Modified Work or Rehabilitation Committee (See Administration Section) with emphasis placed on the employee's self monitoring role during this assessment period.

3. Administration

- (a) Any employee subject to the Modified Work or Rehabilitation Program will meet with the Committee to ensure there is full understanding of intent and conditions of said program.
- (b) A commencement date of said program will be determined by mutual agreement.

- (c) At any time during this program the employee feels able to return to full regular duties in advance of the six (6) week duration, the "Committee" will reconvene if time permits to re-evaluate the employee's return to work.

It is further understood that the six (6) week assessment period is flexible and can be extended depending on the needs of the particular employee.

COMMITTEE GUIDELINES

1. Overtime avoided in all possibilities.
2. A shift worker should be returned to shifts as soon as possible.
3. Modified Work or Rehabilitation Committee should meet once a month or sooner if deemed necessary to handle ongoing cases.
4. Meetings are weekly unless otherwise agreed. Meetings will be chaired on an ongoing rotating basis. Minutes will be taken by the party that is not chairing the meeting on an ongoing rotating basis. Such minutes will be reviewed and corrected if necessary by the Chair and the Minute Taker, acting in co-operation with each other prior to the distribution.
5. Cross function training should be given to all members of the Committee.
6. The Modified Work or Rehabilitation Committee will be responsible for identification and implementation of non-posted jobs or work initiatives.
7. The Modified Work or Rehabilitation Committee shall

be made aware of all medical aids, LTA's, W's and any First Aid Treatment which runs longer than five (5) working days.

8. In all WSIB cases, a modified Form 7 will be made available to the Committee members.

DEFINITION OF MODIFIED WORK

Work that an employee does following an incident that does not require time off work or a return to work.

DEFINITION OF REHABILITATION PROGRAM

Where an employee sustains an injury or sickness which results in time off work, then his return to work with restrictions would fall under the Rehabilitation program.

9. The Committee is responsible for placing employees who qualify for modified work in suitable modified duties. Where consultation with a medical practitioner is required, the Committee shall consult with the employee's treating physician, specialist, or another health care professional involved in the employee's treatment (e.g. physical therapist), in conjunction with the nurse case manager in a WSIB situation or any equivalent professional in a non-WSIB case. The employee will provide any necessary consent forms.

ITEM 13

LETTER OF AGREEMENT RE: CREDITED HOURS OF APPRENTICESHIP

For the purposes of Clause 6.16 of the Basic Agreement, hours during which an apprentice attends classes of

instruction prescribed by the Company as part of his apprenticeship training will be credited as hours of actual experience towards the accumulation of 520-hour or 1,040-hour periods.

However, an apprentice will not be considered to have completed the last 1,040-hour period of his apprenticeship course until he has successfully completed all of the prescribed classes of instruction for such Trade and Craft.

ITEM 14

LETTER OF AGREEMENT RE: SUNDAY PREMIUM

Any employee who is scheduled to work on continuous operations and is not paid overtime for Saturday and Sunday as such **will** be entitled to payment of Sunday Premium at the rate of one dollar and twenty-five cents (\$1.25) per hour in accordance with the provisions of Clause 5.15.

ITEM 15

LETTER OF AGREEMENT RE: OVERTIME SCHEDULING

The Company's practice will be continued whereby employees are canvassed to determine those who are prepared to work a required overtime shift. An employee who agrees to work such overtime shift is then scheduled to work the shift. In those circumstances where no employee agrees to work such overtime shift and the required work cannot be delayed, the Company may require and schedule a junior qualified employee to work such overtime shift subject to the limitations of the Employment Standards Act, 2000.

ITEM 16

LETTER OF AGREEMENT RE: INTERPRETATION OF CLAUSE 7.03

The Company and the Union have agreed as follows:

1. The service and employment of an employee who is absent from work due to a disability, regardless of whether it is compensable under the WSIB Act or not, will be terminated in accordance with Clause 7.03 when he is laid off for lack of work.
2. Such former employee will be entitled to recall in accordance with Clause 7.10 and if so recalled, will be deemed to be rehired provided that:
 - (a) if he is unable to report for work within the prescribed period due solely to being disabled with the same disability which he was suffering at the date of his layoff and termination as provided in paragraph one above, and
 - (b) if such disability is compensable under the WSIB Act, for the period in respect of which temporary total or temporary partial disability compensation payments are made under the said Act providing he has not been so disabled for more than twelve (12) consecutive months since the month in which such disability began, and
 - (c) if such disability is not compensable under the WSIB Act, for the period in respect of which he is eligible for weekly indemnity benefits under the Group Insurance Program for such disability.
3. A former employee who is deemed to be recalled and rehired in accordance with the above provision, will be

deemed to be an employee for all purposes of the Agreement for an Insurance Program and the Agreement for a Pension Plan.

ITEM 17

LETTER OF AGREEMENT RE: SINGLE DAY VACATION

The parties recognize the fact that single day vacations are beneficial to both parties. To this end, the parties agree that any vacation over and above two (2) weeks can be taken as single day vacation. The parties reserve the right to amend this letter of mutual agreement.

ITEM 18

LETTER OF AGREEMENT RE: SPECIAL LEAVES OF ABSENCE FOR ELECTED AND APPOINTED OFFICIALS

- A. An employee who becomes a candidate or the senior campaign manager of a candidate for election to the office of provincial or federal member of parliament, or to the political office of Mayor or Regional Chairman, will be granted a leave of absence for such purpose. In the event that an employee is appointed to or elected to any of the offices as set out above, the leave of absence for such employee will be extended for the period of time he serves in such office.
- B. In the event that an employee is elected as an official of the United Steelworkers or appointed by the District Director of the United Steelworkers as a staff representative of the Union. the employee, upon written request by the International Office of the Union, will

be granted a special leave of absence for the term of his elected office or appointment.

- C. Company Service for any such employee as specified in A or B above shall be retained for the period prior to his leave of absence and, for the purposes of Section 7 Seniority only, shall accumulate during such leave.
- D. The Company will extend group insurance benefits (except weekly indemnity and L.T.D.) provided that any such employee pays the full premiums for such coverage.
- E. Credited Service for purposes of the Pension Plan shall not include any calendar month during the whole of which any such employee is on such Leave of Absence as provided in A or B above. Pension benefits for an employee granted a leave of absence under B above, who is elected as an official or appointed by the Union as a representative and who subsequently returns to full time permanent employment with the Company, will be calculated based on his accumulated Credited Service and the pension formula in effect at the date of his retirement on pension.

ITEM 19

LETTER OF AGREEMENT RE: MEDICAL EXAMINATIONS

Results of any completed available studies on in plant air and water quality control will be reviewed with the Joint Health and Safety Committee at their regular meetings.

Results of medical examinations will be made available to an employee's family physician at the request of the employee.

ITEM 20

LETTER OF AGREEMENT RE: DISCRIMINATORY HARASSMENT

The following policy with respect to discriminatory harassment is endorsed by both parties:

Gerfast Manufacturing Co. and the United Steelworkers believe that the human rights of all employees must be protected, so as to ensure that every person is treated with dignity and respect.

No individual should suffer from or be exposed to harassment at work, based upon that person's race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, handicap, age, record of criminal offenses, family, marital or employment status. Harassment is a course of conduct or comment that offends or abuses a person on any of the grounds stated above, where such behaviour is known or ought reasonably be known to be offensive and unwelcome.

Sexual harassment is a particularly objectionable type of discriminatory course of conduct or comment which cannot be tolerated, as it represents an unwarranted intrusion upon a person's sexual dignity as a man or woman. Sexual harassment may take a variety of forms such as unsolicited or unwelcome gender-based comments, gestures and physical contact, or the control or alteration of working conditions so as to coerce submission to sexual advances.

In order to ensure the consistent application of this policy, it is both the right and the responsibility of any employee who believes that he or she has been subjected to harassment as defined above to immediately report such concerns to the designated

representative. The Company will advise the designated Union representative of such allegation. All allegations will be fully investigated in a confidential manner. The complainant will be advised of the results of the investigation.

Any employee who, as a result of a full investigation is determined to be in violation of this policy may be subject to disciplinary action, up to and including discharge from employment."

Investigation and Resolution Procedure

- A. The Company and Union will discuss the establishment of a mutually acceptable procedure for investigation and resolution of allegations of discriminatory harassment. Each party will designate one person who will be the designated Management and Union representative for purposes of investigating allegations at the plant level.
- B. In addition to the investigative procedure established the following Appeal procedure is established in the event that an allegation is not satisfactorily resolved:
 - 1. The employee who claims a personal violation of the Policy may, within thirty (30) days of the date he or she is advised of the results of the investigation, appeal the allegation in writing to the two-person Appeal Committee as established hereinafter. The Committee will, as soon as possible following receipt of the written appeal, meet and review the facts pertaining to the allegation. The Appeal Committee may, at their discretion, seek any additional pertinent information by interviewing the complainant and other employees. The Committee may attempt to resolve the allegation by suggesting a course of action to the appropriate Company and Union designated representatives.

In the event that the allegation is not resolved in this manner, the Committee will prepare and issue a report of their findings and recommendations. Such report will be issued in confidence to the designated representatives who shall endeavour to resolve the allegation with the complainant and management. In the event that the matter continues to be unresolved, the Management will determine whether an employee has been in violation of the Policy and what appropriate disciplinary action will be taken. Nothing herein precludes or limits the employee's entitlement to pursue a complaint through the grievance procedure with regard to any disciplinary action taken against him.

2. The Appeal Committee will be composed of one person designated by the U.S.W.A. District 6 Director as referenced in the Union's Policy document re Discriminatory Harassment and one (1) person appointed by the Company from the corporate office. The two (2) persons so appointed will remain the permanent Appeal Committee to investigate and attempt to resolve all appeals of the Company.
 3. The Union and the Company may substitute another person as their permanent designated Appeal Committee member but it is intended by both parties that their designated member be appointed on a long term basis where possible.
- C. It is understood and agreed that the procedure established by this Letter of Agreement to investigate and resolve harassment complaints does not deny any employee from pursuing his/her complaint through the applicable legislative procedure and the internal procedure is intended as an alternative process which the individual may elect at his/her option. It is further understood that any complaint pursued through the

internal procedure shall not be arbitrable, nor shall any documents, reports, discussion or information arising out of or during the procedure be introduced as evidence referred to in any other legislative procedure.

ITEM 21

LETTER OF AGREEMENT RE: ARBITRATION PROCEDURE

It is the intent and purpose of this Letter to promote the prompt and efficient resolution of grievances which have been referred to Arbitration.

The parties agree that the following procedure shall apply and Clauses 8.16, 8.17 and 8.18 shall be read and construed with necessary changes so as to give effect to the following:

1. Within fifteen (15) days from the date a grievance is referred to arbitration, the Union shall meet with the Company to review the issue in dispute. At meeting, the Company will submit a statement of facts which the parties will review for the purpose of determining which facts are agreed to and which are still in dispute. The parties will attempt to reconcile the differences. The agreed to statement of facts will be submitted at the arbitration hearing.
2. The Union's representative at such meeting will be the Plant Grievance Committee Chairman (or his delegate) and an International Representative and the Company's representatives will be the Human Resources Manager (or his delegate) and one other member from the Human Resources Department.

In special circumstances, and by agreement by both

parties, persons directly involved in the incident may be invited to attend such meeting for the purpose of clarifying any facts which may be in dispute. An employee who is invited shall be paid for time lost from work at his standard hourly rate.

3. At such meeting, the parties will agree to a Chairman of the Board of Arbitration from amongst those shown on the attached lists. In the event the parties cannot reach agreement, a Chairman will be selected on a rotation basis from the Primary List. The parties will arrange for a representative to attend any Board hearing in the event that such is scheduled.
4. In discipline or discharge cases for just cause, the parties may agree that the Arbitrator selected in accordance with paragraph 3 above will act as a single arbitrator. In such cases, the provisions of Clauses 8.19 and 8.21 shall be read and construed with the necessary changes.
5. At the Arbitrator's discretion an oral decision can be issued at the completion of the hearing. In such cases, a written award will be prepared at the request of either party.
6. In the event that either party chooses to process a grievance under the provisions of Section 45 of the Labour Relations Act, it is understood that the grievance shall not be processed further through the grievance procedure as set forth in Section 8 and this Letter of Agreement shall not apply.
7. This Letter of Agreement may be terminated by either party upon thirty (30) days written notice. Such written notice shall be signed by the Representative of the International Union and the President of the Local Union.

Any grievance having been referred to arbitration and processed through any part of this Letter shall continue to be processed in accordance with these provisions notwithstanding any notice of termination.

ARBITRATORS

Primary List

Brandt
Teplitsky
Roberts
Brent
Delisle
Kennedy
Saltman
Rayner
McLaren

Supplementary List

Adams
Brunner
Welling
Ellis
Hunter
Swan

ITEM 22

LETTER OF AGREEMENT RE: HUMANITY FUND

The Company will contribute one (1) cent per hour worked to the United Steelworkers Humanity Fund and such contribution will be made for straight time hours worked only and will not be made for overtime hours or premium hours. Hours not worked, even though compensated in accordance with a specific provision of the Agreement and deemed to be hours worked for other purposes, shall not be considered to be hours worked for the purpose of this Fund. Contributions to the Fund will be made quarterly, in the middle of the month immediately following completion of each calendar quarter year, and such contributions remitted to the United Steelworkers National Office.

It is clearly understood that this Fund is to be utilized strictly for the purposes specified in the Steelworkers Humanity Fund Inc. Letters Patent, dated March 12, 1986.

ITEM 23

LETTER OF AGREEMENT RE: FLEXIBILITY AND MAXIMIZATION OF OPERATIONS

1. The current provisions with respect to Hours of Work, and the current schedules of work established in accordance with such provisions shall be maintained unless additional business is secured necessitating a 20 or 21 turn level of operations on all or part of existing plant and equipment.
2. (a) Under condition 1. above, the Hours of Work provisions as specified in Appendix " A attached may be implemented by the Company. Prior to such implementation, the Plant Manager and the Human Resources representative will arrange a meeting with the Local Union Executive Committee to review and discuss the conditions necessitating such implementation including such matters as vacation scheduling, scheduling on statutory holidays, and any other matters of concern. The Local Union will have the opportunity to make suggestions with respect to alternate methods of meeting operating requirements and the Company will seriously consider any such suggestions. Furthermore, the Union and the Company will discuss the proposed schedules of work, and the Company will endeavour to accommodate where possible, the preferences of senior employees with respect to the new schedules of work. Such meeting between the parties will be arranged at least two (2) weeks prior to the implementation of the amended hours of work.

- (b) (i) The Company will not implement the provisions of this Letter for the specific purpose of workforce reductions or reducing the level of operations on the equipment not being scheduled on 20 or 21 turns.
 - (ii) When one or more units of similar equipment within a job description are scheduled in accordance with the provisions of this Letter, the level of operations of the other units within the same job description will not be reduced as a direct result of such increase. In this regard, production will not be transferred between units of similar equipment within the job description so as to justify or maintain a continuous operation.
- 3. It is understood that with respect to the hours of work scheduled by the Company on a 20 or 21 turn schedule in accordance with Appendix "A", the Company will maintain the starting and quitting times for shifts of work as currently specified in the appropriate provisions of the current Hours of Work Section pertaining to double and triple turn operations.
- 4. Where Appendix "A" is implemented and additional working force is required, the Company will, subject to Section 7 of the Basic Agreement, preferentially hire laid off former employees with recall rights from other Works in accordance with the Letter of Agreement re Preferential Hiring.
- 5. (a) Any permanent employee or former employee with recall rights as of April 1, 1987, whose permanent job is scheduled under the Hours of Works Provisions as specified in Appendix "A" and who is scheduled to and works such schedule, will receive a one time lump sum payment of

\$5,000.00 in the pay period immediately following his commencement of work on such schedule.

- (b) Any permanent employee or former employee with recall rights as of April 1, 1987 who is temporarily assigned to a job(s) which is scheduled in accordance with the Provisions of Appendix "A" and who works such 20 or 21 turn schedule for a total of 400 hours of work on such job(s) in any twelve (12) consecutive month period, will receive a one time lump sum payment of \$5,000.00. Hours not worked by reason of absence on scheduled vacation and the celebration of a statutory holiday for which the employee was paid an allowance will be counted towards the 400 hour provision.
 - (c) An employee will only be eligible to receive one of the one time lump sum payments under the provisions of this section.
6. Where the conditions necessitating the implementation of Appendix "A" cease to exist, the Company will schedule in accordance with the Hours of Work and Overtime provisions of the Basic Agreement.
 7. When an employee is temporarily transferred from a Monday to Friday schedule to a 20 or 21 turn schedule established under the provisions of this Letter, such employee will be paid overtime rates for work performed on Saturday and/or Sunday while working on such 20 or 21 turn schedule during the first fourteen (14) calendar days he is on such schedule. Thereafter, the employee will be paid overtime in accordance with the provisions of the basic agreement for any further weeks of work on such 20 or 21 turn schedule during the period of his temporary transfer period.
 8. The Company will discuss and confirm on a Local

Works basis the existing schedules of work at current operating levels. Such discussion will provide for a consideration of any changes that will be mutually agreed to with respect of such existing schedules. In view of potential concerns or problems associated with the implementation of schedules in accordance with this Letter, it is understood that a meeting will be convened during the term of the Agreement upon the request of either the Company or the Union, to discuss any matters of concern or problems related to 20 and 21 turn operations.

APPENDIX "A"

1. (a) The normal work day for the purposes of this Section shall be eight (8) hours of work in a twenty-four (24) hour period.
- (b) Subject to 2. below the normal work week shall be any five (5) normal work days within a work week.
2. The work pattern shall be five (5) consecutive work days beginning on the first day of any seven (7) consecutive day period and may begin on any day of the calendar week and may extend into the next calendar week. The Company may increase or decrease the number of shifts or days on or during which a department may be scheduled, but all employees shall be scheduled on the basis of the work pattern except where:
 - (a) Such schedules regularly would require the payment of overtime;
 - (b) Deviations from the work pattern are necessary due to breakdowns or other conditions which are not in the control of the Company;

- (c) Schedules deviating from the work pattern for reasons other than (a) or (b) above are established by agreement between **the** Company and the Union.

It is understood and agreed that the provisions of this Letter of Agreement shall not apply to any regular schedule of work which is scheduled in accordance with Section 5 or the Letter of Agreement re Application of "FW" Schedule, which, combined with scheduled overtime, where applicable, totals 20 or 21 turns of operation.

It is further understood and agreed, that in the event the company implements a twelve (12) hour schedule necessitating a thirteen (13) or fourteen (14) turn level of operations the provisions of this letter of agreement shall apply.

ITEM 24

LETTER OF AGREEMENT RE: EMPLOYEE ABSENCES

It is understood that when an employee is absent from work it is the employee's obligation to notify the company of such absence in advance of the start of the scheduled shift where possible. Notification of an absence shall be recorded on the central answering machine. Such notification shall specify the nature, reasons and expected duration for such absence. It is an employee's obligation to justify such absence which, at the request of the Company, (where sickness is claimed) will require the employee to produce a doctor's certificate.

Failure to notify or justify any absence shall constitute an unjustifiable absence.

It is understood that this Letter of Agreement shall apply in all cases of absence including those absences specifically dealt with under various provisions of the Basic Agreement.

ITEM 25

LETTER OF AGREEMENT RE: CONTRACTING OUT

The Company and the Union agree to establish a contracting out committee which will meet at least once a month, to discuss and attempt to resolve matters of mutual concern relative to contract work. This committee will consist of not more than four persons, **two** of whom shall be appointed by the Union and **two** appointed by the Company.

When the Company considers contracting out an item of work the committee will be notified, unless emergency situations prevent it. Such notice will be given in sufficient time to permit the committee to review the item in question.

All requisition or purchase orders for contract work must be authorized by a member of the committee.

All proposed bids for contract work shall be reviewed by the Committee as soon as possible.

GUIDELINES

Work capable of being performed by employees or work that employees can be reasonably trained to do shall be performed by such employees.

The Company will use its best efforts to secure a minimum of three bids for contracted work of a mechanical, electrical, or constructional nature.

The Company's Engineering Department will initiate the procurement of quotes including supplying any necessary information to prospective contractors.

The contracting out committee will give consideration to local Canadian based Companies.

In addition to the above the Chairman of the Union contracting out committee may at any time discuss as necessary with the General Manager questions relative to contract work for the purpose of clarification.

EXCEPTIONS

Emergency situation: An emergency situation is characterized as a situation that required immediate action *to* correct a serious Health and Safety concern, environmental hazard, or prevent the shutdown of an operating and/or customer facility and for which qualified members of the workforce are unavailable to provide the required skills or services.

Major Construction: Major new construction including the installation and major reconstruction of equipment and facilities may be contracted out when it is more reasonable for the Company to do so.

Work outside the plant: The Company must demonstrate that it is reasonable to contract out maintenance or repair work or work associated with the fabrication of parts or equipment. Production work may be performed outside the plant when the Company demonstrates that it is unable because of lack of capital to invest in necessary facilities.

Reasonableness: The Company when considering that it is more reasonable to contract out work rather than use its own employees must consider the following.

- a) whether the employees will be adversely affected.
- b) the necessity of hiring new employees shall not be deemed a negative factor except for temporary work.

- c) desirability of recalling laid off employees for a duration long enough to complete work.
- d) availability of employees whether on layoff or not.
- e) Availability of required equipment where the lease or purchase of such equipment is not an unreasonable expense.
- f) The expected duration of the work and the time constraints associated with the work.
- g) Whether the decision to contract out work is made to avoid any obligation under the Basic Agreement or benefit agreements now in place.

In the event that an employee is laid off work in accordance with the provisions of the Basic Agreement, the Company will not contract out subsequent to his layoff and during his period of entitlement to recall, the work that such employee previously performed or is qualified to perform in accordance with clause 7.05.

ITEM 26

LETTER OF AGREEMENT RE: CANADA WORKS CONSOLIDATION

It is understood and agreed that the applicable section of the Memorandum of Agreement re Canada Works Consolidation, dated April 27, 1984 which was entered into by Brantford Works, Burlington Distribution Centre, and Swansea Works, will continue to apply at the new plant as it applies to any former Canada Works employee who transferred from any of the above listed Works to the new Fastener Works.

ITEM 27

LETTER OF AGREEMENT RE: PREFERENTIAL HIRING

The Company will give preferential consideration to a person who has been laid off from a Works of the Company, and who possesses recall rights, for purposes of hiring into permanent vacancies at another Works in the same geographic area, provided that such person is physically fit and possesses the necessary basic skills to perform the available work. In order to be eligible for such consideration, the former employee must make special application to the Company so as to declare his interest for alternative employment. Such applicants shall be assessed on the basis of their former service. In this regard, the Company agrees to the following:

- (a) The Human Resources Department telephone number and address at each plant of the Company will be provided by the Company to each laid off employee;
- (b) Upon being laid off, an employee will be provided an employment application form;
- (c) The Company will notify the appropriate local Union(s) of any new employment opportunities as soon as practicable prior to hiring with monthly update;
- (d) Each plant Human Resources Department will prepare a listing of former employees on layoff and their general skills. Such listing will be supplied to all plants and local Unions in the geographic area. The Company shall accept application from the laid off employees, and forward them to the plant that the laid off employee has designated on the application form.

If an eligible laid off person is subsequently hired by the

Company at another Works, he will be granted service for purposes of Pension, Group Insurance and Vacation Entitlement, provided such person successfully completes the normal probationary period in effect at the new Works. It is understood and agreed that an employee who fails to waive his recall entitlement to his former Works before the completion of his probationary period will be terminated, and ineligible for any further consideration in accordance with these provisions. Where an employee has waived his recall entitlement during his probationary period, and is subsequently terminated by the Company prior to the completion of such probationary period, the employee's waiver of recall entitlement to his former Works shall be declared null and void.

Transfer of Operations

It is further understood and agreed that employees at a Works who are laid off as a result of the transfer by the Company of equipment from one Works to another, will be given preferential consideration for new employment, in accordance with the above provisions.

In the event of the future hire of such person in accordance with these and the above provisions, full Company service will additionally be provided for the sole purpose of determining the period of recall entitlement, should such person be laid off from the new Works.

Relocation Assistance

The Company agrees to jointly investigate with the Union any entitlement that an employee may have, who is hired in accordance with the above provisions, for financial relocation assistance as a result of available Federal or Provincial programs.

General

It is understood and agreed that the provisions of this Letter of Agreement will only be applicable at the point in time that the Company decides to hire a new person for a permanent job and there are no laid off employees at this works. To be eligible the laid off employee from another works of the company must have applied for and be qualified for the vacant position.

ITEM 28

LETTER OF AGREEMENT RE: TECHNOLOGICAL CHANGE

In the event any major technological change which will affect a substantial number of employees is introduced during the terms of this agreement, the Company will meet with the Union six (6) months in advance of such implementation so as to review the application of the Technological Change Program with respect to the affected employees.

To this end, it is proposed that a committee be established when required so as to ensure an equitable administration of the Technological Change Program under such circumstances. It is acknowledged that such committee will have the authority to amend by mutual agreement of the committee, where appropriate, the eligibility provisions of 16.03 and specifically 16.03(ii). In this regard, the committee will consider the eligibility of employees who have been regularly performing jobs which are eliminated due to a technological change but who are not permanent incumbents of such jobs. For this purpose, an employee who had worked on such job(s) for at least 1040 hours during the year immediately preceding such elimination, will be considered for an appropriate maintenance of earnings benefit.

ITEM 29

LETTER OF AGREEMENT RE: TEN (10) HOUR SHIFTS

In the event that the company implements a ten (10) hour shift schedule the parties agree that the following will apply.

- Working hours will be from 6:00 A.M. to 4:00 P.M. and from 4:00 P.M. to 2:00 A.M.
- 1/2 hour lunch breaks at 11:00 A.M. and 9:00 P.M.
- Fixed schedule Monday to Thursday.
- Voluntary overtime on Friday, Saturday and Sunday.
- Bereavement at ten (10) hours.
- Statutory holidays on scheduled shifts are paid for ten (10) hours.
- Statutory holidays on unscheduled shifts are paid for eight (8) hours.
- Single days vacation would be for ten (10) hours.

ITEM 30

LETTER OF AGREEMENT RE: TWELVE (12) HOUR SHIFTS

In the event the company implements a twelve (12) hour continuous shift pattern of 13 or 14 turns a week, the basic agreement shall be interpreted with the term twelve (12) hour replacing eight (8) hour where applicable.

Item 4 and all its applicable sections, excluding 5.07, will be adopted for all operations that have twelve (12) hour continuous shifts.

Also 5.08 (b) will be amended to read “hours worked in excess of eighty (80)hours in a period consisting of ~~two~~ (2) consecutive calendar weeks as designated by the Company.” Nothing in this agreement will affect the practice currently in effect in the Heat Treat Department in respect of relief.

ITEM 31

UNION OFFICE

The Union will be afforded office space in the plant with appropriate equipment to enable them to fulfill the responsibilities to the bargaining unit in a confidential manner in accordance with the collective agreement. The Local Union President Vice President and Chief Steward will be scheduled on a straight day, Monday to Friday schedule provided that the Union has the right to request a normal schedule at any time, which the Company would implement as soon as possible.

Employees who are scheduled for work, including Union Representatives are not entitled to be in the office during scheduled work hours except as specifically permitted by this collective agreement. The Employer recognizes that reasonable flexibility traditionally has been provided to the Local Union President and will continue the current practice in this respect.

ITEM 32

FACILITIES

The Company recognizes the need to have employee facilities cleaned on a regular schedule and to have such areas kept in an acceptable state of cleanliness at all times. The Company will also ensure that it keeps acceptable levels of soap and towels in supply to maintain hygiene.

In the event that concerns are raised in regards to the above commitments, these concerns will be directed to and addressed by the Purchasing Coordinator. If issues are not successfully addressed or during weekends or off hours, the Union Health and safety Chairperson or alternate is

authorized, along with any on duty supervisor to contact the service provider to resolve any concerns in regards to the above issue.

Contact information on the service provider will be kept up-to date with the union.

ITEM 33

WORK CLOTHES

It is understood and agreed that the Company will continue to supply and maintain work clothes at no cost to employees.

ITEM 34

INDEXING OF PENSIONS

This letter of Agreement Re: Indexing of Pensions will be renewed effective September 1, 2005, in respect of all employees who retired from employment with Genfast after January 21, 1998, or who retire from this date forward.

It is agreed that Normal Pensions (Lifetime basic benefit including any increase previously granted and minimum Disability Pensions but not including Deferred Pensions) payable to retired employees and survivors of deceased retired employees will be increased September 1, 2005 at a rate determined with reference to the performance of the pension trust fund during the previous calendar year,

The maximum adjustment in any year shall be 5% or 80% of the percentage change in the Consumer Price Index

between May of the prior year and May of the current year, whichever is lower.

The minimum adjustment in any year shall be 3% or 80% of the percentage change in the Consumer Price Index between May of the prior year and May of the current year, whichever is lower.

Subject to the maximum and minimum adjustments specified above, the actual percentage adjustment in any year shall be at a rate equal to the rate of return on the market-related value of the pension fund in the proceeding year in excess of 7% up to but not exceeding 12%.

If the difference in yield specified above exceeds the maximum adjustment for that year, the excess shall be added to any previous excess and reserved for adjustments in future years during the term of the contract.

If the difference in yield is less than the maximum adjustment for that year any future adjustments reserves shall be used to increase the adjustment to the extent possible but not to more than the maximum rate prescribed.

If the future adjustments reserve is not sufficient to bring the adjustment to the maximum rate, the shortfall shall be carried forward and shall be deducted from future additions to the future adjustments reserve.

If the difference in yield is less than the minimum adjustment, the future adjustment reserve shall be reduced first by the difference between the actual rate and 10% and any remaining adjustment reserve shall be used to increase the adjustment, subject to the maximum.

AGREEMENT FOR A PENSION PLAN

AGREEMENT dated September 1, 2005 between Genfast Manufacturing Company (hereinafter called "the Company") and Local 3767, United Steelworkers, (hereinafter called "the Union").

Article I - Definitions

1. "Plan" or "Pension Plan" means the "Bargaining Unit Pension Plan" set forth in Schedule "A" hereto.
2. "Basic Agreement" means the collective bargaining agreement between the parties hereto relating to wages and other terms and conditions of employment, which may be in effect at the particular time.
3. "Employee" or "Employees" shall have the same meaning as in the Basic Agreement.
4. "Standing Pension Advisory Committee" (hereinafter called "the Committee") means the pension plan committee as described in Article III hereof.
5. "Trustee" shall have the same meaning as in the Pension Plan.
6. "Pension Trust Fund" means the Pension Trust Fund established under the provisions of Section V of the Pension Plan.

Article II - Pension Plan

The Company's Bargaining Unit Pension Plan which became effective on December 1, 1956, as amended to October 31, 2005, shall be further

amended as of September 01, 2005 so as to read in accordance with Schedule "A" hereto, and thereafter the Company will provide a Pension Plan as set forth in said Schedule "A" for Employees as defined herein, contingent upon and subject to obtaining and retaining the approval of the appropriate taxing authorities and appropriate pension regulatory authority.

The parties agree that the current Pension Plan Text is not consistent with the requirements of the Ontario Pension Benefits Act for (a) the provision of preretirement death benefits (100% of commuted value), and (b) the provision of portability options on vested terminations.

The parties agree to amend the current plan text in these areas to reflect the requirements of the Ontario Pension Benefits Act.

The parties also agree to amend the current plan text in any other areas that the parties mutually agree do not reflect the Ontario Pension Benefit Act or any other applicable legislation.

No amendment will be made except by the mutual agreement of the Company and the Union.

Article III - Administration

1. The Pension Plan shall be administered by the Company and the Union shall participate in such administration as set out in this Article III.
2. (a) A Standing Pension Advisory Committee will be appointed by the Company and the Union, composed by nine (9) Company representatives and nine (9) Union

representatives.

- (b) Representation on the Committee shall be determined in consultation between the Director of District 6 United Steelworkers and the President of the Company responsible for the operations.
- (c) The Committee will meet in July of each year. If additional meetings are required by either party they may be convened upon two (2) weeks notice to the other party. Documents and reports to be reviewed shall be submitted to the Committee ~~two~~ (2) weeks prior to the date of the meeting.
- (d) The Committee will be responsible for:
 - 1. Reviewing the operations of the Plan.
 - 2. Establishing forms of communications to Employees with respect to the rights and obligations of Employees under the Plan.
 - 3. Reviewing documents filed in compliance with government regulations applicable to the Plan.
 - 4. (a) Reviewing the report ~~of~~ the Actuary for the Plan so as to monitor the validity of actuarial assumptions in relation to experience.
 - (b) Reviewing investment experience ~~of~~ the Pension Trust Fund for the previous year and the comparison of such experience with that ~~of~~ other pension trust funds.

Two (2) representatives of the Company will meet with two (2) representatives of the Union, including one (1) staff representative, for the purpose of reviewing the pension fund portfolio. The Union representatives will be provided with a copy of the most recent available listing of the investments in the Pension Trust Fund. It is understood that this information will be provided subject to the undertaking of the Union representatives to maintain the confidentiality of the information provided.

- (c) The Company or Union representatives may be accompanied at the meeting by a consultant, auditor ~~or~~ other relevant specialist if requested by either party.
3. The Committee may make recommendations to the Company with respect to any proposed changes or amendments to the ongoing administration of the Pension Plan but shall not have the authority to amend, modify ~~or~~ alter any of the specific provisions of the Agreement.
 4. (a) Should an Employee dispute a decision with respect to entitlement to benefits under the Plan, an appeal must be filed by the Employee in writing on the form as determined by the Committee within ninety (90) days of the date of the written decision of the Company. A copy of such appeal form shall be distributed to the Company Works representative and the Local Union representative.

- (b) Within thirty (30) days of receipt of an appeal, the Company and Local Union representatives shall meet to exchange pertinent information related to the disputed claim and attempt to resolve the appeal. Appeals settled at this level shall not constitute a precedent and shall be without prejudice to the position of either Party. In the event the representatives cannot reach a consensus, such appeal, other than an appeal based on medical grounds which shall be dealt with in accordance with the provisions of paragraph (c) herein, shall be referred to an Impartial Person selected from the list attached hereto as Appendix 1. The expense of such Impartial Person shall be shared equally by the Company and the Union.
- (c) If the appeal is based on medical grounds it shall be settled as follows:
- (i) (a) The Employee's attending physician shall nominate a physician, hereinafter referred to as the "Medical Advisor", who is a Fellow of the Royal College of Physician's or Surgeons (Canada) and is practising in the medical speciality relevant to the appeal.
- (b) The Company shall be notified promptly of the appointment of such Medical Advisor so as to permit the Company's Medical Department to provide the Medical Advisor with any information pertinent to the

appeal prior to his determination.

- (c) The procedure designated for dealing with appeals based on medical grounds shall be reviewed at any meeting of the Committee and may be confirmed or amended.
- (ii) The Medical Advisor shall determine and certify whether or not the Employee is disabled according to the terms of paragraph 2 of Section II of the Plan.
- (iii) The expense of the Medical Advisor shall be shared equally by the Company and the Union.
- (d) Neither the Committee, the Impartial Person or the Medical Advisor shall have any authority to alter or change any of the provisions of this Agreement or of the Plan, or to substitute any new provisions in lieu thereof, or to give any decision contrary to the terms and provisions of this Agreement or the Plan.

Subject to the foregoing, the decision of the Impartial Person or the Medical Advisor shall be final and binding upon the parties hereto and any Employee or Employees concerned.

5. The Company agrees to provide the Union with a copy of the quarterly (or as available) financial statements of the Pension Trust Fund which is provided by the Trustee or the Trustee's Agent.

Article IV - General Provisions

1. It is understood and agreed that the Pension Plan shall not be made available by the Company to other persons who are employed by Genfast Manufacturing Company, its subsidiary or associated companies in Canada prior to the consultation with the Union.
2. No matter respecting the Plan or this Agreement or any difference arising thereunder shall be subject to the grievance or arbitration procedure established in the Basic Agreement.
3. The Union agrees that, during the term of this Agreement, neither it nor its representatives will cause or sanction a slowdown, strike, other stoppage of or interference with work arising out of or conducted in connection with any effort to induce modification of or amendments or additions to the Pension Plan provided for by this Agreement or the terms or conditions under which its benefits are provided.
4. Nothing herein shall affect any right which the Company may have to terminate the employment of an Employee at any time prior to the date when he must automatically retire subject to any pension rights under the Plan.
5. Rights of Employees in the Pension Plan will substitute for all their rights under the Company's "Pension Plan for Employees" in effect prior to December 1, 1956.
6. During the term of this Agreement the Company will not exercise any right which it may have under the Pension Plan to amend or

terminate the Plan, as it applies to Employees **as** defined herein.

Article V - Construction

No contributions toward the cost of the Plan will be required of any Employee.

Article VI - Duration of the Agreement

The agreement for a Pension Plan for Bargaining Unit Employees shall be in effect until August 31, 2008 and shall thereafter continue for a further period of one (1) year unless during the one hundred and ten (110) day period immediately preceding the expiration date, either party shall give written notice to the other that it desires revision or termination of this agreement at its expiration date. Where notice of revision is given, negotiations shall commence during the ninety (90) day period immediately preceding the expiration date.

Signed this 25th day of September 2005

FOR THE COMPANY:

Cesare Berti
Marcel Petrella

FOR THE **UNION**:

Bob Green
Paul Robbins
Jeff Smith
Rob Henderson

APPENDIX 1 TO AGREEMENT **FOR** A PENSION
PLAN APPEAL PROCEDURE
- IMPARTIAL PERSONS

Union to select four.

Company to select four.

THIS AGREEMENT made this 25th day of September, 2005.

BETWEEN

Genfast Manufacturing Company.

(Hereinafter called "the Company")

OF THE FIRST PART

- and -

Local 3767, United Steelworkers

(Hereinafter called "the Union")

OF THE SECOND PART

WHEREAS the parties hereto have entered into an Agreement for an Insurance Program dated September 1, 2005; (hereinafter called the "said Agreement");

AND WHEREAS the parties hereto now desire to amend the said Agreement and it is deemed advisable by the parties for convenience of reference to incorporate the amendments into the said Agreement to form a single agreement which, however, shall not be construed as a new agreement;

NOW THEREFORE the parties hereto do mutually covenant and agree that the said Agreement shall be amended effective to read as follows and not as previously written;

ARTICLE I

DEFINITIONS

The following terms, wherever used in this Agreement, shall have the meanings set forth below:

- (1) “Basic Agreement” means the collective agreement between the Company and the Union dated September 01, 2005, or any succeeding collective agreement between them relating to wages and other terms and conditions of employment.
- (2) “Employee” or “Employees” shall have the same meaning as in the said Basic Agreement.
- (3) “Participant” means a person eligible for the Insurance Program or any part thereof, according to its terms, who is duly enrolled therein, and whose insurance has not been terminated.
- (4) “Insurance Program” means the program of benefits covering group life and accidental death insurance, weekly indemnity and long term disability insurance for accident and sickness, and Employee and dependent hospital, surgical, medical, para-medical and dental benefits, as set forth in Appendix “A” attached hereto.
- (5) “Insurer” shall include any organization or corporation with which the Company may contract or make arrangements for provision of benefits under the Insurance Program.
- (6) “Standing Group Insurance Committee” (hereinafter called the “Committee”) means the group insurance administrative committee described in Article IV hereof.

ARTICLE II

INSURANCE PROGRAM

- (a) The Company shall from time to time enter into contracts (including Administrative Services Only Agreements) with insurers, by which contracts the Employer shall agree to provide for Participants the benefits described in the Insurance Program. Such contracts shall hereinafter be referred to as “contracts of insurance”.
- (b) The Insurance Program shall be available to all Employees who are eligible according to its terms.
- (c) In exercising his or her option to enrol as a Participant, each eligible Employee shall sign either:
 - 1. An application for enrolment, or
 - 2. A waiver of the right to enrol.
- (d) The Insurance Program shall become effective after the following two (2) events have occurred, and then only on the first day of the month immediately following that month in which the later of the said events have occurred:
 - 1. The Company has entered into contracts with the Insurers covering the Insurance Program
 - 2. The Employees’ required enrolment is obtained, which shall be:
 - (i) When 75% of all eligible Employees have enrolled for that part of the Insurance Program providing benefits for Employees only, and
 - (ii) When 75% of the eligible Employees with

dependents have also enrolled for that part of the Insurance Program providing benefits for dependents, or

- (iii) Such lesser enrolment under (i) and (ii) above as the Insurers may require.
- (e) In the event that any contract of insurance referred to in section (a) hereof shall be terminated during the term of this Agreement, the Company shall, as promptly as possible, enter into or arrange a new contract of insurance for the same benefits, in substitution thereof. Before the Participants' insurance affected by such substitute contract of insurance shall become effective, the Participants shall execute such forms as may be required, and the conditions set out in section (d) hereof shall be met. It is the intention of the parties hereto that such substitute coverage shall be arranged at such a time that Participants' insurance for the affected part of the Insurance Program shall continue uninterrupted during the term of this Agreement.
- (f) It is understood and agreed that the Insurance Program may be made available to other persons eligible according to its terms, who are employed by Genfast Manufacturing Company, its subsidiary or associated companies in Canada but not prior to consultation with the Union.

ARTICLE III

COST OF INSURANCE PROGRAM

Company Contributions

Subject to the provisions of Article VI (d) and (e) hereof, the Company shall contribute to the cost of the Insurance

Program an amount per two-week pay period as follows in respect of each Participant while he is on the payroll of the Company.

<u>Effective Date</u>	<u>Amount per 2-Week Pay Period</u>
September 1, 2005	\$141.41

ARTICLE IV

ADMINISTRATION

1. The Company shall determine and carry out the administrative procedures required to carry out the Insurance Program in accordance with the terms of this Agreement, but the Union shall participate in such administration as set out in this Article IV. The normal administrative expenses incurred by the Company in the carrying out of the Insurance Program shall be borne by the Company, but such normal expenses shall not include any expenses of the Insurers.
2. A Standing Group Insurance Committee will be
 - (a) appointed by the Company and the Union composed of nine (9) Company representatives and nine (9) Union representatives.
 - (b) Representation on the Committee shall be determined in consultation between the Director of District 6 United Steelworkers and the President of the Company responsible for the operations.
 - (c) The Committee will meet in April of each year. If additional meetings are required by either party they may be convened upon two (2) weeks notice to the other party. Reports to be reviewed shall be submitted

to the Committee two (2) weeks prior to the date of the meeting.

- (d) The Committee will be responsible for:
- (1) Reviewing the operations of the program.
 - (2) Establishing forms of communications to Employees with respect to the rights and obligations of Employees under the Plan.
 - (3) Reviewing reports on the operation of the Insurance Program account and, also, membership statistics, including any waivers of the right to enrol provided for in Article II (c) of this Agreement.
 - (4) Reviewing the audited statement of the operation of the Insurance Program account for the insurance year.
 - (5) Reviewing the claims experience reports submitted by the Insurers for the Program year.
 - (6) The Company or Union representatives may be accompanied at the meeting by a consultant, auditor or other relevant specialist if requested by either party.
3. The Committee may make recommendation to the Company with respect to any proposed changes or amendments to the ongoing administration of the Insurance Program but shall not have the authority to amend, modify or alter any of the specific provisions of the Agreement.

APPEAL GUIDELINES

4. (a) If an employee is denied initial entitlement to weekly indemnity benefits under the Insurance Program or Long term disability benefits, s/he may file a grievance in accordance with the grievance procedure in the collective agreement.
 - (b) If an employee is denied ongoing entitlement to weekly indemnity benefits under the Insurance Program, s/he must follow the appeal procedure under the Insurance program. Any grievance shall be limited to a question of whether the appeal procedures are reasonable and whether they were reasonably applied in the circumstances of any particular case.
 - (c) Medical documentation that is provided to the Insurer on request in respect of ongoing entitlement to weekly indemnity benefits shall be paid for by the Company, if there is a charge, subject to the charge being reasonable in accordance with generally accepted community standards.
 - (d) If an employee is denied initial entitlement or ongoing entitlement to Long Term Disability, s/he must follow the complete appeal procedures determined by the Insurer prior to filing a grievance. If a grievance goes to arbitration, the arbitration decision shall be binding on the Company and the Union. Should the Insurer elect not to honour an arbitration decision that is inconsistent with the Insurer's decision, the Company shall assume responsibility for any remedy in the arbitration decision.
5. The inability of the Company to enter into or arrange contracts of insurance, the cancellation by the Insurers

of any contract of insurance or the failure of the Insurers to provide any benefit under the Insurance Program shall not result in any liability on the part of the Company or the Union, nor shall such inability or failure be considered a breach by the Company or the Union of any of the obligations they have respectively undertaken by this or any other agreement with each other or with any Participant or Employee.

6. Contributions of the Company to the Insurance Program and all other monies received on account of the Program shall be deposited by the Company in a bank account to be known as "Genfast Manufacturing Company, In Trust, Insurance Program Account". All insurance premiums and other proper disbursements under the Insurance Program shall be paid out of the said bank account.

7. In the event that, at any time, there are not sufficient monies in the said bank account to pay insurance premiums or other proper disbursements, the Company may, as a convenience, advance such monies, in which event such advance shall be a first charge against the said bank account and all monies credited thereto, including contributions of the Company, insurance company dividends or premium refunds and transfers from the S.U.B. Liability Account. From time to time, the Company may withdraw from the said bank account amounts equal to the then outstanding amount of such advances. The Company shall include a statement of all such advances and withdrawals in the statements of the financial condition of the Insurance Program Account required under sections 2(d) (3) and (4) of this Article IV. Nothing contained in this section 8 shall extend the Company's obligations or liability in respect to the Insurance Program or its administration.

8. If, at any time during the period of this Agreement or any renewal thereof, a deficit in the operation of the Insurance Program occurs, or appears likely to occur, by reason of an insurance premium rate increase or any other cause, the Company shall so notify the Committee and shall make every effort to obtain coverage which will permit the Insurance Program to be continued without a deficit. If no such coverage can be obtained, the deficit will be remedied by transfer of monies from the S.U.B. Liability Account to the Insurance Program Account. If such monies are insufficient to remedy such deficit, they will be supplemented by an increase in the Company's contributions of an amount which when added to such monies shall be sufficient to remedy such deficit.

ARTICLE V

DIVIDENDS

- (a) Any dividends or premium refunds paid in respect of insurance other than life insurance shall be deposited in the Insurance Program Account, and, subject to the provisions of Article IV § hereof, shall remain in the said Account until the termination of this Agreement.
- (b) Any dividends or premium refunds paid in respect of the life insurance portion of the Insurance Program shall be deposited in the Insurance Program Account. The amount of such dividends or premium refunds shall be credited to a Special Life Insurance Account in the Insurance Program records as maintained by the Company. Subject to the provisions of Article IV § hereof, funds represented by the balance in the said Special Life Insurance Account shall be used for the purpose of contributing towards the cost of the continued life insurance benefits for Participants after

retirement on pension, described in the Insurance Program either on an individual paid-up basis or on a group term basis, or by such other method as may be feasible and practical.

- (c) For the purposes of this Article V, dividends or premium refunds in respect of insurance other than life insurance shall be used in priority to life insurance dividends or premium refunds for the repayment to the Company of advances made to the Insurance Program Account under the provisions of Article IV 8 hereof.

ARTICLE VI

GENERAL

- (a) At the end of the term of this Agreement, if there is a surplus in the operation of the Insurance Program, such surplus shall be allocated as follows, and in the following order of priority:
1. Unless otherwise mutually agreed upon, an amount equal to the balance in the Special Life Insurance Account shall be used for the purpose of contributing towards the cost of the continued life insurance benefits for Participants after retirement on pension, described in the Insurance Program, either on an individual paid-up basis or on a group term basis, or by such other method as may be feasible and practical.
 2. In addition, an amount to be mutually agreed upon shall be retained in the Insurance Program Account as a reserve against future deficits in the operation of any renewal of the Insurance Program or of any succeeding Insurance Program.

3. Any remainder shall be used as mutually agreed upon.
- (b) In the event of termination or discontinuance of the Insurance Program, if there is then a surplus in the Insurance Program Account, neither the Company, the Union, the Participants, nor anyone claiming on their behalf shall be entitled to such surplus, but the Committee shall discuss the matter and make recommendations as to its use. Neither any Participants nor any beneficiaries nor persons claiming on their behalf shall have any right, title or interest in or to any of the contributions made pursuant to this Agreement or to any monies properly credited to the Insurance Program Account.
- (c) The Insurance Program shall be in substitution for the Company's "Benefit Plan for Payroll Employees" and for any and all other benefits to or on behalf of Employees for death, sickness or accident, hospital or surgical or medical service heretofore made or provided by the Company; provided, however, that the "Benefit Plan for Payroll Employees" shall discharge all claims covered by its terms and which have been made and are outstanding at the effective date of the Insurance Program. Except for this proviso, the said "Benefit Plan for Payroll Employees" as it affects Works Employees shall be terminated, and all benefits for Employees and other members of the said Plan shall cease at the effective date of the Insurance Program.

This Agreement contains all of the Company's obligations in respect of the provision of benefits to or on behalf of Employees, Participants, or their dependents - for death, for sickness or accident or hospital, surgical or medical or dental service, except as may be otherwise provided by law.

- (d) 1. In the event that any government in Canada shall institute or extend an insurance plan or other arrangement pursuant to which benefits are provided for Employees, generally similar to any of the benefits of the Insurance Program; the Company shall meet with the Union Insurance Committee to study the effect of such extension or plan on the Insurance Program and to decide upon a course of action. If, after sixty (60) days, no course of action has been agreed upon, then the Company's contributions to the Program shall be reduced by the amount of any contributions, levies, taxes or other payments which it may be required to pay in respect of such extension or new insurance plan. In such event, the benefits under the Insurance Program shall be adjusted to fit the reduced scale of contributions.
2. Provided, that should the premium structure for the Ontario Health Insurance Plan be discontinued or changed and legislation requires the Company to pay its contribution toward the premium to Employees in some form, then the payment will be used as an Employee contribution toward the cost of other benefits under the Program and the Company contribution toward other benefits will be appropriately adjusted.
- (e) In the event an Unemployment Insurance premium reduction is allowed in respect of the maintenance of Weekly Indemnity under the Program, the Employee's share of any such premium reduction shall be used to pay premiums payable under the Program.
- (f) Nothing contained in this Agreement or the Insurance Program shall be deemed to give an Employee the right to be retained on the payroll of the Company, or shall interfere with the right of the Company to

terminate the employment of an Employee.

ARTICLE VII

DURATION

The Agreement for an Insurance Program herein shall remain in effect until August 31, 2008 and shall thereafter continue for a further period of one (1) year unless during the one hundred and ten (110) days period immediately preceding the expiration date, either party shall give written notice to the other that it desires revision or termination of this agreement at its expiration date. Where notice of revision is given, negotiations shall commence during the ninety (90) day period immediately preceding the expiration date.

Signed this 25th day of September, 2005

FOR THE COMPANY:

Cesare Berti
Bernie Thiteca
Marcel Petrella

FOR THE UNION:

Bob Green
Paul Robbins
Jeff Smith
Rob Henderson

APPENDIX 1 TO AGREEMENT FOR AN INSURANCE PROGRAM

APPEAL PROCEDURE - IMPARTIAL PERSONS

Union to select four.

Company to select four.