

# Collective Agreement

Between

MTD Products LTD

and

National Automobile, Aerospace Transportation and general Workers Union of  
Canada  
Local 1524

Begins:  
09/15/2003

Terminates:  
09/14/2006

01871 (09)

## **UNION - EMPLOYER PLEDGE**

"The Union realizes that in order to provide maximum opportunity for continuing employment, good working conditions and good wages, the Employer must be in a strong marketing position which means it must produce efficiently and at the lowest possible costs consistent with fair labour standards. The Union, through its Bargaining Agency, assumes responsibility for cooperating in the attainment of these goals. The Union, therefore, agrees that it will co-operate with the Employer and support its efforts to ensure a full day's work on the part of its members, combat absenteeism and any other practice which restricts production; that it will support the Employer in its efforts to improve production, eliminate waste in production, conserve materials and supplies, improve the quality of workmanship, prevent accidents and strengthen goodwill between the Employer and the employees, the customers, the Union, and the public. All the above to be within the framework of the collective bargaining agreement. The Employer agrees it will administer the labour agreement in a fair and reasonable manner with the intention of supporting the principles of mutual co-operation contained in this Pledge."

# TABLE OF CONTENTS

AGREEMENT	PAGE
<b>ARTICLE 1 - RECOGNITION</b> .....	1
<b>ARTICLE 2 - MANAGEMENT FUNCTIONS</b> .....	1
<b>ARTICLE 3 - UNION SECURITY AND CHECK-OFF</b>	
3.01 Membership Requirements.....	3
3.02 Deduction of Union Dues.....	3
3.03 Monthly Check-Off List.....	4
3.04 Liability Waiver .....	4
<b>ARTICLE 4 - STRIKES, STOPPAGES AND LOCKOUTS</b> ..	4
<b>ARTICLE 5 - REPRESENTATION</b>	
5.01 Bargaining Committee and Stewards.....	5
5.02 Access to Plant and Departments .....	5
5.03 Pay During Representation .....	6
5.04 No Work Suspension Without Permission .....	7
<b>ARTICLE 6 - NON-DISCRIMINATION</b> .....	7
<b>ARTICLE 7 - GRIEVANCE PROCEDURE</b>	
7.01 Steps for Processing Grievances .....	7
7.02 Company and Union Policy Grievances .....	10
7.03 Disciplinary Time Limits .....	10
7.04 Suspension and Discharge Grievances .....	11
7.05 Time Limits .....	12
7.06 Union Withdrawing Grievances .....	12
<b>ARTICLE 8 - HOURS OF WORK AND OVERTIME</b>	
8.01 Purpose of Article .....	12
8.02 Normal Working Hours, Rest Periods, Cleanup .....	12
8.03 Calculation of Daily Overtime .....	13
8.04 Payments for Weekends and Holidays.....	14

01871(09)

# TABLE OF CONTENTS

AGREEMENT	PAGE
<b>ARTICLE 8 - HOURS OF WORK AND OVERTIME (cont'd)</b>	
8.05 Equalization of Overtime .....	14
<b>ARTICLE 9 - LEAVES OF ABSENCES</b>	
9.01 Personal Illness or Injury .....	17
9.02 Other Personal Reasons.....	17
9.03 Pregnancy/Parental Leave .....	19
9.04 Union or Government Office Leaves.....	20
9.05 Formal Education on Layoff.....	20
<b>ARTICLE 10 - SENIORITY, TRANSFER, JOBVACANCIES AND OTHER RELATED MATTERS</b>	
10.01 Probationary Period and Seniority Lists .....	21
10.02 Super Seniority .....	22
10.03 Loss of Seniority .....	22
10.04 Reduction in the Work force Less than 5 days....	23
10.05 Layoffs and Recalls .....	24
10.06 Retention of Seniority While Outside the Bargaining Unit .....	27
10.07 Temporary Transfers (Assignments).....	28
10.08 Job Vacancies (Temporary/Permanent), Trial Period & Training.....	28
10.09 Wages on Downsizing Balance of Shift.....	32
<b>ARTICLE 11 - HEALTH AND SAFETY</b>	
11.01 Employer Responsibilities.....	32
11.02 Disputes Regarding Safety.....	32
11.03 Pay for Medical Treatment.....	33
11.04 Monthly Meetings of JH & SC .....	33
11.05 Re-imbusement for Safety Shoes & Prescription Safety Glasses.....	33

# TABLE OF CONTENTS

<b>AGREEMENT</b>	<b>PAGE</b>
<b>ARTICLE 12 - HOLIDAYS</b>	
12.01 Recognized Paid Holidays & Eligibility Rules..	34
12.02 Christmas Holiday Schedule .....	35
12.03 Pay During Christmas Holidays .....	37
<b>ARTICLE 13 - VACATIONS</b> .....	37
<b>ARTICLE 14 - WAGES AND SHIFT PREMIUMS</b> .....	39
<b>ARTICLE 15 - WORK STANDARDS</b>	
15.01 How Work Standards are Established .....	39
15.02 Proper Instruction of Employees .....	40
15.03 Allowances for Personal Relief and Other Delays .....	40
15.04 Work Standards and Alterations.....	40
15.05 Disputes Relative to Work Standards.....	41
15.06 Arbitration of Work Standard Grievances.....	42
15.07 Production Requirements .....	42
<b>ARTICLE 16 - SKILLED TRADES</b>	
16.01 Purpose of the Article .....	43
16.02 Application of the Collective Agreement.....	43
16.03 Definition of "Skilled Trades Employee" .....	43
16.04 Skilled Trades Classifications.....	43
16.05 Entry into Skilled Trades .....	44
16.06 Acquisition of Seniority .....	44
16.07 Transfer into Skilled Trades .....	44
16.08 Layoffs and Recalls .....	44
16.09 Inclusion of Other Trades .....	45
16.10 Advanced Training.....	45
16.11 Medical Considerations.....	45

# TABLE OF CONTENTS

<b>AGREEMENT</b>	<b>PAGE</b>
<b>ARTICLE 16 - SKILLED TRADES (cont'd)</b>	
16.12 Dues Deduction .....	45
16.13 Apprenticeship Program .....	45
16.14 Transfers to Another Trade .....	46
16.15 Supplemental Helpers.....	46
16.16 Replacement Costs for Tools .....	46
16.17 Toolroom Overtime Guidelines.....	47
16.18 Discussions Prior to Outsourcing.....	47
<b>ARTICLE 17 - INSURANCE .....</b>	<b>47</b>
<b>ARTICLE 18 - RETIREMENT</b>	
18.01(a) Non Skilled Trades.....	49
18.01(b) Skilled Trades .....	50
<b>ARTICLE 19 - GENERAL PROVISIONS</b>	
19.01 Reporting Pay .....	51
19.02 Call-In Pay.....	51
19.03 Jury Duty Pay.....	51
19.04 Bereavement Pay .....	51
19.05 Bulletin Boards .....	52
19.06 Supervisory Activity.....	53
19.07 Reporting Absences.....	53
19.08 Paid Educational Leave .....	53
19.09 Confirmation Letters Part of Agreement.....	54
<b>ARTICLE 20 - DURATION OF AGREEMENT</b>	
20.01 Duration and Expiration .....	54
20.02 Obligation to Provide Notice.....	54
20.03 Additions, Subtractions and Modifications.....	55

# TABLE OF CONTENTS

<b>AGREEMENT</b>	<b>PAGE</b>
APPENDIX "A" .....	57
APPENDIX "B" .....	60
LETTERS OF UNDERSTANDING.....	63
LETTER #1 CREDIT UNION.....	63
LETTER #2 TOOLROOM ROTATION.....	64
LETTER #3 WORKING CONDITIONS .....	64
LETTER #4 NEW & REVISED CLASSIFICATIONS .....	65
LETTER #5 URGENT CALL-BACK DURING SHORT TERM LAYOFF .....	66
LETTER #6 UNION SECURITY & CHECK OFF.....	67
LETTER #7 ROLE OF LOCAL UNION PRESIDENT ..	68
LETTER #8 HOURS OF WORK & OVERTIME .....	69
LETTER #9 NEW TECHNOLOGY .....	69
LETTER #10 ERGONOMICS/JOB ROTATION .....	70
LETTER #11 HEALTH & SAFETY.....	71
LETTER #12 SERVICE DEPARTMENT STAFFING .....	74
LETTER #13 PAY CONTINUATION ON APPROVED UNION LOA .....	75
LETTER #14 CLASSIFICATIONS.....	75
LETTER #15 MODIFIED WORK/DUTY TO ACCOMMODATE .....	76
LETTER #16 SUMMER HOURS .....	76
LETTER #17 ATTENDANCE INCENTIVE PROGRAM .....	76
LETTER #18 OFF SITE ASSIGNMENTS.....	79
LETTER #19 MOMENT OF SILENCE .....	79
CALENDARS 2004-2006 .....	80

# AGREEMENT

This Agreement made and entered into this 15th day of September 2003 at Kitchener, Ontario, by and between MTD Products Limited, hereinafter referred to as the "Employer" and the National Automobile, Aerospace and Transport and General Workers Union of Canada (C.A.W.-Canada) and its Local Union No. 1524, hereinafter referred to as the "Union", WITNESSETH:

## ARTICLE 1 - RECOGNITION

**1.01** Pursuant to a Certification of Representation issued by the Ontario Labour Relations Board on April 9th, 1973, and November 22, 1988, the Employer hereby recognizes the Union as the exclusive collective bargaining representative with respect to rates of pay, hours of work and all other conditions of employment for all its production and maintenance employees, but excluding all office clericals, sales staff, guards, designers, engineers and supervisors as defined in the Ontario Labour Relations Act.

## ARTICLE 2 - MANAGEMENT FUNCTIONS

**2.01** (a) The Union recognizes the right of the Employer to manage the business and to direct the working force. Such rights include, but not limited hereunto, the right to hire, transfer, promote, assign to work, discipline, discharge and suspend for just cause, to increase or decrease the work force, the right to maintain order and efficiency through the establishment of rules of conduct, the right to extend, maintain, or curtail the operations of the Employer (in whole or in part), to determine the size and location of the Employer's plants or operations, to determine what shall be manufactured, bought and sold by the Employer, to determine to whom the Employer will sell its products,



services, or any other thing of value it possesses, to determine and specify production schedules, standard processes, methods, means of manufacture and processing and the materials to be used, including the right to purchase or to use any services, materials, supplies, products, tools and equipment from any source the Employer chooses, including the right to introduce new and improved methods or facilities and to determine the number of hours or days of work and the number of persons to be actively employed by the Employer, at any time, the right to make time studies to determine standard production requirements and the right thereafter to establish from such studies, cycle times and the exercise of all other managerial rights which the Employer had prior to the signing of the terms of this Agreement.

These functions are vested in the Employer and nothing in this agreement shall be deemed to restrict the Employer in their performance except as specifically abridged or modified in this Agreement, as provided in section (b) below. In the exercise of these rights the Employer will observe all provisions of this Agreement.

**(b)** Notwithstanding the foregoing, employees who claim a violation of the collective bargaining agreement and letters of agreement or supplementary agreements, in the Employer's act of discharge, discipline, layoff, recall, the selection of job applicants for new jobs or job vacancies, the setting of new hourly rates, payment of insurance benefits, as agreed to by the Employer and the Union, the payment of fringe benefits, or compensation as set forth in this Agreement, or a claimed violation of an employee's seniority rights, or any other grievance as defined in this Agreement, shall have the right to initiate grievances, which may be processed through the grievance procedure.

(c) The employer may alter from time to time rules, regulations, and shop policies to be observed by the employees with the understanding such rules, regulations, and policies shall not be inconsistent with the provisions of this Agreement and any other legislation. Any new or revised rules, regulations, and/or policies are to be explained in detail to the Plant Committee prior to implementation.

## **ARTICLE 3 -**

### **UNION SECURITY AND CHECK-OFF**

**3.01** It shall be a condition of employment that all present employees of the bargaining unit who are members of the Union in good standing on the effective date of this Agreement shall remain members during the full term of the Agreement. It shall also be a condition of employment that all employees in the bargaining unit and all of those who are hired on or after the effective date of this agreement, shall become and remain members of the Union.

**3.02** (a) The Employer further agrees that it shall be a condition of employment that all employees in the bargaining unit complete and sign the Union Dues Authorization form and that the Employer shall, upon receipt of such written authorization from the employee, deduct such dues from the pay, following the pay period after an employee has worked forty (40) hours in any one month. The dues shall be two (2) hours and 20 minutes pay each month, calculated on the basis of the employee's hourly earnings for the previous month as defined in the Constitution of the Union.

(b) Upon the completion of an employee's probationary period, the Initiation fee will be deducted from a pay other than a monthly dues deduction pay.

(c) The Employer further agrees to include on an employee's T-4 slip for incometax purposes, the total Union dues deducted for the year excluding any initiation fees and that whenever possible the Employer shall sincerely endeavour to distribute T-4 slips to employees on or before February 1st of each year.

**3.03** A list of the total number of employees together with all sums deducted, as described above, shall be remitted by the Employer to the Financial Secretary of the Local Union by the 15th of the month following the end of the month in which the deductions were made.

This list shall contain the employee's name, clock number, address, telephone number and the amount of such deduction and reason, if any, why no deductions were made. This list will also indicate any seniority employee whose employment is terminated, transferred out of the bargaining unit, on lay-off, leave of absence, or deceased.

**3.04** The Union shall indemnify and save the Employer harmless from any claims, suits, judgements, attachments and any other form of liability which may develop out of such deductions; and the Union shall assume full responsibility for the disposition of the funds so deducted once they have been remitted to the Union.

## **ARTICLE 4 - STRIKES, STOPPAGES AND LOCKOUTS**

**4.01** (a) It is the intent of the parties to this Agreement that the procedure, herein described, shall serve as a means for peaceable and final settlement of disputes that may arise between them.

**(b)** During the term of this Agreement, including any extensions, renewals or modifications thereof, the Employer and the Union agree there shall be no lockouts and that there will be no strike of any kind, boycott, picketing, work stoppage, slow-down or any other type of organized interference, coercive or otherwise, with the Employer's business. In the event a violation of this Article 4 occurs, the parties agree the Employer has the right to discipline up to, and including, discharge, employees engaging in, participating in or encouraging such unlawful action.

## **ARTICLE 5 - REPRESENTATION**

**5.01** The employees in the bargaining unit shall be represented by a Bargaining Committee of five (5) employees (including the Bargaining committee Chairperson and Timestudy Representative) elected by the employees in the unit. The names of the members of this committee shall be certified by the Union to the Employer in writing.

In addition, the Union shall be represented by Stewards elected by the employees in the unit. Any increase or decrease in the number of Stewards required will be made by mutual agreement between the Union and the Employer.

**5.02** (a) The Bargaining Committee Chairperson, National Representative and/or members of the Bargaining Committee shall upon first reporting to the Plant Manager or his designate be given access to the Plant during working hours for the purpose of investigating a specific grievance(s) and to promote smoother operation of the Agreement.

**(b)** A member of the Bargaining committee and/or a Steward may leave their work for the purpose of handling grievances or other legitimate representation functions under the grievance procedure. Before leaving the job, the

Union representative must first state to the Supervisor the purpose of their activity and must record their time upon leaving. Upon entering a department in the fulfillment of their duties, they must notify the Supervisor of that department of their presence and purpose and also record their time.

It is understood that the Supervisor shall have time to make arrangements to avoid interruption of production before permitting a representative to leave a department. It is understood that such arrangements are to be made as soon as practicable and without undue delay. For purposes of clarification, undue delay shall be defined as two hours or less from the time of request, unless production requirements prohibit such arrangements.

(c) All Bargaining Committee members, and Chairperson of the Union Health and Safety Committee shall be retained on the First Shift.

(d) The Employer authorizes the Union to conduct elections on Employer premises during non-work time. Notice of such elections shall be made in advance for suitable times, locations and election dates. It is fully understood that the continuation of this authority shall be contingent upon its lack of abuse.

**5.03** Any Steward who takes time off their job for the investigation and adjustment of grievances within the plant during working hours shall be paid by the Employer for such lost time, at their regular rate; provided, however, the total maximum number of such lost time hours does not exceed a total of one hundred (100) hours monthly, as pooled, for all Committeepersons and Stewards. Time spent at Step 2 and Step 3 of the Grievance Procedure shall not be included in the maximum hours stated. In regard to the

method of calculating the wage payment as required in Section 5.03 of the Agreement, the parties agree the hourly rate shall be the employee's regular straight time rate.

**5.04** In the application of this Article there shall be no suspension of work by any employee without the expressed permission of the employee's Supervisor.

## **ARTICLE 6 - NON-DISCRIMINATION**

**6.01** The Employer and the Union fully agree to continue their policy of nondiscrimination against any individual on the basis of sex, race, religious creed, marital status, colour, age, national origin, disability, sexual orientation, union membership or union activity in all matters relative to hiring, wages, advancement or any other condition of employment. The Employer and the Union agree to observe the provisions of the current Human Rights Code, as it is now written or hereinafter amended, and MTD's Harassment Policy.

## **ARTICLE 7 - GRIEVANCE PROCEDURE**

**7.01** For the purpose of this Agreement, a grievance is defined as a dispute an employee or group of employees may have with the Employer in respect to the interpretation, application or violation of the expressed terms of this Agreement and any letters of agreement or supplementary agreements by the Employer. Should an employee or group of employees have a grievance, a sincere and earnest effort shall be made to adjust the same, promptly, in the following manner:

**STEP 1:** A grievance will be first presented, orally, by the aggrieved employee(s) to the immediate Supervisor within five (5) regular working days after the event has occurred

which gives rise to the stated grievance, or five days (5) from the time the facts became known to the employee or could have become known to the employee or the Union up to a maximum of 30 work days. The Supervisor will ensure that the services of the applicable steward are offered to the employee first. If the employee accepts such services the Supervisor will, as soon as practicable and without undue delay, send for the appropriate Steward. For the purpose of clarification, undue delay shall be defined as two hours or less from the time of request, unless production requirements prohibit such arrangements.

Every effort will be made to give prompt consideration to the grievance by the parties. The immediate Supervisor shall give an oral reply within two (2) working days after the grievance has been presented; provided, however, that Holidays, Saturday, Sundays and days not worked shall not be included in the stated time limitation in this Step 1 or any other Step in this Procedure.

STEP 2 In the event the immediate Supervisor fails to decide and reply to the grievance within the stated time in Step 1, or should the decision be unsatisfactory to the aggrieved employee, the grievance if it is to be processed further, shall within two (2) working days after the time limit set in Step 1, the Steward will verbally discuss the grievance at a meeting with the grievor(s), the Department Manager, the Supervisor, a HR Representative and the area Committeeperson in a serious attempt to resolve the grievance.

If the grievance is unresolved following this meeting, the grievance will be reduced to writing on a triplicate grievance form mutually agreed upon. The grievance shall set forth the facts and the section(s) of the Agreement alleged to have been violated and will be signed by the Steward and the grievor(s) and submitted to the Department Manager within two (2) working days after the meeting. The

Department Manager and Manager-HR will respond to the grievance in writing within two (2) working days of receipt of the written grievance. A copy of the written reply will immediately go to the Steward, the grievor and the Committee Chairperson.

The Committee Chairperson and the area Committeeperson may refer the grievance to the Director – HR within two (2) working days after receipt of the written reply.

**STEP 3:** The Director – HR will schedule a grievance hearing within fifteen (15) working days to hear the grievance. The hearing will be attended by the Department Manager (or designate), the VP Manufacturing (or designate), and the Bargaining Unit Committee. A representative of the National Union and/or the President of Local 1524 and the grievor may also be present at this hearing by mutual consent. The Employer shall give its answer, in writing, to the Step 3 grievance within ten (10) working days of the grievance hearing. This Step may be waived by mutual agreement of the Committee Chairperson and the Director-Human Resources.

#### **STEP 4: MEDIATION/ARBITRATION**

Any matter that remains unsettled after exhausting the above procedure may by mutual consent be moved to Non-Binding Mediation or Mediation/Arbitration. A Mediator will be determined by mutual agreement. In the alternate, in an attempt to resolve the issue either party may proceed to Step 5 -Arbitration.

#### **STEP 5: ARBITRATION**

The party that desires a full Arbitration shall, within fifteen (15) working days, after receipt of a reply given after Step 3, notify the other party in writing of its desire to move to a full Arbitration, and set forth, therein, a statement of the issue or issues it desires to arbitrate. Within five (5) working days



after such notification is received an Arbitrator will be selected from the following list of agreed upon Arbitrators on a rotational basis starting at the top of the list:

Professor Rayner  
Al Hinnegan  
Ian Hunter  
Gord Luborsky

The arbitrator shall have no power to change, alter, detract from or add to this Agreement; but shall be limited only to the application and interpretation of the provisions of this Agreement in reaching a decision on the issue arbitrated. The decision of the arbitrator shall be final and binding on the parties. Each party shall bear the expense of its own witnesses. However, the fee, if any, and agreed expenses, of the arbitrator shall be divided equally between the parties. Court Reporter's fees and transcripts shall be paid by the party who requests them.

**7.02** The Employer may present a grievance in writing, at Step 3. The Bargaining Committee Chairperson may present a policy-type grievance at Step 3 within the expressed time limits. Such a grievance is one that alleges a misinterpretation, misapplication or violation of the expressed terms of the Agreement and any letters of agreement or supplementary agreements and is one that could not otherwise be resolved at the lower Steps in the grievance procedure due to the nature or scope of the subject matter.

**7.03** (a) If disciplinary action up to and including suspension is taken by the Employer, the Employer shall have up to five (5) worked days for an employee on an eight hour shift and four (4) worked days for an employee on a ten hour shift to take such disciplinary action. When an

employee receives discipline on a written discipline form a Union Steward must be present for such write-up, if requested by the employee.

**(b)** Once the Supervisor has delivered the written disciplinary action, the Supervisor will have five (5) worked days to detail what action, if any, is to be taken.

**(c)** Before an employee is made to leave the Employer property, the Union Steward or Committeeperson will be notified. The Committee Chairperson (or designate) will be notified as soon as circumstances allow. It is understood by both the Union and the Employer that once an employee is suspended, any previously scheduled regular shift, excluding overtime, that is required to complete the investigation will be included as part of any eventual suspension time.

**7:04** (a) All grievances arising over the question of discipline by suspension shall be presented to the Employer, in writing, and signed by the aggrieved employee, within three (3) working days of the suspension. Such grievances shall be presented at Step 3. The Employer shall give its answer, in writing, in accordance with the provisions at STEP 3. A suspended employee may attend the STEP 3 hearing of his/her grievance, if he/she requests to do so. If an appearance is requested, the aggrieved will be permitted to offer testimony or other evidence or information that may be pertinent to the issue(s).

**(b)** When the Employer finds that discharge of an employee may be the appropriate action, the employee shall be called to a meeting involving the Director— HR (or designate), the Department Manager (or designate), the Committee Chairperson (or designate) and the area Committeeperson. Such meeting will be called as soon as all parties can be brought together. The circumstances of the situation that gave rise to the discharge shall be presented

and all parties will be permitted to be involved in the discussion. If after this discussion and the ensuing investigation the matter remains unresolved, the discharged employee will be permitted to file a grievance at STEP 3, within three (3) working days of this meeting. A STEP 3 grievance hearing will be scheduled by the Employer within five (5) working days of receipt of the termination grievance.

A meeting as stated in 7:03 (b) above will not be held for a termination resulting from the a violation of Article 10:03 (a), however a grievance may be submitted at STEP 3 of the Grievance Procedure.

**7.05** The time limits of the grievance procedure are mandatory and may not be waived except by mutual agreement. If any time limit is not met the grievance shall be considered denied at that stage and will automatically proceed to the next Step. Time limits may be extended by mutual agreement in writing.

**7.06** The Union retains the right to withdraw a grievance at any time without prejudice or precedent.

## **ARTICLE 8 - HOURS OF WORK AND OVERTIME**

**8.01** This section is intended to provide the basis for calculation of, and payment for overtime and shall not be construed as a guarantee of hours of work each day or each week, or of days of work each week.

**8.02** (a) The normal hours of work shall be eight (8) continuous hours a day, exclusive of lunch period, which shall not exceed thirty (30) minutes and forty (40) hours a week, Monday through Friday. On jobs operating three (3) shifts only, the eight (8) continuous hours shall include a

twenty (20) minute paid lunch to be paid at normal straight time hourly earnings. The present practices concerning four-ten straight time hour shifts and a four-nines and a four shift will be maintained for the life of the agreement.

The Employer will rotate Plant #4 Cleaners on job classification 46 with one employee or more on a work schedule of four nine (9) hours and one four (4) hour shift and one employee on a four ten (10) hour shift.

**(b)** Normally, the Employer operates two shifts. Employees are normally assigned to a regular shift. Determination of starting time of daily and weekly work schedules and that of the individual employee shall be made by the Employer and such schedules may be changed by the Employer to suit varying conditions of business; provided, however, indiscriminate changes shall not be made in schedules, and provided further that changes deemed necessary by the Employer shall be made known to the Union and the Employer will post a notice of such change on the Employer's Official Business Bulletin Board, at least two (2) work days in advance of such changes.

**(c)** A ten (10) minute rest period shall be provided during the first half of the shift. A second ten (10) minute rest period shall also be provided during the second half of the shift. Employees on four-ten straight time hour shifts will be eligible for a third ten (10) minute break to be punched out on downtime card (only one allowed). In addition, employees shall be allowed three (3) minutes personal wash-up time before lunch and five (5) minutes before quitting time to be used for personal wash-up.

**8.03** Time and one-half compensation shall be paid for all hours worked in excess of eight (8) hours a day for those working an eight straight time hour day; or in excess of nine (9) hours for those working a nine straight time hour day; or

in excess of ten (10) hours for those working a ten straight time hour day; or in excess of forty (40) straight time hours performed in any work week.

**8.04** Time and one-half shall be paid for work performed on Saturday. Double time is paid for all hours worked on Sunday, regardless of the number of hours worked during the week. Double time plus their scheduled regular shift hours shall be paid for all hours worked by an employee on one of the contractually recognized holidays.

**8.05** (a) It is recognized that the Employer's operations are of such a nature that at times requires overtime work.

Overtime work shall first be equitably distributed among those employees with the lowest hours in the classification and department on the shift on which the overtime occurs except in the agreed upon functional area. The employees normally assigned to these areas will be asked first. The functional areas are:

Individual production lines – 1,2,3,4, & 5

Tire Machine

Work cell

Friction Wheel

Subassembly

Individual paint lines – 1 & 2

Paint shop

Maintenance Plant #4

Maintenance Plant #1

Toolroom Plant #4

Toolroom Plant #1

Welding Department 6

Service Department 8

Press shop Department 4

Ottawa Warehouse

Kanban area Ottawa Warehouse

MPP – Ottawa Warehouse

Stock crib – Plant #4  
Tool crib – Plant #4  
Tool crib – Plant #1

If the Employer is unable to obtain sufficient employees from those who normally work in the classification and shift in the department, the opportunity will be given to the employees with the least amount of overtime on the shift in the department who are capable, without training, of performing the work to be done. If still unable to obtain sufficient employees Replacement personnel may be used.

If the Employer is still unable to obtain sufficient employees who normally work in the department and shift, the opportunity will be given to the employees with the least amount of overtime on the opposite shift in the classification in the department in which the overtime occurs. If the Employer is unable to obtain sufficient employees from those who normally work in the classification and shift in the department, the opportunity will be given to the employees with the least amount of overtime on the shift in the department who are capable, without training, of performing the work to be done. If still unable to obtain sufficient employees Replacement personnel may be used.

If the Employer is still unable to obtain sufficient employees, the Employer can offer this overtime to the employees with the least amount of overtime on the shift the overtime occurs who are capable without training of performing the work to be done.

**(b)** The Employer agrees to maintain and keep up to date a record of overtime in each department for a period of twelve (12) months and such records will be made available for an employee's inspection. Assigned overtime which an employee could have but fails to work, regardless of the reason, whether due to absence or to refusal or any

other reason, shall be considered as time worked for the purposes of calculating the equality of distribution and charged to the overtime records, based on the number of hours paid, or would have been paid on a weekly basis. Example two (2) hours at time and a half (X 1.5) rate = 3 charged, two (2) hours at double (X 2) rate = 4 charged. However, overtime an employee could have but fails to work will not be considered as time worked for the purposes of calculating the equality of distribution and will not be charged to the overtime records if the overtime is offered after the lunch break on the shift the overtime is available. It is further agreed that a reasonable period of time is allowed to equalize all overtime.

All employees will have up to forty-eight (48) hours from the time the overtime list is posted to notify their Supervisor of any error. If no such notification is made within the forty-eight (48) hour time limit the list will be deemed to be correct and will not be changed.

**(c)** Whenever an employee is transferred, recalled or enters another department, assigned functional area or work classification they shall carry forward their existing overtime hours (worked and credited) to their new classification or work assignment. In the case of skilled classifications, the herein described overtime equalization shall not apply whenever the particular work being performed is a continuation of the particular project previously assigned. In the case of new hires or rehires, they shall receive the average number of overtime hours worked and credited in the classification in the department or work area that they are assigned.

**(d)** An employee who accepts an overtime assignment will be paid at the rate of the job which is performed on overtime regardless of the employee's regular rate of pay during regular hours.

(e) Each January, the Employer will zero all overtime equalization logs.

(f) When overtime is necessary the Employer will give the employees at least ~~two~~ (2) work days notice in advance except where prevented from doing ~~so~~ because of circumstances beyond the control of the Employer. The Employer will advise the Union area representative of the overtime schedule.

## **ARTICLE 9 - LEAVES OF ABSENCE**

**9.01** (a) Any employee who is ill or has sustained a non-industrial injury may apply to the Human Resources Office for a leave of absence for personal illness or injury. The Employer shall grant such leave for a period not to exceed thirty (30) days when the employee's request is supported by a physician's certificate. If such employee was granted a leave of absence prior to September 14, 2003, the leave may be extended for periods not to exceed thirty (30) days and the request for extension or such extensions shall not exceed one (1) year or length of service whichever is greater. Extensions of leaves for on the job injuries cannot exceed length of service.

(b) Effective September 15, 2003, any employee granted a leave of absence under Article 9.01 may have such leave of absence for the period of the employee's length of service up to a maximum of seven (7) years.

**9.02** A formal leave of absence may be granted for personal reasons to employees who have completed sixty (60) calendar days upon application to the Human Resources Office, and provided such employee does not accept employment of any kind while on leave. Such leaves of absence shall not be renewed and shall not exceed thirty (30) days, except that an extension may be granted for valid



reasons. An extension may also be granted whenever, following childbirth, a medical certificate requests such extension due to the health of the newborn.

The employee requesting a leave of absence will complete a Leave of Absence application form.

Leave of Absence applications of one (1) day or less are to be submitted at least ~~two~~ (2) calendar days prior to the day requested off and may be granted by the employee's immediate Supervisor.

Leave of Absence applications greater than 1 day are to be submitted at least one (1) week prior to the day requested Off.

The Supervisor will respond to all Leave of Absence and Vacation requests within 48 hours. If the employee does not receive a response within the time limits the employee may forward the request to the Human Resources Department.

The Supervisor is to forward the Leave of Absence or Vacation request application to the Human Resources office.

Any employee on an authorized Leave of Absence or Vacation for one (1) week (Monday to Friday) or more will not be counted on the Department 5 weekly Leave or Vacation Calendar.

The Employer will notify the Union when any leave of absence exceeds ten (10) worked days.

The Employer shall have the right to refuse the application, among other valid reasons, if the absence of the employee would unduly interfere with the Employer's operations or

for an invalid personal reason. It is understood that the Employer will not exercise its right to refuse a leave of absence in an arbitrary or discriminatory manner.

A personal leave of absence shall be granted, one time only, to an employee convicted under the Highway Traffic Act or Criminal Code for driving offenses. Such leave will be for a maximum of forty-five (45) days. The employee must report their absence(s) as specified in Article 10.03 (5) and personally request such leave.

**9.03** Any non-probationary employee, in the case of pregnancy/parental leave may be granted a Leave of Absence in accordance with ESA as amended, subject to the following conditions:

(a) The employee shall give the Employer ~~two~~ (2) weeks notice in writing, of the day upon which she intends to commence the leave, and a certificate of a duly qualified physician stating that she is pregnant and the estimated date of delivery in the physician's opinion.

(b) Pregnant employees will normally commence maternity leave eleven (11) weeks preceding the estimated date of delivery. An employee may request a shorter leave of absence, supported by a qualified physician, than eleven (11) weeks preceding the estimated date of delivery, but the Employer may require her to commence the leave if the duties of her position cannot be performed by a pregnant woman or the performance of her work is materially affected by the pregnancy, as defined by the Employer. The Employer shall give the employee one (1) week's notice in writing, of the day upon which the leave will commence, if the leave is initiated by the Employer.

(c) An employee may return to work prior to six (6) weeks following the actual date of delivery, by giving the Employer two (2) weeks notice of her intention to do so, and furnishing the Employer with a certificate of a qualified physician stating that she is able to resume her work.

(d) Before returning to work the employee must provide the Employer with a physician's certificate stating that she is fit to return to her normal duties at least five (5) working days prior to the date of return.

The Collective Agreement and the Employment Standards Act will be used together and whatever gives the employee greater rights prevail.

**9.04** Any employee elected or appointed an official of the Union or delegate to any labour union activity necessitating a leave of absence shall be granted leave for such period, without pay, for a period of up to one (1) year, with annual extension privileges, and shall accumulate seniority during said leave as though they had been continuously employed. They shall be entitled to re-employment at the end of such leave on the basis of their then accumulated seniority.

Any employee elected or appointed to any public office of the Municipal, Provincial, or Federal Government shall be granted a leave of absence without pay, for up to one year. Such leave may be renewed each year by mutual agreement.

**9.05** Employee(s) on layoff who have enrolled in any formal education program and are subject to recall during such program will be granted an unpaid leave of absence for the duration of the course not to exceed four (4) months.

**ARTICLE 10 -**  
**SENIORITY, TRANSFER, JOB VACANCIES**  
**AND OTHER RELATED MATTERS**

**10.01** (a) A new employee shall be regarded as a probationary employee during their first sixty (60) calendar days of accumulated employment during the twelve (12) month period following their original hire date. An employee shall receive credit from the first day worked and will continue to be credited for seven (7) days for each full week during which they worked. To acquire seniority on the sixty-first (61st) day, an employee must be at work on that day; if they are not, then another day must be worked to take them out of the probationary period.

(b) Upon completion of the probationary period, the name of the employee shall be added to the appropriate seniority list and their seniority shall relate back to their most recent date of hire. The parties agree that a lesser standard for "just cause" for discharging probationary employees may apply during the probationary period.

(c) The employer shall prepare and post the appropriate seniority list which shows the seniority of each employee in the bargaining unit. This list shall be brought up to date by the Employer once each month. Following layoffs and recalls, the list shall be made current. If no objection is raised to the seniority list within five (5) days after it is posted, it shall be deemed correct for the remainder of the month, except that employees shall have ten (10) days to object to the first seniority list posted. The seniority list shall include the employee's clock number, name, most recent date of hire, job classifications and shall include all employees with seniority status.

(d) When two (2) or more employees attain seniority on the same date, they will be placed in alphabetical order on all seniority lists. The status of their seniority shall not decrease or advance because of a name change.

**10.02** All employee members of the Bargaining Committee, Stewards, Executive Board of the Union and Chairperson of the Union Safety Committee as well as one (1) Safety Committee Representative on the afternoon shift shall head the seniority list during their term of office. The Safety Committee representative will be determined by seniority. i.e. the Safety Committee representative on afternoon shift with the highest seniority. Immediately upon termination of the term of office each member shall return to their original and proper position on the seniority list.

**10.03** (a) An employee's seniority shall be broken for any of the following reasons;

1. The employee quits.
2. The employee is discharged for cause and is not reinstated through the grievance procedure.
3. The employee gives false reason for requesting and receiving a leave of absence.
4. The lapsed time of a layoff exceeds the seniority acquired prior to the layoff, up to a maximum of forty-eight (48) months or as specified in Section 10.03 (b). If the employee has more than four (4) years seniority, the lapsed time of layoff will be forty-eight (48) months.
5. The employee is absent from work three (3) consecutive working days without notification to the Timekeeping or Human Resources Office without a valid reason.
6. The employee is, recalled to work, after layoff, and,

after receipt of notice by certified mail to return to work and mailed to the employee at the last address on the employer's records, and fails to report for work, without a valid excuse, within five (5) full working days.

7. The employee overstays a leave of absence without the consent of the Employer and without good cause.

**(b)** Whenever an employee with one (1) year or less seniority loses their seniority due to layoff and then is rehired within a period not to exceed one hundred and eighty (180) days from when their seniority expired, their seniority gained prior to layoff and the lapsed time of layoff equivalent to seniority earned shall be reinstated.

**10.04** (a) The Employer **does** not have any responsibility for the re-employment of a probationary employee who is laid off during the probationary period. During a reduction in the work force a probationary employee's date of hire shall be the deciding factor in determining their layoff in relation to another employee.

**(b)** The Employer agrees that job security in the event of a temporary reduction of the work force and recalls after temporary layoffs should increase in proportion to the employee's seniority. However, the parties fully agree that for seniority to govern, an employee must have the qualifications, and ability to perform the available work. During these temporary periods of production curtailments which require a reduction of the work force the following applies:

1. For layoffs that do not exceed five (5) work days, an employee may be laid off by seniority within their particular work classification and shift in all departments except;

2. (a) In Departments 1, 5 and 7 where an employee may be laid off without regard to seniority for the balance of the day plus the next scheduled work day. Such temporary layoffs are limited to production curtailments which result from such causes as: machinery breakdown, customer scheduling, lack of material or parts and any other cause beyond the control of the Employer.
- (b) In Departments 1, 5 and 7 for layoffs in excess of the time period specified in Article 10.04(b)(2)(a) above, but not in excess of five (5) work days an employee may be laid off by seniority within their particular work classification and shift in the department.
- (c) When there is a reduction in the work force, the Employer, whenever possible, will give affected employees five (5) work days notice of an impending layoff and will provide, simultaneously, the Committee Chairperson before the employees are notified with the layoff list.

The Employer agrees to the following as it applies to the scheduling of production work during a vacation shutdown period. The Employer will post a notice for volunteers from either shift. Employees will be asked to work by seniority within their classification in their Department first, and then by seniority within the Department.

- (d) When, during the course of a shift an assembly line reduces its crew size, the junior assemblers on that line shall be the first to be reassigned or sent home.

**10.05 (a)** Except as provided in the above section and in cases of a layoff in excess of five (5) work days, employees in the bargaining unit shall be laid off within their respective group of classifications or particular work classification and shift as herein described. For such

purposes of layoff and recall, employees in the following group of classifications and shift shall be considered interchangeable and shall be laid off in line of seniority:

1. Silk Screen
2. General Labourer
3. Assembler
4. Hanging Bay

in the event of a layoff, junior employees in any other classification shall be permitted to displace employees in the above four (4) classifications, seniority permitting, regardless of whether or not they have successfully held such classifications in the past.

Beyond this, employees shall be laid off and recalled within their respective classifications in line with their seniority and shall be permitted to displace employees in other classifications, seniority permitting, provided they have successfully held such classifications in the past.

The parties agree that for the duration of this Agreement, an employee, at their option, may elect to complete a Master Bump Sheet supplied by the Employer. This Master Bump sheet will be submitted in writing to the Human Resources Department (on a triplicate form with 1 copy going to the Chairperson) detailing the classifications and shifts into which they would like to bump. Employees at the time of hire or rehire will be provided a Master Bump Sheet *to* be completed.

An employee may only elect to revise or amend their Master Bump Sheet and submit the New Master Bump Sheet to the Human Resources department two weeks prior to the posted original layoff date. Any employee who fails to submit a revised Master Bump Sheet will only be recalled



to the positions listed on their Master Bump Sheet. Original or revised Master Bump Sheets will be binding on the employee. The Master Bump Sheet or the Revised Master Bump Sheet will be used for all future layoffs and recalls that occur during this Agreement

The parties agree that for the purposes of Article 10, an employee's "home position" is the last permanent posting an employee was awarded and has successfully held.

It is further agreed that during a period of other than a temporary reduction of the work force, that is, in excess of five (5) work days, the Employer shall, without undue delay and not to exceed a maximum of five (5) work days, make the above described adjustments. In cases of layoffs that exceed five (5) work days or when the Employer expects a layoff to exceed such length of time, the Employer agrees to notify the union.

It is further agreed that no probationary employee will be retained following a reduction in the work force, whenever a seniority employee has the qualifications, ability and physical fitness to perform the available work.

For purposes of this article the phrase "successfully held the classification" shall be interpreted to mean:

- (1) periods of time that an employee has previously and satisfactorily performed work as an employee in a given classification on a permanent basis, or
- (2) periods of time that an employee has previously and satisfactorily performed work as an employee in a given classification resulting from a posted temporary vacancy lasting one hundred and sixty (160) worked hours including overtime hours.

The Collective Agreement and the Employment Standards Act will be used together and whatever gives the employees greater rights prevails.

**(b)** It is agreed that application of this seniority policy to employees who normally are assigned modified duty work requires that consideration be given to physical limitations in regard to their job assignments.

**(c)** Notices of recall shall be first made by telephone. If an employee has no telephone by which the Employer can notify them, or if the Employer is unable to contact them at their current telephone number, then the Employer shall notify them by certified mail to the employee's last known address on record with the Employer. It is further agreed that an employee shall notify the Employer of their intention to either accept or reject the recall within twenty-four (24) hours following notification as above described.

**(d)** When a recall is to take place, it is compulsory that the employees displaced return to the classification held prior to layoff. All laid off employees, regardless of seniority, only have recall rights to the classification from which they are displaced and can not remain in a classification into which they have bumped unless through a successful job posting.

**10.06** Any Supervisor and/or any salary position promoted or transferred out of the Bargaining Unit will not accumulate seniority while outside the Bargaining Unit. However, all Supervisors and any salary person presently on staff, will have their accumulated seniority frozen effective September 17, 1983. Any non-supervisory employee assigned to the Bargaining Unit from a position outside the Unit shall accumulate seniority from the day of entry into the Bargaining Unit position. Any Supervisor and/or salary person will not return to the Bargaining Unit unless all Bargaining Unit employees are recalled from layoff.

**10.07 Transfers:** The Employer may temporarily assign employees from one department to another department or to another job classification other than the regularly assigned classification for a short indefinite period not to exceed ten (10) worked days to meet an emergency, to expedite work in the department, or by reason of other conditions necessary to the efficient operation of the plant. The ten (10) days may be extended by mutual agreement. However, no such assignments shall be made for the purpose of discrimination or reducing the rate of pay of an employee. The Employer shall transfer on the basis of the least seniority if the employee is capable of performing the job to be assigned.

Whenever an employee is temporarily assigned under this section, they will be paid the rate of the job classification to which assigned, or the rate of the classification from which assigned, whichever is the higher.

**10.08 Job Vacancies:** (a) When a new job or a job vacancy occurs, the Employer agrees to post notice for the same on the Official Bulletin Board for two (2) working days, exclusive of Fridays, Saturdays, Sundays or holidays. Seniority employees who are interested may apply. The Employer will give applications careful consideration and shall assign on the basis of applicants' relative qualification and ability to do the job and provided further, the employee is able to do the work required. Whenever the qualification and ability of applicants are relatively equal, seniority shall be the determining factor. An employee shall be granted a reasonable (up to one hundred and sixty (160) worked hours including overtime hours) period of time to gain the necessary skills.

Open job classifications as defined in Article 10.05(a) will not be posted.

An employee may submit a written request for a shift preference on an open job classification and/or a change to an open job classification and shift at anytime.

Vacancies for open job classifications will be awarded based on the most senior employee who submitted a written request for the open job classification and shift.

All provisions of Article 10.08 will not apply to vacancies on open job classifications.

**(b)** No probationary employee shall apply for a posted job; however, such an employee may be assigned to a posted job if the job is not successfully bid on by seniority employees.

**(c)** An employee may not receive more than four (4) posted job bids in a twelve (12) month period. These bids will include all permanent and temporary postings but not replacement postings. Any employee accepting a job posting will be expected to honour that acceptance. If the employee does not honour that acceptance it will be charged against his/her job posting quota.

**(d)** The above principles relative to job posting shall also apply to the job vacancy created by a successful job bid. This is understood to mean that only two (2) subsequent job postings will be made as a result of filling the original job vacancy.

**(e)** Any non-probationary employee displaced from a job because of reduction in the work force or leave of absence may request to return to an open job from which last displaced before the job is declared vacant and posted. It is understood the displaced employee, upon initiating such a move, will be assigned the job provided the prior work performance was satisfactory.

**(f)** The successful applicant on permanent postings shall have up to one hundred and sixty (160) worked hours including overtime hours to demonstrate the ability to perform the job and to determine whether they wish to accept the job. Should the employee be unable to perform the job, or declines the job, they will revert to their former classification. It is understood such period of time may be extended by mutual agreement between the Employer and the Union.

**(g)** A temporary job posting is one used to fill a job or jobs for one hundred and sixty (160) regular worked hours or less or to replace employees on approved leave of absence. Extensions may be granted through mutual agreement between the parties. Temporary postings shall not be used to circumvent seniority rights.

**(h)** Any employee who for whatever reason chooses to voluntarily disqualify themselves from a job classification shall be allowed to submit in writing to the Human Resources Manager, after six (6) months from the date of disqualification, a request for removal of the disqualification. Should the Human Resources Manager deny such request for whatever reason, those reasons will be documented in a denial letter with a copy to the employee and Union.

Any employee who for whatever reason was disqualified from a job classification by the Employer may submit in writing to the Human Resources Manager to have their disqualification removed from their record after one (1) year from the date of disqualification. Such a letter must indicate the reasons that the employee feels they are now able to perform the job they were disqualified from. Should the decision not support reinstatement the Human Resources Manager must indicate the reason(s) for denial in writing to the Union. Disputes arising from this process will be reviewed and resolved at the next Union/Management

Committee meeting. The Human Resources Director will advise the affected employee in writing the decision reached.

For those disqualifications that have been removed, the employee will be entitled to post into job vacancies that occur following the official removal of this disqualification or bump into the classification at the time of the next layoff in accordance with Article 10.05 Master Bump Sheet revisions.

(i) This will confirm that during the term of this Collective Agreement, the Employer will offer training to hourly employees on a voluntary basis for **such** job classifications as: 08 Flyte Machine Operator, 10 Automatic Press Operator, 11A Weld Robot Technician, 12 Die Setter, 14A Layout Inspector, 14B Inspector, 21 Job Setter/ Expeditor, 25 Weld Operator, 61 Weld Setup Expeditor.

Classroom and practical training sessions will be posted and employees will be allowed to sign-up for such training sessions. The Employer will determine the number of employees to be trained.

The training will be offered to the most senior applicant provided the employee agrees to become a 'Replacement Worker' and accept 'Temporary Transfers' to the job classification in accordance with Article 10:07 of the Collective Agreement. If the employee fails to commit to such assignments, the training will not be offered to the employee.

Training conducted outside of regularly scheduled hours will be paid at straight time.

Employees who have successfully completed a training program for an above listed job classification, will still be required to post and qualify for the job classification in accordance with the terms of the Collective Agreement.

**10.09** All employees shall be paid their regular rate of pay except for the following:

- (1) Where production is curtailed for the balance of a shift, available work will be offered on a voluntary basis to the production employees, at the rate of the job performed. The seniority employees will be offered the higher paid jobs. Should volunteers not be available, employees will be assigned jobs on the basis of least seniority.
- (2) When any line is downsizing the junior employees on that line will be the first to be reassigned jobs to different lines and/or areas.
- (3) The Employer agrees that on Snowthrower and Lawnmower lines when there will be a change in the crew size either **upsizing** or **downsizing** (i.e. handle panel on snow and back doors on lawn) the lowest seniority employees on the line will be assigned to those areas whenever possible.

## **ARTICLE 11 - HEALTH AND SAFETY**

**11.01** The Employer will continue to provide healthful working conditions and to provide adequate measures and devices relative to safe operations and sanitation.

**11.02** The parties agree that individual complaints with respect to safety, healthful working conditions and sanitation may be processed in the grievance procedure. However, it is agreed that a serious attempt must first be made to resolve the problem or correct the condition with

the immediate Supervisor and a Plant Safety Committee designated by the Union on the first and second shifts. The Safety Committee, herein authorized, shall have the authority to discuss plant safety and sanitation; to review changes in shop policies and rules governing plant safety and sanitation and to request that specific safety or sanitation conditions be inspected jointly with the Employer's designate, whose decision shall be binding and subject to the grievance procedure.

**11.03** The Employer will continue to provide and maintain emergency and dispensary facilities for the treatment of ill and/or injured employees. in the event an employee is injured while on the job and the Employer's attendant or physician advises the employee to quit work for the balance of the day, they shall be compensated by the Employer for the remainder of the scheduled shift (straight time or overtime earnings as applicable). Such injured employee who must later return to the physician for subsequent medical attention will be paid for such required lost time for a maximum of ten (10) revisits.

**11.04** The Employer will continue to meet, on a monthly basis, with the Joint Health & Safety Committee the number of which shall be mutually agreed to. Employees selected to this committee will be selected by the Union.

**11.05** The Employer shall contribute towards the payment by employees of the safety equipment used at work as listed below:

- 1. Safety Shoes** - Maximum allowance once per contract year of -\$90.00 effective September 15, 2003, \$95.00 effective September 12, 2004, \$100.00 effective September 11, 2005.
- 2. Prescription Safety Glasses** - Maximum allowance of \$150.00 every eighteen (18) months.



## ARTICLE 12 - HOLIDAYS

**12.01** (a) The Employer recognizes the following holidays: New Year's Day, the day of *Good* Friday, Queen Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day, Boxing Day, one day (8 hours) before Christmas and one day (8 hours) before New Years and two (2) additional holidays, to be determined by the parties.

Any employee who works on these holiday days will work on a voluntary basis.

All eligible employees will receive double time plus the straight time Holiday Pay for all work performed on any of the above recognized holidays.

(b) Each eligible employee who does not work a recognized holiday will receive eight (8) hours pay at the employee's straight time hourly rate. Paid Holidays for those employees working on four nines (9) and one four (4) will be paid nine (9) hours at straight time hourly rate, and those on four ten straight time hour shifts will be paid at the employees straight time hourly rate for ten (10) hours.

An eligible employee is one who meets all of the following eligibility rules:

1. Has completed sixty (60) calendar days employment except for Statutory Holidays, as altered by the Employment Standards Act.
2. Has worked the last scheduled work day prior to and the next scheduled work day after the holiday, excluding Saturday and Sunday, unless the employee failed to perform such work because of sickness or because of death in the immediate family or because of

similar good cause as mutually agreed. The Employer may request a physician's written certificate in the event of an employee absent without reasonable cause.

3. Eligible employees who have been laid off, or who have taken an approved leave of absence, unless such absence was for a period in excess of fourteen (14) calendar days before the holiday and more than fourteen (14) calendar days following the holiday, except the Christmas and New Year holiday period. In the case of Christmas and New Year holiday pay, employees who worked after September 1<sup>st</sup> in the current calendar year and are recalled within fourteen (14) calendar days following the holidays will be eligible for payment of these holidays.

(c) When a recognized holiday falls within an eligible employee's vacation period, the employee will receive the holiday pay, provided they worked the last scheduled work day before the vacation period and the first scheduled work day after the vacation, except that if notice is first given an employee may extend the vacation period an extra day, without pay, and still receive the holiday pay allowance.

(d) It is agreed that an employee will not be disqualified from holiday pay allowance when late for work the day before or after a recognized holiday unless the employee is late more than two (2) hours.

**12.02** The Christmas Holiday Schedule is as follows:

**FOR 2003**

**DAY SHIFT**

**WEDNESDAY, 24-Dec**

**THURSDAY 25-Dec**

**FRIDAY 26-Dec**

**NIGHT SHIFT**

**MONDAY 22-Dec**

**TUESDAY 23-Dec**

**WEDNESDAY 24-Dec**

MONDAY 29-Dec  
TUESDAY 30-Dec  
WEDNESDAY 31-Dec  
THURSDAY 01-Jan

---

8 DAYS = 64 HOURS PAY  
EXTRA DAY 1 TIME ONLY

THURSDAY 25-Dec  
MONDAY 29-Dec  
TUESDAY 30-Dec  
WEDNESDAY 31-Dec  
THURSDAY 01-Jan

8 DAYS = 80 HOURS PAY  
9 X 4 + 4 AFT =  
72 HOURS PAY

## FOR 2004

### DAY SHIFT

FRIDAY 24-Dec  
MONDAY 27-Dec  
TUESDAY 28-Dec  
WEDNESDAY 29-Dec  
THURSDAY 30-Dec  
FRIDAY 31-Dec  
MONDAY 03-Jan  
7 DAYS = 56 HOURS PAY

### NIGHT SHIFT

WEDNESDAY 22-Dec  
THURSDAY 23-Dec  
MONDAY 26-Dec  
TUESDAY 27-Dec  
WEDNESDAY 28-Dec  
THURSDAY 29-Dec  
MONDAY 03-Jan  
7 DAYS = 70 HOURS PAY  
9 X 4 + 4 AFT =  
63 HOURS PAY

## FOR 2005

### DAY SHIFT

FRIDAY 23-Dec  
MONDAY 26-Dec  
TUESDAY 27-Dec  
WEDNESDAY 28-Dec  
THURSDAY 29-Dec  
FRIDAY 30-Dec  
MONDAY 02-Jan  
7 DAYS = 56 HOURS PAY

### NIGHT SHIFT

WEDNESDAY 22-Dec  
THURSDAY 23-Dec  
MONDAY 26-Dec  
TUESDAY 27-Dec  
WEDNESDAY 28-Dec  
THURSDAY 29-Dec  
MONDAY 02-Jan  
7 DAYS = 70 HOURS PAY  
9 X 4 + 4 AFT =  
63 HOURS PAY

**12.03** Employees regularly assigned to an 8 hour shift will receive a total of 64 hours holiday pay for Christmas 2003, 56 hours in 2004 and 2005; employees on a 9 hour shift will receive a total of 72 hours holiday pay in 2003, 63 hours in 2004 and 2005, and those on a 10 hour shift will receive a total of 80 hours holiday pay in 2003, 70 hours in 2004 and 2005.

## **ARTICLE 13 - VACATIONS**

**13.01 (a)** The following vacation and vacation pay allowance shall be granted to employees. For purposes of this section the vacation period is the twelve (12) month period prior to and ending on June 30th of the vacation year. Total gross earnings (including prior vacation pay), during this period, shall be used in calculating the pay allowance. Vacation pay shall be distributed to eligible employees at the start of the employee's vacation time off unless the Employer is given a minimum two (2) weeks advance notice by the Employee to either pay or hold the additional pay allowance.

**Effective September 15,2003:**

### **Years of Continuous**

<b>Service as of June30</b>	<b>Vacation Allowed</b>	<b>Vacation Pay Allowance</b>
Less than 3 years	2 weeks	4% gross earnings
3 to 5 years	2 weeks	5% gross earnings
5 to 8 years	3 weeks	6% gross earnings
8 to 10 years	3 weeks	7% gross earnings
10 to 15 years	4 weeks	8% gross earnings
15 to 20 years	4 weeks	9% gross earnings
20 to 25 years	5 weeks	10% gross earnings
25 or longer	5 weeks	11% gross earnings

(b) Employees must take their vacation during the official vacation period, unless mutually agreed otherwise. Whenever scheduling permits, an employee may work instead of taking a vacation and still receive the earned vacation pay allowance. It is understood and agreed that the Employer must reserve the right to schedule vacations involving a third or subsequent week. However, it is agreed in such cases every effort will be made to accommodate such employees. Employees who work during the official vacation period will be allowed to take their vacation at another mutually agreed time.

in the event an employee dies, any earned vacation pay allowance shall be paid to the deceased employee's surviving spouse or estate in lieu of.

The employees will be notified of the vacation period by April thirtieth (30<sup>th</sup>) of the vacation year.

It is agreed that vacation pay will be calculated separately from the regular payroll and will be direct deposited separately from regular payroll on a day other than the regular payday.

It is further agreed that in cases where employees have received Workplace Safety and Insurance Board benefits during the year, the vacation pay calculation shall include a credit for forty (40) hours for each week during which such employee received WSIB benefits in addition to total earnings from the Employer, to a maximum of eight (8) weeks credit.

## **ARTICLE 14 - WAGES AND SHIFT PREMIUMS**

**14.01** (a) All non skilled trades employees will receive a thirty-five cent (\$0.35) an hour increase effective September 15, 2003, a thirty cent (\$0.30) an hour increase effective September 12, 2004, and a twenty-five cent (\$0.25) an hour increase effective September 11, 2005. All skilled trades employees will receive a seventy cents (\$0.70) an hour increase effective September 15, 2003, a sixty-five cents (\$0.65) an hour increase effective September 12, 2004 and a sixty cents (\$0.60) an hour increase effective September 11, 2005.

Job classifications and the rate range for each are shown in the Wage Supplement Appendix "A" which forms a part of this agreement.

**(b)** There shall be an afternoon shift and night shift premium of five percent (5%) an hour. For a frozen night shift schedule, there shall be an additional shift premium of ten cents (\$0.10) per hour. For the purpose of computing overtime the shift premium is added to the regular hourly earnings.

## **ARTICLE 15 -WORK STANDARDS**

**15.01** The Employer agrees to establish production rates or work standards as appropriate for all production jobs. These production rates or standards shall be established using a mutually agreed upon and accepted method that will include the stopwatch method.

The Employer, in establishing production rates and work standards, will do so on the basis of fairness and equity in that such rates shall be based on commonly accepted methods and practices. If a standard is established by a time study, it will be indicated as a cycle time.

**15.02** Before the Employer observes or studies any job, new or revised, the employee who works on the job will be notified. It shall be the Employer's responsibility to establish the prescribed method and instruct the employee in the same.

The employee shall be a seniority employee who has adapted to the work and has attained sufficient experience to enable the employee to perform the job. The employee will not be serviced or assisted by anyone other than those whose job it is to service and assist.

**15.03** In setting the cycle time, the Employer will take into account standard allowances for personal relief and other normal delays. Such allowances total sixteen percent (16%) under normal conditions and shall be included in the calculation of all production work standards.

**15.04** After a production rate or work standard has been determined and put into effect by the employer, the production rate or standard can not be changed unless the employer changes the tools, equipment, method, design or material which justifies a revision of the production rate or work standard. Changes in production rates or standards based on previous mathematical or clerical error are accepted, however, such revisions must first be discussed with the Chairperson and Union Timestudy Representative. The elements of each individual operation will be posted on each station.

It is further agreed that only those elements in the work sequence affected by the change shall be revised.

it is further agreed that if an employee, using the prescribed method, decreases the cycle time through their own skill and effort, it will not be interpreted as a change in methods.

A data sheet must be prepared showing the elements affected by the change, the current and revised production rate and standard, and a copy submitted to the Union Time Study Representative.

If the difference is less than five percent (5%), the standard will not change. However, changes will be cumulative and should future element changes, together with past element changes exceed five percent (5%), a change to the standard can occur.

**15.05** Whenever a new or revised production rate or work standard is established, the employer will, on request, review the same with the local union designated Time Study Representative and Chairperson. These representatives shall have the right to represent an aggrieved employee who may question the equity and fairness of the new or revised production rate or standard. Before proceeding further in the grievance procedure, the following will take place:

- (a) the employee shall give the job a fair try
- (b) Employer time study shall re-study the job within five (5) working days
- (c) Union time study shall re-study the job within two (2) working days



This complaint may be submitted to the established grievance procedure within eighty (80) cumulative actual operational hours following the setting and announcement of a new/or revised production rate or standard.

It is fully understood that prior to the employer setting a production rate or a standard to a new job, the Union Timestudy Representative and the Chairperson will be advised. it is also understood that prior to revising an existing standard or production rate, the Union Timestudy Representative and the Chairperson will be notified of the reason for revising the standard or production rate.

**15.06** Should a work standard or production rate complaint be referred to arbitration, it is agreed that the Union and the Employer will agree upon and select an arbitrator with experience and reputation in time study and production rates.

In hearing work standard or production rate grievances, the decision of the arbitrator shall be limited to whether or not the Employer has followed the procedure and system it had established to determine work standards or production rates and/or whether the facts in concern are correct. However, the arbitrator shall have no authority in any way, to alter any operation.

**15.07** Production requirements for operator controlled jobs will be indicated as pieces per hour. The pieces per hour figure will represent one hundred percent (100%) of the rate required on the job. The new one hundred percent (100%) rate reflects the former rate of ninety percent (90%) rate on Automatic Presses and Flyte Machines and the eighty percent (80%) rate on all other production jobs.

## ARTICLE 16 - SKILLED TRADES

**16.01** The purpose of this article is to define classifications, seniority provisions, apprenticeship requirements and all other matters pertaining to the skilled trades classification.

**16.02** The provisions of the Collective Agreement shall apply to all employees in the skilled trades classifications except as altered by the provisions of Article 16.

**16.03** It is understood that the term "Skilled Trades Employee" as referenced in the labour agreement shall mean any person who:

a) Presently holds skilled trades classification, in all classes as defined in Article 16 of the Collective Agreement or an Ontario Certification of Qualification issued by the Ministry of Colleges and Universities: or

b) Has served a bona fide apprenticeship and holds a certificate which substantiates their claim of service; or

c) Holds CAW/UAW Skilled Trades card.

**16.04** Skilled trades include all employees who at the date of the signing of this Agreement, are classified as:

Tool & Die Maker – Class 01, Tool & Die Machinist – Class 02, Tool & Die Apprentice – Class 07, Cutter Grinder – Class 28, Maintenance Mechanic Millwright – Class 44A, Electrician-Maintenance & Construction – Class 44E, Electrician – Maintenance & Construction Apprentice – Class 45, Programmer Machinist – Class 04, Tool & Die Machinist Apprentice – Class 03 and Maintenance Mechanic Millwright Apprentice – Class 43.

**16.05** Entry into the skilled trades shall be governed by the conditions of Article 16.03 or through the apprenticeship program.

**16.06** A newly hired probationary skilled trades employee shall acquire seniority rights in the skilled trades consistent with Article 10.01. In addition the employer shall prepare and post appropriate seniority lists which show the plant wide and skilled trades seniority of each skilled trades employee in the Bargaining Unit.

**16.07** A production employee who is awarded an apprenticeship or who meets the conditions of Article 16.03 and successfully posts into skilled trades classification on or after September 15, 1978 shall have skilled trades seniority from the date of entry into skilled trades classification.

**16.08 (a)** The employer agrees that job security in the event of a reduction of the work force and recalls after layoffs in the skilled trades should increase in proportion to the employee's seniority including apprentices. For such purposes the employees in the skilled trades classification shall be changeable as per skilled trades flow chart. Also a production employee cannot exercise seniority to displace a skilled trades employee. Conversely a skilled trades employee may exercise plant wide seniority to displace a production employee as per flow chart.

**(b)** A skilled trades employee who exercises bumping rights and transferred out of the skilled trades classification into production jobs will continue to accumulate skilled trades seniority.

**(c)** The Employer will recall all apprentices into his/her skilled trade apprenticeship program prior to hiring a journey person into the same skilled trade job.

**16.09** It is agreed that this section does not limit the inclusion of any new skilled trades classifications; nor does it attempt to describe, limit or determine the nature of the work to be performed by employees in a skilled trades classification.

**16.10** At the discretion of the Employer, advanced training may be extended to update understanding and application of technology within the skilled trades when applicable to the work performed within the skilled trades.

**16.11** The Employer and Union agree to co-operate in trying to place a medically unfit tradesperson, who is unable to work in their trade, in a job they are capable of performing in line of seniority. If such employee at some time in the future is medically fit and is recalled back into the skilled trades their skilled trades seniority shall be reinstated.

**16.12** It shall be a condition of employment that all skilled trades employees shall become and remain members in good standing of the CAW Canadian Skilled Trades Council. The Employer agrees to deduct dues as may be authorized by the CAW Canada Skilled Trades Council from all skilled trades employees. Such deductions shall be made at the same time as the regular Union dues and thereafter on an annual basis in the month of January. These deductions along with the names and addresses of the employees from whom such deductions have been made will be remitted to the Financial Secretary of the Local Union.

**16.13** The Employer agrees to the implementation of the apprenticeship program as agreed by the Joint Apprenticeship Committee. It is agreed that the Apprenticeship Committee will meet once every four (4) months. This meeting will be held on the first (1<sup>st</sup>) Wednesday of the fourth (4<sup>th</sup>) month.

**16.14** A skilled trades employee who takes an apprenticeship to another trade after September 15, 2000 shall forfeit previous skilled trades seniority. They will start to accumulate a new skilled trade seniority from the date of entry into the apprenticeship.

**16.15** Supplemental Helpers - A production employee interested in temporary employment as a Supplemental helper will be required to complete an application form obtainable at the Human Resources office indicating all individual qualifications, ability and proven trade related experience. All applications will become cancelled the first day of January of each year. However, an employee who desires to renew their application may do so.

A Supplemental helper shall not accumulate seniority within a skilled trade.

it is understood that during layoff in specific skilled trades classification no Supplemental helper will be utilized.

Supplemental helpers will be utilized during the Summer and Christmas Shutdown periods on a rotational basis from the most senior employee to the most junior employee on a per shutdown basis.

**16.16** The Employer renews its commitment to pay the replacement cost for damaged or broken tools in the same fashion as is established practice. The Employer agrees to provide a tool allowance once per year – effective September 15, 2003 one hundred and twenty dollars (\$120.00), effective September 12, 2004 one hundred and twenty-five dollars (\$125.00) and effective September 11, 2005 one hundred and thirty dollars (\$130.00). Such allowance shall only be paid upon receipt of proof of purchase of a required tool necessary to the performance of an employee's responsibilities.

**16.17** Special circumstances in the Toolroom regarding swing shift overtime hours and new tooling distribution are governed by the Overtime Guidelines in the Skilled Trades Area.

**16.18** The Employer and the Union agree that there will be meaningful discussion between the parties prior to the outsourcing of work normally performed by the Skilled Trades as specified in Article 16.04.

## **ARTICLE 17 - INSURANCE**

**17.01 (a)** The Employer will continue the Life insurance, group hospitalization –medical-surgical-dental plan (including Major Medical) and weekly income (short and long term disability benefits) currently in effect under Manulife (or, if desired, a similar policy with another reputable insurance company of its choice), for each eligible employee and eligible dependents subject to the terms and conditions of the policies and benefit plan as outlined in the Manulife plan document, which forms a part of this Agreement.

Effective September 15, 2003 all new hires and rehires will commence insurance and group benefits coverage upon completion of one hundred and twenty (120) worked days of employment.

**(b)** The Group Life insurance and Accidental Death and Dismemberment Insurance will be increased to \$36,000 effective September 15, 2003, \$37,000 effective September 12, 2004 and to \$38,000.00 effective September 11, 2005 for each employee.

Employees on long term disability shall be eligible to have their medical benefits *continued* for the length of their seniority up to a maximum of three (3) years whichever is less.

Employees with group benefit coverage at the time of layoff shall have their prescription drug, vision care and dental coverage extended for the month in which a layoff occurs and the following month.

**1. Major Medical**

- \$37,000.00 effective January 1, 2004
- \$37,000.00 effective January 1, 2005
- \$38,000.000 effective January 1, 2006

**2. Accidental and Sickness weekly indemnity benefits** will continue to be paid up to a maximum of \$500.00 effective September 15, 2003, then \$500.00 effective September 12, 2004, and then \$510.00 effective September 11, 2005. Indemnity - after present 26 week maximum; a long term disability plan to age sixty-five (65) at 66 2/3% of wages up to \$1400.00 monthly maximum effective September 15, 2003.

**3. Waiver of Life insurance Premium for total and permanent disability prior to age 65.**

**4. Pregnancy - Additional coverage after E.I. maximum.**

**5. Drugs - Continuation of the current \$1.00 deductible on prescription generic drug plan with Physicians approval effective September 15, 2003, \$1.50 effective September 12, 2004 and \$2.00 effective September 11, 2005.**

**6. Vision Care - every 24 months for prescription eyeglasses - \$175.00 effective September 15, 2003 then \$185.00 effective September 12, 2004 and then \$195.00 effective September 11, 2005.**

(c) Dental - Coverage to consist of Plan A and Plan B with payment in accordance with the 2001 Dental Association Schedule of Fees effective January 1, 2002, 2002 Dental Association Schedule of Fees effective January 1, 2003, and finally the 2003 Dental Association Schedule of Fees effective January 1, 2004.

(d) if an employee is required to pay for documentation from a physician in order to satisfy a requirement for proof of illness if requested by the Employer i.e. Dr.'s notes, he/she will be reimbursed up to \$15.00 upon presentation of a receipt for such service. In addition, the Employer will pay up to \$15.00 upon presentation of a receipt for completion of Supplementary forms for Weekly income claims (initial claim form to be paid by the employee) excluding any Long Term Disability claim forms.

## **ARTICLE 18 - RETIREMENT**

**18.01** During the term of this agreement, the Employer will continue in effect its present pension program, as described in the revised Pension Plan booklet issued to Plan participants.

### **(a) Non Skilled Trades**

Effective September 15, 2003 - For all past credited service from 1962 to 2003 and for future credited service the benefit will be thirty-five dollars (\$35.00) per month per year of credited service for non skilled trades employees.

1. It is agreed that the qualifying age and credited service shall apply to all employees regardless of date of hire.
2. It is agreed that the Joint and Survivor Benefit shall be extended to all credited service.



Effective September 12, 2004- For all past credited service from 1962 to 2004 and for future credited service the benefit will be thirty-six dollars and fifty cents (\$36.50) per month per year of credited service for non skilled trades employees.

Effective September 11, 2005 - For all past credited service from 1962 to 2005 and for future credited service the benefit will be thirty-nine dollars and fifty cents (\$39.50) per month per year of credited service for non skilled trades employees.

### **(b) Skilled Trades**

Effective September 15, 2003 - For all past credited service from 1962 to 2003 and for future credited service the benefit will be thirty-five dollars (\$35.00) per month per year of credited service for all skilled trades employees as defined in Article 16.04 of the Collective Agreement.

1. it is agreed that the qualifying age and credited service shall apply to all employees regardless of date of hire.
2. It is agreed that the Joint and Survivor Benefit shall be extended to all credited service.

Effective September 12, 2004- For all past credited service from 1962 to 2004 and for future credited service the benefit will be thirty-seven dollars (\$37.00) per month per year of credited service for all skilled trades employees as defined in Article 16.04 of the Collective Agreement.

Effective September 11, 2005 - For all past credited service from 1962 to 2005 and for future credited service the benefit will be forty one dollars (\$41.00) per month per year of credited Service for all skilled trades employees as defined in Article 16.04 of the Collective Agreement.

## ARTICLE 19 - GENERAL PROVISIONS

**19.01 Reporting Pay:** An employee who is scheduled to work and does report without notification there will be no work for them, shall be given four (4) hours work or four (4) hours pay (at straight time), in lieu thereof, at their regular rate. This requirement shall not apply where the employee was physically incapacitated for work or where they were absent the day before or where work is not available due to conditions beyond the control of the Employer or to a labour dispute.

**19.02 Call-in Pay:** Any employee called back to work outside their regular shift is hereby guaranteed four (4) hours pay at regular rate or four (4) hours work at actual hourly earnings.

**19.03 Jury Duty Pay:** Whenever a non-probationary employee is called to and reports for jury duty or is subpoenaed as a witness, they shall be compensated by the Employer. The amount of compensation received will be the difference between the employee's daily earnings at eight (8) hours computed at the straight time hourly rate and the per diem jury allowance granted by the Court. Employees scheduled on four (4) day-ten (10) hour shifts will be entitled to ten (10) hours pay. The period of compensation shall not, however, exceed a total of thirty (30) calendar days a year. An employee is required to give the Employer prior notice of such call and must present proper evidence as to the duty performed.

**19.04 Bereavement Pay:** In the event of death in the immediate family of a non-probationary employee, the Employer shall grant time off from scheduled work during the normal work week (Monday through Friday) and will receive eight (8) hours pay at the employee's straight time hourly rate, for three (3) scheduled work days. Employees scheduled on four ten (10) hour shifts will be paid at the

employee's straight time hourly rate for ten (10) hours for three (3) scheduled work days. Employees scheduled on four nine (9) hours and one four (4) will be paid at the employees straight time hourly rate for nine (9) hours for three (3) scheduled work days. It is agreed that employees are required to provide proof of death. It is further agreed that the leave day allowance must be taken immediately adjacent to the day of the funeral or memorial service.

The immediate family of the employee includes and is limited to: wife or husband, child, father, mother, sister, brother, mother-in-law, father-in-law, brother-in-law or sister-in-law, grandparent or grandchild, or a step parent or step child of the employee if the step parent or step child previously resided with the employee.

**19.05 Bulletin Boards:** (a) The Employer will provide two (2) Bulletin Boards in each plant (except Department 8 Service) for the sole use of the Union on which to post notices concerning official Union business, e.g., Union elections and results of same, meetings, social functions, appointments and other official Union matters not of a controversial nature. Prior to posting notices in regard to other matters, such notices shall first be reviewed and approved by the Employer. Notices shall be posted only by members of the Bargaining Committee. The Employer will install a publication rack at each Union Office.

Employer agrees to install a Bulletin Board outside the Human Resources office accessible to the laid off employees.

Employer agrees to install a Union Bulletin Board in the Ottawa Warehouse.

(b) An Official Business Bulletin Board will be erected at each time clock. Official Company bulletins and notices, e.g., new rules and regulations, work schedules, and other official business notices, only, are to be posted at these locations. Employees shall have the responsibility of reading and following official posted notices.

**19.06 Supervisory Activity:** The parties agree that production and maintenance work is to be done by production and maintenance employees. However, it is understood that supervisors shall be permitted to perform temporary assignments when production and/or maintenance problems occur on the job and/or absenteeism has caused a temporary shortage of employees. Such temporary authorized assignments may include repairs and adjustments to keep assembly lines or equipment operating. It is further agreed that the same shall be permitted to instruct and show employees how to perform operations and to make samples and assist in testing operations and in the development of operational methods.

**19.07 Reporting Absences:** Whenever an employee knows in advance they expect to be absent from work on a particular day, they are to tell their Supervisor as soon as possible to permit a replacement to be obtained. In all other cases the Timekeeping or Human Resources Office is to be notified before the employee's regular starting time or as soon thereafter as possible. In reporting such absences, the employee must ascertain the person to whom the notification was given. The Employer will record reports of absenteeism.

**19.08 Paid Educational leave:** The Employer agrees to pay into a special fund two cents (\$0.02) effective September 15, 2003, per hour per employee for all regular hours worked by each employee, Monday through Friday, but excluding all overtime hours worked and all non-worked time for which employees may be compensated, such as for

vacation, holiday, industrial injury leave pay, and any other non-worked time. The fund created will be used for the purpose of upgrading the employee's skills in all aspects of Trade Union Functions. Such monies to be paid on a quarterly basis into a trust fund established by the National Union C.A.W. The Employer further agrees that members of the bargaining unit, selected by the Union to attend such courses, will be granted a leave of absence without pay for twenty-one (21) days of class time, plus travel time where necessary. Said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Employees on paid leave of absence will continue to accrue seniority and benefits during such leave.

**19.09** It is understood and agreed that all letters do form part of this Collective Agreement.

## **ARTICLE 20 - DURATION OF AGREEMENT**

**20.01 (a)** This Agreement shall become effective on the date hereof and shall remain in full force and effect until midnight, September 14, 2006 and shall automatically renew itself unless written notice to terminate or modify the Agreement is given by either party to the other within ninety (90) days prior to any renewal or expiration date. It is understood that a notice of the desire to modify shall have the same effect as a notice of desire to terminate the entire Agreement.

**(b)** Within fifteen (15) days from receipt of such notice, the Employer and the Union shall commence negotiations.

**20.02** The parties pledge to give full effect to the terms of this Agreement and to that end the Employer shall give notice of the existence of this Agreement to any purchaser,

transferee, lessee, assignee, or the like. Such notice shall be in writing and a copy of the same shall be sent certified mail to the Local Union.

**20.03** This Agreement, together with the Letters of Understanding in the back of the Agreement, and herein incorporated by reference, represents the complete understanding and agreement of the parties. Therefore, during the term of this Agreement, neither the Employer nor the Union shall be obligated to bargain collectively on any additions to or subtractions from nor modifications to this Agreement or on matters not included in this Agreement. IN WITNESS WHEREOF, the undersigned Representatives of the NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW-CANADA), LOCAL UNION NO. 1524 and the undersigned Employer do hereunto affix their hands at Kitchener, Ontario, Canada this 14th day of September 2003.

#### **MTD PRODUCTS LIMITED**

Jim Leary  
Corporate Human Resources Director

Regis Dauk  
Corporate Vice-president- Human Resources

Ken Noakes  
Vice-president, Manufacturing

Susan Kolmel  
Manager, Human Resources

Ray Baldin  
Director, Human Resources

**NATIONAL AUTOMOBILE, AEROSPACE TRANSPORT  
AND GENERAL WORKERS UNION OF CANADA, CAW,  
LOCAL UNION NO. 1524**

**Russ Barker**  
Chairperson of Bargaining Committee

**Randy Dorscht**  
Committee Member

**Allan O'Halligan**  
Committee Member

**Paul Gravelle**  
Committee Member

**Wayne Zettler**  
Committee Member

**Dave Bailey**  
President, Local No. 1524

## APPENDIX A

### JOB CLASSIFICATIONS AND WAGE RATES

<u>DEPT</u>	<u>CLASS CLASSIFICATION</u>	<u>SEPT. 15/03</u>	<u>SEPT. 15/2003</u>	<u>SEPT. 12/2004</u>	<u>SEPT. 12/2004</u>	<u>SEPT. 11/2005</u>	<u>SEPT. 11/2005</u>
		<u>BABE RATE</u>	<u>TOP RATE</u>	<u>BASE RATE</u>	<u>TOP RATE</u>	<u>BASE RATE</u>	<u>TOP RATE</u>
1	01 TOOL & DIE MAKER	\$ 26.35	\$ 26.90	\$ 27.00	\$ 27.55	\$ 27.80	\$ 28.15
1	02 TOOL & DIE MACHINIST	\$ 25.80	\$ 26.15	\$ 26.45	\$ 26.80	\$ 27.05	\$ 27.40
1	03 TOOL & DIE MACHAPPR	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE
1	04 PROGRAMMER MACHINIST	\$ 26.55	\$ 26.90	\$ 27.20	\$ 27.55	\$ 27.80	\$ 28.15
1	06 TOOL CRIB ATTENDANT	\$ 18.20	\$ 18.35	\$ 18.50	\$ 18.65	\$ 18.75	\$ 18.90
1	07 TOOL & DIE APPRENTICE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE
4	08 FLYTE MACHINE OPERATOR	\$ 19.75	\$ 20.10	\$ 20.05	\$ 20.40	\$ 20.30	\$ 20.65
4	08A FLYTE MACHINE/AUTO HELP	\$ 19.01	\$ 19.36	\$ 19.31	\$ 19.66	\$ 19.56	\$ 19.91
4	09 PRESSOPERATOR	\$ 18.55	\$ 18.70	\$ 18.85	\$ 19.00	\$ 19.10	\$ 19.25
4	10 AUTOMATIC PRESS OPER.	\$ 19.75	\$ 20.10	\$ 20.05	\$ 20.40	\$ 20.30	\$ 20.65
6	11A WELD ROBOT TECHNICIAN	\$ 19.75	\$ 20.10	\$ 20.05	\$ 20.40	\$ 20.30	\$ 20.65
4	12 DIE SETTER	\$ 18.95	\$ 19.30	\$ 19.25	\$ 19.60	\$ 19.50	\$ 19.85
4	12A DIE SETTER-AUTO	\$ 19.75	\$ 19.75	\$ 20.05	\$ 20.05	\$ 20.30	\$ 20.30
7	14A LAYOUT INSPECTOR	\$ 18.95	\$ 19.30	\$ 19.25	\$ 19.60	\$ 19.50	\$ 19.85
7	14B INSPECTOR	\$ 18.50	\$ 18.70	\$ 18.80	\$ 19.00	\$ 19.05	\$ 19.25
ALL	15 LIFT TRUCK	\$ 18.55	\$ 18.70	\$ 18.85	\$ 19.00	\$ 19.10	\$ 19.25
ALL	17B TRUCK DRIVER TRACTOR	\$ 18.30	\$ 18.50	\$ 18.60	\$ 18.80	\$ 18.85	\$ 19.05
7	18 RECEIVING INSPECTOR	\$ 18.50	\$ 18.70	\$ 18.80	\$ 19.00	\$ 19.05	\$ 19.25
5	19 OVER ABOVE JOBSET/EXP	\$ 18.95	\$ 19.15	\$ 19.25	\$ 19.45	\$ 19.50	\$ 19.70
5	21 JOBSETTER/EXPEDITOR	\$ 18.95	\$ 19.15	\$ 19.25	\$ 19.45	\$ 19.50	\$ 19.70
ALL	23 RECEIVE/SHIPPING CLERK	\$ 18.45	\$ 18.50	\$ 18.75	\$ 18.80	\$ 19.00	\$ 19.05
6	25 WELD OPERATOR	\$ 18.50	\$ 18.70	\$ 18.80	\$ 19.00	\$ 19.05	\$ 19.25
6	25A WELD OPERATOR - HELMET	\$ 19.05	\$ 19.25	\$ 19.35	\$ 19.55	\$ 19.60	\$ 19.80



APPENDIX A

JOBCLASSIFICATIONS AND WAGE RATES

DEPT.	CLASS	CLASSIFICATION	SEPT. 16/03	SEPT. 15/2003	SEPT. 12/2004	SEPT. 12/2004	SEPT. 11/2005	SEPT. 11/2005
			BASE RATE	TOP RATE	BASE RATE	TOP RATE	BASE RATE	TOP RATE
1	28	CUTTER GRINDER	\$ 25.80	\$ 26.15	\$ 26.45	\$ 26.80	\$ 27.05	\$ 27.40
5	32	JOBSETTER/EXP. PAINTLINES	\$ 18.95	\$ 19.15	\$ 19.25	\$ 19.45	\$ 19.50	\$ 19.70
5	33	HANGING BAY- HOOK HANGER	\$ 17.99	\$ 18.04	\$ 18.29	\$ 18.34	\$ 18.54	\$ 18.59
5	34	ASSEMBLER	\$ 17.99	\$ 18.04	\$ 18.29	\$ 18.34	\$ 18.54	\$ 18.59
5	35	SILK SCREEN OPERATOR	\$ 18.10	\$ 18.15	\$ 18.40	\$ 18.45	\$ 18.65	\$ 18.70
5	37	REWORK EXPEDITOR	\$ 18.30	\$ 18.50	\$ 18.60	\$ 18.80	\$ 18.85	\$ 18.05
5	38A	UTILITY SPRAY PAINTER	\$ 18.65	\$ 18.85	\$ 18.95	\$ 19.15	\$ 19.20	\$ 19.40
5	38B	SPRAYPAINTER	\$ 18.30	\$ 18.50	\$ 18.60	\$ 18.80	\$ 18.85	\$ 18.05
7	39	AUDIT INSPECTOR	\$ 18.10	\$ 18.15	\$ 18.40	\$ 18.45	\$ 18.65	\$ 18.70
	41	PAINTLINE SANDER	\$ 17.99	\$ 18.04	\$ 18.29	\$ 18.34	\$ 18.54	\$ 18.59
5	42	HANGING BAY	\$ 17.99	\$ 18.04	\$ 18.29	\$ 18.34	\$ 18.54	\$ 18.59
9	43	MAINT. IND. MECH MILL APPR.	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE
9	44A	MAINT-IND MECH MILLWRIGHT	\$ 25.80	\$ 26.15	\$ 26.45	\$ 26.80	\$ 27.05	\$ 27.40
5	44C	MAINT- LINE MAINT	\$ 18.45	\$ 18.80	\$ 18.75	\$ 19.10	\$ 19.00	\$ 19.35
9	44D	MAINTENANCE-HELPER	\$ 17.59	\$ 18.04	\$ 17.89	\$ 18.34	\$ 18.14	\$ 18.59
9	44E	ELECTRICIAN MAINT. & CONST.	\$ 26.35	\$ 26.90	\$ 27.00	\$ 27.55	\$ 27.60	\$ 28.15
9	44S	MAINT- SUPPLEMENTAL	\$ 18.95	\$ 19.30	\$ 19.25	\$ 19.60	\$ 19.50	\$ 19.85
9	45	ELECTR. MAINT & CONS APPR	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE	SEE SCHEDULE
ALL	46	GENERALLABOURER	\$ 16.93	\$ 16.98	\$ 17.23	\$ 17.28	\$ 17.48	\$ 17.53
5	47A	INVENTORY CLERK	\$ 18.30	\$ 18.50	\$ 18.60	\$ 18.80	\$ 18.85	\$ 19.05
5	48B	PROD'N HARD CRIB/ASSY	\$ 18.10	\$ 18.15	\$ 18.40	\$ 18.45	\$ 18.65	\$ 18.70
ALL	59	SR. RECEIVER SHIPPER	\$ 18.50	\$ 18.70	\$ 18.80	\$ 19.00	\$ 19.05	\$ 19.25
6	61	WELDSETUPEXPEDITOR	\$ 19.10	\$ 19.30	\$ 19.40	\$ 19.60	\$ 19.65	\$ 19.85

**APPENDIX A**

**JOB CLASSIFICATIONS AND WAGE RATES**

<b>DEPT.</b>	<b>CLASS CLASSIFICATION</b>	<b>SEPT. 16/09</b>	<b>SEPT. 15/2003</b>	<b>SEPT. 12/2004</b>	<b>SEPT. 12/2004</b>	<b>SEPT. 11/2005</b>	<b>SEPT. 11/2005</b>
		<b>BASE RATE</b>	<b>TOP RATE</b>	<b>BASE RATE</b>	<b>TOP RATE</b>	<b>BASE RATE</b>	<b>TOP RATE</b>
8	71 STOCK CLERK	\$ 17.63	\$ 17.68	\$ 17.93	\$ 17.98	\$ 18.18	\$ 18.23
8	72 SHIP/RECEIVER SERVICE	\$ 18.45	\$ 18.50	\$ 18.75	\$ 18.80	\$ 19.00	\$ 19.05

WAGES FOR NEW HIRES & REHIRES **WILL** BE 80% OF STARTING BASE RATE **DURING** THE 1<sup>st</sup> 240 WORKED DAYS AND THEN 90% OF BASE RATE FOR THE FOLLOWING 240 WORKED DAYS FOR NON-SKILLED TRADES EMPLOYEES.

59

PROGRESSION OF WAGE SPREADS (From Base to Top Rate)

- 1<sup>st</sup> CHANGE 30 DAYS - \$0.05
- 2<sup>nd</sup> CHANGE 45 DAYS - \$0.10 minimum
- 3<sup>rd</sup> CHANGE 45 DAYS - \$0.10 minimum
- 4<sup>th</sup> CHANGE 45 DAYS - \$0.10 minimum
- 5<sup>th</sup> CHANGE 45 DAYS - \$0.10 minimum
- 6<sup>th</sup> CHANGE 45 DAYS - \$0.10 minimum

This method to be used until wage spread has reached the top rate in the classification. Merit recommendation can supersede regular increases.

APPENDIX "B"

TOOL AND DIE MAKER APPRENTICE CLASS 07 HOURLY RATE SCHEDULE

09

PERCENTAGE	60%	62%	66%	70%	74%	78%	82%	90%	96%	100%
HOURS	0 TO 1000	1001 TO 2000	2001 TO 3000	3001 TO 4000	4001 TO 5000	5001 TO 6000	6001 TO 7000	7001 TO 8000	8001 9000	9000+
SEP 15/2003	\$15.81	\$16.34	\$17.39	\$18.45	\$19.50	\$20.55	\$21.61	\$23.72	\$25.30	\$26.35
SEP 12/2004	\$16.20	\$16.74	\$17.82	\$18.90	\$19.98	\$21.06	\$22.14	\$24.30	\$25.92	\$27.00
SEP 11/2005	\$16.56	\$17.11	\$18.22	\$19.32	\$20.42	\$21.53	\$22.63	\$24.84	\$26.50	\$27.60

**APPENDIX "B"**

**TOOL AND DIE MACHINIST APPRENTICE CLASS 03 HOURLY RATE SCHEDULE**

<b>PERCENTAGE</b>	<b>60%</b>	<b>64%</b>	<b>68%</b>	<b>74%</b>	<b>80%</b>	<b>86%</b>	<b>92%</b>	<b>100%</b>
<b>HOURS</b>	0 TO 1000	1001 TO 2000	2001 TO 3000	3001 TO 4000	4001 TO 5000	5001 TO 6000	6001 TO 7000	AFTER 7000
<b>EFFECTIVE SEP 15/2003</b>	\$15.48	\$16.51	\$17.54	\$19.09	\$20.64	\$22.19	\$23.74	\$25.80
<b>SEP 12/2004</b>	\$15.87	\$16.93	\$17.99	\$19.57	\$21.16	\$22.75	\$24.33	\$26.45
<b>SEP 11/2005</b>	\$16.23	\$17.31	\$18.39	\$20.02	\$21.64	\$23.26	\$24.89	\$27.05

**APPENDIX "B"**

**MILLWRIGHT APPRENTICE CLASS 43 HOURLY RATE SCHEDULE**

62

<b>PERCENTAGE</b>	<b>60%</b>	<b>65%</b>	<b>70%</b>	<b>75%</b>	<b>80%</b>	<b>85%</b>	<b>90%</b>	<b>95%</b>	<b>97%</b>	<b>100%</b>
<b>HOURS</b>	0 TO 1000	1001 TO 2000	2001 TO 3000	3001 TO 4000	4001 TO 5000	5001 TO 6000	6001 TO 7000	7001 TO 8000	8001 TO 9000	AFTER 9000
<b>EFFECTIVE SEP 15/2003</b>	\$15.48	\$16.77	\$18.06	\$19.35	\$20.64	\$21.93	\$23.22	\$24.51	\$25.03	\$25.80
<b>SEP 12/2004</b>	\$15.87	\$17.19	\$18.52	\$19.84	\$21.16	\$22.48	\$23.81	\$25.13	\$25.66	\$26.45
<b>SEP 11/2005</b>	\$16.23	\$17.58	\$18.94	\$20.29	\$21.64	\$22.99	\$24.35	\$25.70	\$26.24	\$27.05

## LETTERS OF UNDERSTANDING

The following letters represent an understanding and agreement by the Parties in regard to the various matters. It is their pledge to give full force and effect to each of the subject matters covered.

### LETTER #1

### Credit Union

The parties have agreed during negotiations that the Employer will make authorized payroll deductions for the purpose of enabling interested non-probationary employees to enroll in the selected Credit Union. The Employer's sole obligation will be to make the deductions and to remit all monies for the individual savings accounts to the Credit Union.

It is fully understood and agreed that the following requirements must be met:

1. Once an employee authorizes a deduction and later ceases participation they may not rejoin the Plan for six (6) months.
2. Interested employees shall have the responsibility of enrolling themselves and transmitting from the Credit Union the deduction authorization to the Employer.
3. Individual payroll deductions must be made weekly and must be a uniform amount.
4. No partial deduction will be made if the payroll check is insufficient to enable the full authorized deduction.
5. Participants may increase or decrease the authorized deduction once each three (3) months.

6. The Employer will make the authorized deduction weekly, and forward the same to the Credit Union.
7. The Credit Union shall have the responsibility of Plan administration and it, together with the participating employee and the Union, shall indemnify and save the Employer harmless from any claims, suits, judgements, attachments and any form of liability which may develop out of such deductions once the monies have been remitted to the Credit Union.

## **LETTER #2**

## **Toolroom Rotation**

During the course of these negotiations the parties agreed that it would be advantageous to resume a partial shift rotation schedule in the Tool Room, according to the following conditions:

- 1) employees affected are those in classifications 01 (Tool Maker), and 07 (Tool Maker Apprentice). Employees in the 07 classification will receive special consideration if on a "day release" training schedule.
- 2) employees affected will be required to rotate on a schedule such that no more than two (2) weeks in any consecutive fourteen (14) week period will be assigned to night shift (ie. a 2 weeks nights and 12 weeks days schedule).

## **LETTER #3**

## **Working Conditions**

The Employer and the Union agree that during the summer months there are some days in which the temperature and humidity in the plants rises to a level that is quite high and causes considerable discomfort.

The combination of temperature and humidity will initiate an action by the Employer. To simplify, three types of action may be taken:

1. To initiate free vending of cold drinks during break periods the Humidex reading must be 30 or higher.
2. To initiate an extra break with vending of cold drinks during break periods the Humidex reading must be 34 or higher.
3. To curtail the plant operations, in part or complete, this action will be at the discretion of the Employer, however, the Employer will discuss fully with the Bargaining committee.

All readings will be based on information received daily from Environment Canada at (519) 658-5442 and/or The Weather Network for Kitchener on the internet.

Humidex readings will be taken at 1:00 pm and 4:00 pm. The result of such readings may have the effect of the day shift having an extra break and/or free vend when the afternoon shift may not, based on the Humidex reading, and vice versa.

The Employer will request that an extra break (if initiated) will be taken by employees in an air-conditioned environment

## **LETTER #4**

## **New and Revised Work Classifications & Assigned Wage Rates**

When the Employer establishes a new, or revised work classification the Employer will discuss the basis upon which such changes have to be established with the Bargaining Committee. if there is no agreement with respect



to such new, split or revised work classification and or rate of pay a Union policy grievance may be filed in accordance with Articles 2.01 and 7.00 of the Collective Agreement.

**LETTER #5                      Policy to Cover Urgent Call-Back  
During Short Term Layoff**

This policy must be followed 100%, so we can handle all situations in a uniform manner.

- a. Phone calls as laid down in our contract in Article 10.05 (c) will be our basis of communication.
- b. This will be as laid down for seniority call back (to obtain number required for start up).
- c. Any person who is not contacted the initial day of the phone calls will be contacted after hours or the next day.
- d. Times of all calls will be recorded.
- e. Upon contact, party must give firm answer as to their return as requested.
- f. At this point, if these employees would mean an overstaffing situation, then in accordance of seniority, staff will be reduced from this group.
- g. All other situations will be handled as laid down in article 10.05 (c) with registered letters if contact is not made by telephone.

If at any time a situation arises that is not covered by the above, the Human Resources Office will be contacted for further direction.

## LETTER #6

## Union Security and Check-Off

All present signed employees will be required to remain members of the Union as a condition of employment for the duration of this Agreement.

All newly hired employees will be required to sign a Union "Special Official Application for Membership" card form A5758 supplied by the Union. Upon completion of the probationary period the card will be effective and the initiation fee will be deducted, and the member will be required to become and remain a member of the Union as a condition of employment for the duration of this Agreement. The Union's copy of the application will accompany the check-off list on which the deduction was made.

The Union dues shall be the amount equivalent to ~~two~~ (2) hours and 20 minutes pay at straight time rate pay per month, excluding shift premium, overtime premium, Saturday, Sunday and Holiday premium.

Any member who has not worked forty (40) hours, by reason of not having been scheduled to work forty (40) hours, or received benefits in lieu of work equivalent ~~to~~ forty (40) hours pay, within any calendar month shall be entitled to exemption of payment of regular monthly dues.

Benefits in lieu of work shall include the following: vacation pay, holiday pay, jury duty pay, bereavement pay, and paid absence allowance, but shall not include the following: pension benefits, sick and accident benefits, and Workers' Compensation.

The monthly check-off will include the following: badge number, name, seniority date and amount of dues paid. Upon request an updated list of addresses, and telephone numbers will be forwarded to the Financial Secretary of the Local.

The Employer agrees to include on an employee's T-4 slip for income tax purposes, the total Union dues paid for the year excluding any initiation fees.

The Union will notify the Employer in writing two (2) weeks in advance of the relevant month of any changes in the monthly deductions to be made.

A list of the total number of seniority employees along with all sums deducted as above shall be remitted by the Employer to the Financial Secretary of the Local Union by the 15th of the month following the end of the month in which the deductions were made.

The recording in the books of the Employer of the amounts so deducted shall constitute such amounts as monies held by the Employer in trust for the Union.

## **LETTER #7                      Role of local Union President**

This letter of understanding will confirm our agreement in regard to the role of the Local Union President in the administration of our Collective Agreement.

The parties agree that the Local President serve as an alternate to the National Representative whenever the latter is unavoidably unavailable and the National Representative, upon reviewing a prevailing problem and upon determining it to be of such a nature it cannot await their

"on-the-scene" attention, then notifies the Employer Official or a designated representative that they authorize the Local President to serve as their alternate.

Again we take this opportunity to express our mutual desire and intent to foster and develop a harmonious and favourable working relationship to assure continuing success that we may continue to share the benefits of our mutual opportunities.

## **LETTER #8** **Hours of Work and Overtime**

This is to confirm the agreement between the parties that the Employer will discuss with the Bargaining Committee possible alternatives with respect to overtime schedules, including starting time of shifts. It is understood that the final decision rests with the Employer; however, the Employer will in good faith consider and fairly weigh alternatives posed by the Committee.

## **LETTER #9** **New Technology**

Technological change means the introduction by the Employer of equipment, work methods, organization, processes or operations significantly different in nature, type, or quantity from that previously utilized by the Employer which the Employer anticipates will require an employee to acquire new occupational skills or render obsolete their present occupational skills or cause removal from employee's present classification.

The Employer will notify the Union of any technological change prior to the implementation of such changes.

Should the issue of technological change arise, the Employer agrees to meet with the Union to have informative and meaningful discussions relative to the impact of these changes to the plant and employees.

## **LETTER #10**

## **Ergonomics/Job Rotation**

The Parties agree that job rotation would be beneficial for ergonomics purposes. Upon ratification of this agreement, the parties agree to continue a joint committee. The Employer and the Union recognize the need to address a mutual concern for potential work related injuries resulting from poor workstation arrangements and/or improper work habits. The Committee will be responsible for establishing, conducting and implementing procedures and recommendations that will improve the work environment as it relates to ergonomic issues. The intention will be to improve the work environment and worker health.

Within one month after ratification of this Collective Agreement the parties agree that a mutually agreed upon schedule of rotation patterns will be set up on every assembly line for all employees to see. It is agreed that rotation will take place everyday after each shifts regularly scheduled lunch break. This will be the only rotation taking place everyday. if an employee is absent the employee replacing that employee will be rotated along with the other members of that group. Everyone rotates every time.

A meeting of the Ergo/Rotation Committee will be scheduled as required by mutual agreement. The Committee members for the Union will be Russ Barker and Paul Gravelle, and for Assembly, Al O'Halligan and for Press Shop, Wayne Zettler.

## **LETTER #11**

## **Health and Safety**

The functions of the Safety Committee representatives will be as follows:

Meet at least once per month or more frequently as mutually agreed upon, to review health and safety conditions within the plant and to make recommendations as are deemed necessary or desirable.

Make monthly inspections of the plant with the Employer's Health & Safety representatives to ensure there is a safe, healthful and sanitary working environment. It is further agreed that the Plant Chairperson will attend the meeting at his discretion.

For purposes of making safety and health inspections, the National Union Safety and Health staff representatives will, with advance notice, have access to plant and locations where members of the Union are employed.

Receive prompt notification of any fatalities or serious injuries resulting from work related accidents and in addition to be informed of major accidents that did not result in serious injury but indicate a high potential for such.

Receive all Accident reports covered in above.

Review, recommend and participate in the development of plant safety education and information programs and employee job related safety training programs.

The Employer will continue to monitor and measure noise, carbon monoxide and airflow and the results of such measurements will be posted and reviewed at the applicable monthly safety meeting.

When the conditions in the plant indicate it is necessary to conduct various tests, the results of such tests will be made known as per the previous paragraph.

Accompany Government Health and Safety Inspectors as requested by the Union and receive a copy of any orders issued by the Government inspectors as a result of such inspection.

In addition to the Joint Health and Safety Meetings referred to above, at the request of either party, the joint committee will conduct special meetings at a mutually agreeable time to review other safety matters such as:

1. Chemical data sheets and any problems that may arise in the use of chemicals in the plant
2. Accident Investigation Reports for the purpose of developing recommendations to prevent similar accidents from occurring.

Safety Committee members will receive a status report on all outstanding safety related suggestions, directives, and maintenance work orders at each monthly meeting.

The Employer will continue as in the past to provide at no cost to the employees necessary protective equipment and/or devices.

The Employer agrees to provide adequate medical facilities and to staff these facilities with competent personnel.

The Employer will provide to employees who are exposed to potentially harmful agents or toxic materials, at no cost to them, those medical services which are required by law and are necessary.

No employee will be disciplined in the event that they have complied with The Occupational Health and Safety Act, as of January 1, 1996.

Health and Safety in the Plant will be applied as per Ontario Occupational Health and Safety Act in force as of January 1, 1996.

The Employer shall ensure that all employees are informed that they have the right to refuse work which may harm them or any person and that signs are posted in the workplace advising of this right.

If an employee exercises his right to refuse he/she shall notify his supervisor, who then will notify a Union member of the Health and Safety Committee. They shall stand by in a safe place and participate fully in the investigation of the hazard.

The Union Co-Chairperson or his designate shall fully participate in the investigation at every stage and may recommend a solution to the problem.

The Employer shall repair, or cause to be repaired without cost to the employee approved prescription safety glasses that are accidentally damaged during the course of their employment.

In accordance with the Occupational Health and Safety Act an effective lockout/tagout program must exist and all employees required to lockout/tagout machinery, equipment or systems shall receive appropriate training. A lockout/tagout program will continue to exist and will be reviewed by the Joint Health and Safety Committee as required.



The Health and Safety booklet of rules and regulations will be part of this agreement and any changes and or additions will be done by mutual agreement.

All members of the Joint Health and Safety Committee will be trained in order that they can hold "certified worker" status.

Any employee that is required to operate a forklift truck as a part of their normal job requirement will attend a forklift training course.

An official Health and Safety Complaint form, and procedures for using such, will be developed by the Joint Health and Safety Committee as a means of handling employee concerns that are raised.

## **LETTER #12**

## **Service Department Staffing**

The Employer and the Union recognize the need to create a predetermined schedule for summer hours in the Service Department. The Employer will determine the number of employees required to work each Friday afternoon during the Summer Hours period. Employees will be required to sign up for these periods in order of seniority, with the most senior employees having first choice and the junior last. Choices will be made no later than two (2) weeks prior to the commencement of the Summer hours period. The final schedule will be posted in the Service Department. Schedule changes will only be allowed by mutual agreement between employees and notification to Supervisor, provided such change does not result in any incremental overtime payment.

**LETTER #13****Pay Continuation While on  
Approved Union leave of Absence**

The following procedure will be applied for the payment and reimbursement of employees on authorized Union leaves of absence.

1. The President of Local 1524 or the Plant Chairperson MTD Unit Local 1524 or his/her designated representative will authorize Union Leaves of Absence to be paid by the Employer on behalf of the Local Union on a form supplied by the Employer.
2. The Employer will invoice CAW Local 1524 on a monthly basis for the reimbursement of all monies paid to employees authorized for such leaves. Vacation pay and any contributions i.e. CPP, EI, etc will be paid by the Employer and not included in the monthly billing to CAW Local 1524.
3. All billings are payable by CAW Local 1524 to MTD Products Limited upon receipt.
4. Any employee on leave of absence authorized as above will be paid for their lost time at their regular hourly rate of pay.
5. Should CAW Local 1524 be unable to comply with the terms of this pay continuation agreement as regards reimbursement for monies owing, the Employer shall reserve the right to terminate this agreement.

**LETTER #14****Classifications**

The Parties agree that it is beneficial to have replacement personnel designated for certain job classifications.

**LETTER #15****Modified Work/Duty to  
Accommodate**

The Employer and the Union recognize the Duty to Accommodate as per the Ontario Human Rights Code and the Workplace Safety and Insurance Act. Where it becomes necessary to accommodate an employee with restrictions as a result of workplace injuries, a job will be identified by the Employer and will be modified if possible to suit the restrictions. The Chairperson will be advised of bargaining unit employees who are accommodated in accordance with this provision.

If issues or disputes arise regarding suitable job placement, the Chairperson will be advised of the accommodation and be involved if required in discussions involving the Workplace Safety and Insurance Board personnel and ergonomic specialist to resolve the issue.

**LETTER #16****Summer Hours**

The Union and the Employer agree to implement a Summer Hour schedule each year starting the first week of June and finishing the last long weekend in September.

**LETTER #17****Attendance Incentive Program**

Effective October 1<sup>st</sup> 2003, the Employer will implement an Attendance Incentive Program in order to improve our productivity and reward employees for good attendance.

For our operations to run effectively and efficiently, we depend on our co-workers to be present for work as scheduled. The greatest responsibility for each employee is to come to work regularly and on time. Even the most skillful employee is of little value if she/he cannot be

counted on when needed to get the job done. Sometimes circumstances do arise which makes being absent or late for work unavoidable. Excessive or repeated absenteeism or tardiness however is not fair to co-workers and therefore, will not be accepted.

### **Incentive Computation**

Effective October 1<sup>st</sup> 2003, each active employee will receive a total of 40 hours towards the attendance incentive. Employees not active for a full 12 months in year one of the program will receive a prorated number of hours based on the number of hours worked between October 1<sup>st</sup> 2003 to September 30<sup>th</sup> 2004.

Effective October 1<sup>st</sup> 2004 and October 1<sup>st</sup> 2005, the hours of the attendance incentive will be calculated by taking 2% of the employee's previous years actual hours worked including straight time overtime hours.

Employees who are late and/or miss scheduled work time will have these hours deducted from their incentive opportunity of 40 hours. Any partial hours missed will be rounded up to the next full hour.

Deduction exclusions will include the following contractual allowed absences:

Bereavement Leave

Jury Duty

Approved Time on Union Business

STD/LTD

Pregnancy/Paternal Leave

WSIB

Vacation

Employer approved Training Programs (off-site)

Emergency Leave Days under Employment Standards Act

## Incentive Pay-Out

In the first year, the attendance incentive program period will run from October 1<sup>st</sup> 2003 to September 30<sup>th</sup> 2004 with an incentive pay-out, if applicable, taking place on November 11<sup>th</sup> 2004. The attendance incentive pay-out will be made at the employee's current regular hourly rate at the time of pay-out.

The pay-out in the 2<sup>nd</sup> and 3<sup>rd</sup> year, if applicable, will be made on November 10<sup>th</sup> 2005 and November 9<sup>th</sup> 2006 respectively.

Example:

Attendance Incentive

Year 1

Year 2 & 3

incentive Pool 40 hours

2% of hours worked prior year

2000 hours worked = 40 hours

Absent hours 8

2400 hours worked = 48 hours

1800 hours worked = 36 hours

Incentive Payout 32 hours

Average base \$19.35

incentive Eamed \$619 \$0.34/hr

Payment opportunity @	2000	\$774	\$0.39
-----------------------	------	-------	--------

	2400	\$929	\$0.39
--	------	-------	--------

Maximum \$774 \$0.43/hr

Payment opportunity @	1800	\$697	\$0.39
-----------------------	------	-------	--------

Payments take place the 2<sup>nd</sup> Thursday in November

## **LETTER #18**

## **Off Site Assignments**

it is understood that almost all offsite assignments will involve overtime. Employees for these assignments will be selected by lowest hours within the affected classification provided they are capable without training of performing the work to be done.

These employees will be paid both regular and overtime hours as if they were in the plant.

It is understood that the employer will pay all expenses as per past practice.

## **LETTER #19**

## **Moment Of Silence**

The Employer agrees that each year on April 28<sup>th</sup> at 11:00 am. for day shift and 8:00 p.m. for afternoon shift, one (1) minute of silence will be observed in memory of those workers who have died or been injured in work related injuries

# 2004

JANUARY 2004							JULY 2004						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3					1	2	3
4	5	6	7	8	9	10	4	5	6	7	8	9	10
11	12	13	14	15	16	17	11	12	13	14	15	16	17
18	19	20	21	22	23	24	18	19	20	21	22	23	24
25	26	27	28	29	30	31	25	26	27	28	29	30	31

FEBRUARY 2004							AUGUST 2004						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28
29							29	30	31				

MARCH 2004							SEPTEMBER 2004						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6				1	2	3	4
7	8	9	10	11	12	13	5	6	7	8	9	10	11
14	15	16	17	18	19	20	12	13	14	15	16	17	18
21	22	23	24	25	26	27	19	20	21	22	23	24	25
28	29	30	31				26	27	28	29	30		

APRIL 2004							OCTOBER 2004						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3						1	2
4	5	6	7	8	9	10	3	4	5	6	7	8	9
11	12	13	14	15	16	17	10	11	12	13	14	15	16
18	19	20	21	22	23	24	17	18	19	20	21	22	23
25	26	27	28	29	30		24	25	26	27	28	29	30
							31						

MAY 2004							NOVEMBER 2004						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1		1	2	3	4	5	6
2	3	4	5	6	7	8	7	8	9	10	11	12	13
9	10	11	12	13	14	15	14	15	16	17	18	19	20
16	17	18	19	20	21	22	21	22	23	24	25	26	27
23	24	25	26	27	28	29	28	29	30				
30	31												

JUNE 2004							DECEMBER 2004						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5				1	2	3	4
6	7	8	9	10	11	12	5	6	7	8	9	10	11
13	14	15	16	17	18	19	12	13	14	15	16	17	18
20	21	22	23	24	25	26	19	20	21	22	23	24	25
27	28	29	30				26	27	28	29	30	31	

# 2005

JANUARY 2005							JULY 2005						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1						1	2
2	3	4	5	6	7	8	3	4	5	6	7	8	9
9	10	11	12	13	14	15	10	11	12	13	14	15	16
16	17	18	19	20	21	22	17	18	19	20	21	22	23
23	24	25	26	27	28	29	24	25	26	27	28	29	30
30	31						31						

FEBRUARY 2005							AUGUST 2005						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5		1	2	3	4	5	6
6	7	8	9	10	11	12	7	8	9	10	11	12	13
13	14	15	16	17	18	19	14	15	16	17	18	19	20
20	21	22	23	24	25	26	21	22	23	24	25	26	27
27	28						28	29	30	31			

MARCH 2005							SEPTEMBER 2005						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3
6	7	8	9	10	11	12	4	5	6	7	8	9	10
13	14	15	16	17	18	19	11	12	13	14	15	16	17
20	21	22	23	24	25	26	18	19	20	21	22	23	24
27	28	29	30	31			25	26	27	28	29	30	

APRIL 2005							OCTOBER 2005						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2							1
3	4	5	6	7	8	9	2	3	4	5	6	7	8
10	11	12	13	14	15	16	9	10	11	12	13	14	15
17	18	19	20	21	22	23	16	17	18	19	20	21	22
24	25	26	27	28	29	30	23	24	25	26	27	28	29
							30	31					

MAY 2005							NOVEMBER 2005						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7			1	2	3	4	5
8	9	10	11	12	13	14	6	7	8	9	10	11	12
15	16	17	18	19	20	21	13	14	15	16	17	18	19
22	23	24	25	26	27	28	20	21	22	23	24	25	26
29	30	31					27	28	29	30			

JUNE 2005							DECEMBER 2005						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4					1	2	3
5	6	7	8	9	10	11		5	6	7	8	9	10
12	13	14	15	16	17	18	4	12	13	14	15	16	17
19	20	21	22	23	24	25	11	19	20	21	22	23	24
26	27	28	29	30			18	26	27	28	29	30	31
							25						



# 2006

JANUARY 2006							JULY 2006						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	2	3	4	5	6	7	8
8	9	10	11	12	13	14	9	10	11	12	13	14	15
15	16	17	18	19	20	21	16	17	18	19	20	21	22
22	23	24	25	26	27	28	23	24	25	26	27	28	29
29	30	31					30	31					

FEBRUARY 2006							AUGUST 2006						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4	6	7	8	9	10	11	12
5	6	7	8	9	10	11	13	14	15	16	17	18	19
12	13	14	15	16	17	18	20	21	22	23	24	25	26
19	20	21	22	23	24	25	27	28	29	30	31		
26	27	28											

MARCH 2006							SEPTEMBER 2006						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
												1	2
5	6	7	8	9	10	11	3	4	5	6	7	8	9
12	13	14	15	16	17	18	10	11	12	13	14	15	16
19	20	21	22	23	24	25	17	18	19	20	21	22	23
26	27	28	29	30	31		24	25	26	27	28	29	30

APRIL 2006							OCTOBER 2006						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1	1	2	3	4	5	6	7
2	3	4	5	6	7	8	8	9	10	11	12	13	14
9	10	11	12	13	14	15	15	16	17	18	19	20	21
16	17	18	19	20	21	22	22	23	24	25	26	27	28
23	24	25	26	27	28	29	29	30	31				
30													

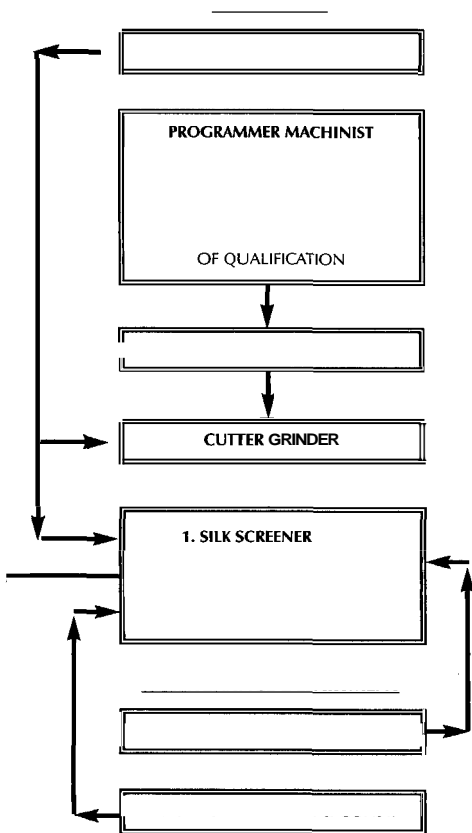
  

MAY 2006							NOVEMBER 2006								
S	M	T	W	T	F	S	S	M	T	W	T	F	S		
		1	2	3	4	5	6					1	2	3	4
7	8	9	10	11	12	13	5	6	7	8	9	10	11		
14	15	16	17	18	19	20	12	13	14	15	16	17	18		
21	22	23	24	25	26	27	19	20	21	22	23	24	25		
28	29	30	31				26	27	28	29	30				

JUNE 2006							DECEMBER 2006						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3						1	2
4	5	6	7	8	9	10	3	4	5	6	7	8	9
11	12	13	14	15	16	17	10	11	12	13	14	15	16
18	19	20	21	22	23	24	17	18	19	20	21	22	23
25	26	27	28	29	30		24	25	26	27	28	29	30
							31						

## FLOW CHART FOR SKILLED TRADES





## MTD Products Limited

Group Policy Number: G0023322A

Plan Document Number: G0012302A

**Class:** C - All Ontario Hourly Employees with semi-private  
Hospital coverage, except those insured in Class F

RECEIVED  
JUL 26 2004

**Benefit**

# MTD Products Limited

**Group Policy Number:** G0023322A

**Plan Document Number:** G0012302A

**Class:** C - All Ontario Hourly Employees with semi-private  
Hospital coverage, except those insured in Class F

**Employee Name:** \_\_\_\_\_

**Certificate Number:** \_\_\_\_\_

## Welcome to Your Group Benefit Program

**Group Policy Effective Date:** May 01, 1984

**Plan Document Effective Date:** June 01, 1991

This Benefit Booklet has been specifically designed with your needs in mind, providing easy access to the information you need about the benefits to which you are entitled.

Group Benefits are important, not only for the financial assistance they provide, but for the security they provide for you and your family, especially in case of unforeseen needs.

Your employer can answer any questions you may have about your benefits, or how to submit a claim.

# Table of Contents

---

<b>How to Use Your Benefit Booklet</b> .....	<b>3</b>
<b>Explanation of Commonly Used Terms</b> .....	<b>4</b>
<b>Why Group Benefits?</b> .....	<b>7</b>
Your Employer's Representative.....	7
Applying for Group Benefits.....	7
Making Changes.....	7
<b>The Claims Process</b> .....	<b>8</b>
How to Submit a Claim.....	8
Co-ordination of Extended Health Care and Dental Care Benefits.....	8
<b>Who Qualifies for Coverage?</b> .....	<b>11</b>
Eligibility.....	11
Medical Evidence.....	11
Late Application.....	11
Late Dental Application.....	11
Effective Date of Coverage.....	12
Termination of Coverage.....	12
<b>Your Group Benefits</b> .....	<b>13</b>
Employee Life Insurance.....	13
Submitting a Claim.....	13
Waiver of Premium.....	13
Conversion Privilege.....	16
Extended Health Care.....	16
Dental Care.....	28
Weekly Income (Short Term Disability).....	33
Long Term Disability.....	37
Recurrent Disability.....	42
Waiver of Premium.....	43
Submitting a Claim.....	43
Exclusions.....	43
<b>Notes</b> .....	<b>44</b>

# How to Use Your Benefit Booklet

---

## ***Designed with Your Needs in Mind***

The Benefit Booklet provides the information you need about your Group Benefits and has been specifically designed with YOUR needs in mind. It includes:

- a detailed Table of Contents, allowing quick access to the information you are searching for,
- Explanation of Commonly Used Terms, which provides a brief explanation of the terms used throughout this Benefit Booklet,
- a clear, concise explanation of your Group Benefits,
- information you need, and simple instructions, on how to submit a claim.

## ***Important Note***

The purpose of this booklet is to outline the benefits for which you are eligible as an Employee of MTD Products Limited. The information in this booklet is a summary of the provisions of the Group Policy Number G0023322A for the Employee Life Insurance and Long Term Disability Benefits and the Plan Document Number G0012302A for the Extended Health Care, Dental Care and Weekly Income Benefits. In the event of a discrepancy between this booklet and the Policy or Plan Document (both available from your employer), the terms of the Policy or Plan Document will apply.

The booklet in either its paper or electronic form is provided for information purposes only and does not create or confer any contractual rights or obligations.

Possession of this booklet alone does not mean that you or your dependents are covered. The Group Policy and Plan Document must be in effect and you must satisfy all the requirements of the Plan.

**We suggest you read this Benefit Booklet carefully, then file it in a safe place with your other important documents.**

## ***Your Group Benefit Card***

Your Group Benefit Card is the most important document issued to you as part of your Group Benefit Program. It is the only document that identifies you as a Plan Member. The Group Policy Number, Plan Document Number and your personal Certificate Number may be required before you are admitted to a hospital, or before you receive dental or medical treatment.

The Group Policy Number, Plan Document Number and your Certificate Number are also necessary for ALL correspondence with Manulife Financial. Please note that you can print your Certificate Number on the front of this booklet for easy reference.

*Your Group Benefit Card is an important document. Please be sure to carry it with you at all times.*

# **Explanation of Commonly Used Terms**

---

*The following is an explanation of the terms used in this Benefit Booklet.*

## **Accident**

an unexpected or unforeseen happening or event involving an external force, causing loss or injury independently of all other causes.

## **Benefit Percentage (Co-insurance)**

the percentage of Covered Expenses which is payable by your employer

## **Covered Expenses**

expenses that will be considered in the calculation of payment due under your Extended Health Care or Dental Care benefit.

## **Deductible**

the amount of Covered Expenses that must be incurred and paid by you or your dependents before benefits are payable by your employer.

## **Dependent**

your Spouse or Child who is covered under the Provincial Plan.

### **- Spouse**

your legal spouse, or a person continuously living with you in a role like that of a marriage partner for at least one year.

### **- Child**

- your natural or adopted child, or stepchild, who is:
  - unmarried;
  - under age 21, or under age 25 if a full-time student;
  - not employed on a full-time basis; and
  - not eligible for coverage as an employee under this or any other Group Benefit Program.
- a child who is incapacitated on the date he or she reaches the age when coverage would normally terminate will continue to be an eligible dependent. However, the child must have been covered under this Benefit Program immediately prior to that date.

**A** child is considered incapacitated if he or she is incapable of engaging in any substantially gainful activity and is dependent on the employee for support, maintenance and care, due to a mental or physical handicap.

Your employer may require written proof of the child's condition as often as may reasonably be necessary.

- a stepchild must be living with you to be eligible.

# **Explanation of Commonly Used Terms**

---

## ***Drug***

medications that have been approved for use by the Federal Government of Canada and have a Drug Identification Number

## ***Earnings***

For the Long Term Disability Benefit, earnings means the average rate of pay you received from your employer for the last 13 weeks. This average will be recalculated on the first of January, April, July and October of each year.

For all other benefits, earnings means your regular rate of pay from your employer (prior to deductions), excluding regular bonuses and regular overtime pay.

## ***Experimental or Investigational***

not approved or broadly accepted and recognized by the Canadian medical profession, as an effective, appropriate and essential treatment of a sickness or injury, in accordance with Canadian medical standards.

## ***Immediate Family Member***

you, your spouse or child, your parent or your spouse's parent, your brother or sister, or your spouse's brother or sister.

## ***Licensed, Certified, Registered***

the status of a person who legally engages in practice by virtue of a license or certificate issued by the appropriate authority, in the place where the service is provided.

## ***Life-Sustaining Drugs***

drugs which are necessary for the survival of the patient.

## ***Medically Necessary***

broadly accepted and recognized by the Canadian medical profession as effective, appropriate and essential in the treatment of a sickness or injury, in accordance with Canadian medical standards.

## ***Non-Evidence Limit***

you must submit satisfactory medical evidence to Manulife Financial for Benefit Amounts greater than this amount.

## ***Provincial Plan***

any plan which provides hospital, medical, or dental benefits established by the government in the province where the covered person lives.

## ***Qualifying Period***

a period of continuous and total disability, starting with the first day of total disability, which you must complete in order to qualify for disability benefits.



# **Explanation of Commonly Used Terms**

## ***Reasonable and Customary***

within the usual range of charges being made by others of similar standing in the area in which the charge is incurred when providing the same or comparable services or supplies.

## ***Take Home Pay (Net Earnings)***

your earnings, less deductions normally made for federal and provincial income tax.

## ***Waiting Period***

the period of continuous employment with your employer which you must complete before you are eligible for Group Benefits. Any period of time during which you are not actively at work due to lay-off, accident or sickness will not be included for the purpose of satisfying the waiting period.

## ***Ward***

a hospital room with 3 or more beds which provides standard accommodation for patients.

# Why Group Benefits?

Government health plans can provide coverage for such basic medical expenses as hospital charges and doctors' fees. In case of disability, government plans (such as Employment Insurance, Canada/Quebec Pension Plan, Workers' Compensation Act, etc.) may provide some financial assistance.

But government plans provide only basic coverage. Medical expenses or a disability can create financial hardship for you and your family.

Private health care and disability programs supplement government plans and can provide benefits not available through any government plan, providing security for you and your family when you need it most.

## ***Your Employer's Representative***

Your employer is responsible for ensuring that all employees are covered for the Benefits to which they are entitled by reporting all new enrolments, terminations, changes, etc., and keeping all records up to date.

As a member of this Group Benefit Program, it is up to you to provide your employer with the necessary information to perform such duties.

Your Employer's Representative is _____
Phone Number: (_____) _____

*Please record the name of your representative and the contact number in the space provided.*

## ***Applying for Group Benefits***

To apply for Group Benefits, you must submit a completed Enrolment or Re-enrolment Application form, available from your employer. Your employer then forwards the application to Manulife Financial.

## ***Making Changes***

To ensure that coverage is kept up to date for yourself and your dependents, it is vital that you report any changes to your employer. Such changes could include:

- change in Dependent Coverage
- change in Beneficiary
- applying for coverage previously waived
- change in Name

# The Claims Process

---

## ***How to Submit a Claim***

All claim forms, available from your employer, must be correctly completed, dated and signed. Remember, always provide your Group Policy Number, Plan Document Number and your Certificate number (found on your Group Benefit Card) to avoid any unnecessary delays in the processing of your claim.

Your employer can assist you in properly completing the forms, and answer any questions you may have about the claims process and your Group Benefit Program.

## ***Payment of Extended Health Care and Dental Claims***

Once the claim has been processed, Manulife Financial will send a Claim Statement to you.

The top portion of this form outlines the claim or claims made, the amount subtracted to satisfy deductibles, and the benefit percentage used to determine the final payment to be made to you. If you have any questions on the amount, your employer will help explain.

The bottom portion of this form is your claims payment, if applicable. Simply tear along the perforated line, endorse the back of the cheque and you can cash it at any chartered bank or trust company.

You should receive settlement of your claim within three weeks from the date of submission to Manulife Financial. If you have not received payment, please contact your employer.

## ***Co-ordination of Extended Health Care and Dental Care Benefits***

If you or your dependents are covered for similar benefits under another Plan, this information will be taken into account when determining the amount of expenses payable under this Program.

This process is known as Co-ordination of Benefits. It allows for reimbursement of covered medical and dental expenses from all Plans, up to a total of 100% of the actual expense incurred.

Plan means:

- other Group Benefit Programs;
- any other arrangement of coverage for individuals in a group; and
- individual travel insurance plans.

Plan does not include school insurance or Provincial Plans.

# The Claims Process

---

## Order of Benefit Payment

A variety of circumstances will affect which Plan is considered as the “Primary Carrier” (ie., responsible for making the initial payment toward the eligible expense), and which Plan is considered as the “Secondary Carrier” (ie., responsible for making the payment to cover the remaining eligible expense).

- If the other Plan does not provide for Co-ordination of Benefits, it will be considered as the Primary Carrier, and will be responsible for making the initial payment toward the eligible expense.
- If the other Plan does provide for Co-ordination of Benefits, the following rules are applied to determine which Plan is the Primary Carrier.
  - For Claims incurred by you or your Dependent Spouse:

The Plan covering you or your Dependent Spouse as an employee/member pays benefits before the Plan covering you or your Spouse as a dependent.

In situations where you or your Spouse have coverage as an employee/member under more than one Plan, the order of benefit payment will be determined as follows:

- The Plan where the person is covered as an active full-time employee, then
  - The Plan where the person is covered as an active part-time employee, then
  - The Plan where the person is covered as a retiree.
- For Claims incurred by your Dependent Child:

The Plan covering the parent whose birthday (month/day) is earlier in the calendar year pays benefits first. If both parents have the same birthdate, the Plan covering the parent whose first name begins with the earlier letter in the alphabet pays first.

However, if you and your Spouse are separated or divorced, the following order applies:

- The Plan of the parent with custody of the child, then
- The Plan of the spouse of the parent with custody of the child (i.e., if the parent with custody of the child remarries or has a common-law spouse, the new spouse’s Plan will pay benefits for the Dependent Child), then
- The Plan of the parent not having custody of the child, then
- The Plan of the spouse of the parent not having custody of the child (i.e., if the parent without custody of the child remarries or has a common-law spouse, the new spouse’s Plan will pay benefits for the Dependent Child).

# The Claims Process

---

- Where you and your spouse share joint custody of the child, the Plan covering the parent whose birthday (month/day) is earlier in the calendar year pays benefits first. If both parents have the same birthdate, the Plan covering the parent whose first name begins with the earlier letter in the alphabet pays first.
- A claim for accidental injury to natural teeth will be determined under Extended Health Care Plans with accidental dental coverage before it is considered under Dental Plans.
- If the order of benefit payment cannot be determined from the above, the benefits payable under each Plan will be in proportion to the amount that would have been payable if Co-ordination of Benefits did not exist.
- If the person is also covered under an individual travel insurance plan, benefits will be co-ordinated in accordance with the guidelines provided by the Canadian Life and Health Insurance Association.

## **Submitting a Claim for Co-ordination of Benefits**

To submit a claim when Co-ordination of Benefits applies, refer to the following guidelines:

- As per the Order of Benefit Payment section, determine which Plan is the Primary Carrier and which is the Secondary Carrier.
- Submit all necessary claim forms and original receipts to the Primary Carrier.
- Keep a photocopy of each receipt or ask the Primary Carrier to return the original receipts to you once your claim has been settled.
- Once your claim has been settled by the Primary Carrier, you will receive a statement outlining how your claim has been handled. Submit this statement along with all necessary claim forms and receipts to the Secondary Carrier for further consideration of payment, if applicable.

# Who Qualifies for Coverage?

---

## ***Eligibility***

You are eligible for Group Benefits if you:

- are a full-time employee of MTD Products Limited and work at least the Required Number of Hours,
- are a member of an eligible class,
- are younger than the Termination Age,
- are residing in Canada, and
- have completed the Waiting Period.

The Termination Age and Waiting Period may vary from benefit to benefit. For this information, please refer to each benefit in the section entitled Your Group Benefits.

Your dependents are eligible for coverage on the date you become eligible or the date you first acquire a dependent, whichever is later. You must apply for coverage for yourself in order for your dependents to be eligible.

## ***Required Number of Hours***

Full-time employee - 20 hour(s) per week

## ***Medical Evidence***

Medical evidence is required for all benefits, except Dental, when you make a Late Application for coverage on any person. Medical evidence is required when you apply for coverage in excess of the Non-Evidence Limit.

## ***Late Application***

An application is considered late when you:

- apply for coverage on any person after having been eligible for more than 31 days: or
- re-apply for coverage on any person whose coverage had earlier been cancelled.

If you apply for benefits that were previously waived because you were covered for similar benefits under *your* spouse's plan, your application is considered late when you:

- apply for benefits more than 31 days after the date benefits terminated under your spouse's plan; or
- apply for benefits, and benefits under your spouse's plan have not terminated.

Medical evidence can be submitted by completing the Evidence of Insurability form, available from your employer. Further medical evidence may be requested by Manulife Financial.

## ***Late Dental Application***

If you apply for coverage for Dental for yourself or your dependents late, the benefit will be limited to \$125 for each covered person for the first 12 months of coverage.

# Who Qualifies for Coverage?

---

## ***Effective Date of Coverage***

- If medical evidence is not required, your Group Benefits will be effective on the date you are eligible.
- If medical evidence is required, your Group Benefits will be effective on the date you become eligible or the date the evidence is approved by Manulife Financial, whichever is later.

You must be actively at work for plan benefit coverage to become effective. If you are not actively at work on the date your coverage would normally become effective, your coverage will take effect on the next day on which you are again actively at work.

Your dependent's coverage becomes effective on the date the dependent becomes eligible, or the date any required medical evidence on the dependent is approved by Manulife Financial, whichever is later.

Your dependent's coverage will not be effective prior to the date your coverage becomes effective.

## ***Termination of Coverage***

Your Group Benefit coverage will terminate on the earliest of:

- the date you cease to be an eligible employee,
- the date you cease to be actively at work, unless the Group Policy or the Plan Document allows for your coverage to be extended beyond this date,
- the date your employer terminates coverage,
- the date you enter the armed forces of any country on a full-time basis,
- the date the Group Policy or Plan Document terminates or coverage on the class to which you belong terminates,
- the date you reach the Termination Age, or
- the date of your death.

Your dependents' coverage terminates on the date your coverage terminates or the date the dependent ceases to be an eligible dependent, whichever is earlier.

# Your Group Benefits

## Employee Life Insurance

The Employee Life Insurance benefit is insured under Manulife Financial's Group Policy G0023322A.

If you die while insured, this benefit provides financial assistance to your beneficiary. If your beneficiary dies before you or if there is no designated beneficiary, this benefit is payable to your estate.

### *The Benefit*

**Benefit Amount** - \$36,000

**Non-Evidence Limit** - \$36,000

**Qualifying Period for Waiver of Premium** - 6 months

**Termination Age** - your benefit amount reduces to \$2,000 if applicable at age 65 and terminates upon your retirement.

### **Waiting Period**

As advised by your Employer, based on:

a 60 calendar day period for employees hired on or prior to the Group Policy Effective Date

120 days worked for all other employees

### **Submitting a Claim**

To submit an Employee Life Insurance claim, your beneficiary must complete the Life Claim form which is available from your Plan Administrator.

Documents necessary to submit with the form are listed on the form.

A completed claim form must be submitted within 90 days from the date of the loss.

To submit a claim for the Waiver of Premium benefit you must complete a Waiver of Premium claim form which is available from your Plan Administrator. Your attending physician must also complete a portion of this form.

A completed claim form must be submitted within 180 days from the end of the qualifying period.

### **Waiver of Premium**

If you become Totally Disabled while insured and prior to age 65 and meet the Entitlement Criteria outlined below, your Life Insurance will continue without payment of premium.



# Your Group Benefits

---

## ***Definition of Totally Disabled***

Totally Disabled means a restriction or lack of ability due to an illness or injury which prevents you from performing the essential duties of:

- your own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period
- any occupation for which you are qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified above

The availability of work will not be considered by Manulife Financial in assessing your disability.

If you must hold a government permit or licence to perform the duties of your job, you will not be considered Totally Disabled solely because your permit or licence has been withdrawn or not renewed.

## ***Entitlement Criteria***

To be entitled to Waiver of Premium, you must meet the following criteria:

- you must be continuously Totally Disabled throughout the Qualifying Period. If you cease to be Totally Disabled during this period and then become disabled again within 3 weeks due to the same or related illness or injury, your Qualifying Period will be extended by the number of days during which you ceased to be Totally Disabled.
- Manulife Financial must receive medical evidence documenting how your illness or injury causes restrictions or lack of ability, such that you are prevented from performing the essential duties of:
  - your own occupation, during the Qualifying Period and the following 2 years, and
  - any occupation for which you are qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified above.
- you must be receiving from a physician, regular, ongoing care and treatment appropriate for your disabling condition, as determined by Manulife Financial.

At any time, Manulife Financial may require you to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

# Your Group Benefits

---

## ***Termination of Waiver of Premium***

Your Waiver of Premium will cease on the earliest of:

- the date you cease to be Totally Disabled, as defined under this benefit.
- the date you do not supply Manulife Financial with appropriate medical evidence documenting how your illness or injury causes restrictions or lack of ability, such that you are prevented from performing the essential duties of:
  - your own occupation, during the Qualifying Period and the following 2 years, and
  - any occupation for which you are qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified above.
- the date you are no longer receiving from a physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial.
- the date you do not attend an examination by an examiner selected by Manulife Financial.
- the date of your 65th birthday.
- the date of your death.

## ***Recurrent Disability***

If you become Totally Disabled again from the same or related causes as those for which premiums were previously waived and such disability recurs within 6 months of cessation of the Waiver of Premium benefit, Manulife Financial will waive the Qualifying Period.

Your amount of insurance on which premiums were previously waived will be reinstated.

If the same disability recurs more than 6 months after cessation of your Waiver of Premium benefit, such disability will be considered a separate disability.

Two disabilities which are due to unrelated causes are considered separate disabilities if they are separated by a return to work of at least one day.

# Your Group Benefits

---

## ***Conversion Privilege***

If your Group Benefits terminate or reduce, you may be eligible to convert your Employee Life Insurance to an individual policy, without medical evidence. Application for the individual policy along with the first monthly premium must be received by Manulife Financial within 31 days of the termination of your Employee Life Insurance. If you die during this 31-day period, the amount of Employee Life Insurance available for conversion will be paid to your beneficiary or estate, even if you didn't apply for conversion.

For more information on the conversion privilege, please see your Plan Administrator.

## **Extended Health Care**

**Your Extended Health Care Benefit is provided directly by MTD Products Limited. Manulife Financial has been contracted to adjudicate and administer your claims for this benefit following the standard insurance rules and practices. Payment of any eligible claim will be based on the provisions and conditions outlined in this booklet and your employer's Benefit Plan.**

If you or your dependents incur charges for any of the Covered Expenses specified, your Extended Health Care benefit can provide financial assistance.

Payment of Covered Expenses is subject to any maximum amounts shown below under The Benefit and in the expenses listed under Covered Expenses.

Claim amounts that will be applied to the maximum are the amounts paid after applying the Deductible, Benefit Percentage, and any other applicable provisions.

### **Drug Benefit for Quebec Residents**

Group benefit plans that provide prescription drug coverage to Quebec residents must meet certain requirements under Quebec's prescription drug insurance legislation (An Act Respecting Prescription Drug Insurance And Amending Various Legislative Provisions). If you and your dependents reside in Quebec, the provisions specified under Drug Benefit For Persons Who Reside In Quebec, will apply to your drug benefit.

# Your Group Benefits

---

## ***The Benefit***

**Overall Benefit Maximum** - \$37,000 per lifetime (Not applicable to Drug expenses)

**Deductible** - \$10 Individual, \$20 Family, per calendar year(s)

Not applicable to:

Drugs

Hospital Care

Out-of-Canada Emergency Medical Treatment

Vision

## **- Deductible Carry-Forward**

Covered Expenses used to satisfy the deductible in the last 3 months of the calendar year may also be used to satisfy the deductible in the following calendar year.

## **Drug Deductible**

*Nil for drugs which are purchased through Pharmex Direct*

*\$1.00 per prescription for drugs purchased from a pharmacy other than Pharmex Direct*

## **Benefit Percentage (Co-insurance)-**

100% for - Hospital Care - Medical Services & Supplies - Professional Services - Vision

## **Note:**

*The Benefit Percentage for Out-of-Canada Emergency Medical Treatment is 100%.*

*The Benefit Percentage for myoelectric prostheses is 80%.*

*The Benefit Percentage for Drugs is shown below under ManuScript Generic Drug Plan 2 - Prescribed Drugs, Payment of Covered Expenses.*

**Termination Age** - employee's retirement

## **Waiting Period**

**As** advised by your Employer, based on:

a 60 calendar day period for employees hired on or prior to the Plan Document Effective Date

120 days worked for all other employees

# Your Group Benefits

---

## ***Covered Expenses***

The expenses specified are covered to the extent that they are reasonable and customary, as determined by Manulife Financial or your employer, provided they are:

- medically necessary for the treatment of sickness or injury and recommended by a physician
- incurred for the care of a person while covered under this Group Benefit Program
- reasonable taking all factors into account
- not covered under the Provincial Plan or any other government-sponsored program
- legally insurable

## ***Advance Supply Limitation***

Payment of any Covered Expenses under this benefit which may be purchased in large quantities will be limited to the purchase of up to a 3 months' supply at any one time, except for covered drug expenses.

### **- Drug Expenses**

The maximum quantity of drugs or medicines that will be payable for each prescription will be limited to the lesser of:

- a) the quantity prescribed by your physician or dentist, or
- b) a 34 day supply.

A quantity of up to a 100 day supply may be payable in long term therapy cases, where the larger quantity is recommended as appropriate by your physician and pharmacist.

## ***Hospital Care***

- charges, in excess of the hospital's public ward charge, for semi-private accommodation, provided:
  - the person was confined to hospital on an in-patient basis, and
  - the accommodation was specifically elected in writing by the patient
- charges for any portion of the cost of ward accommodation, utilization or Co-payment fees (or similar charges) are not covered

# Your Group Benefits

---

## ***ManuScript Generic Drug Plan 2 - Prescribed Drugs***

Charges incurred for the following expenses are payable when prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist.

- drugs or medicines prescribed by a physician or dentist for the treatment of a sickness or injury
- oral contraceptives
- hematinic vitamins (vitamins to treat blood disorders) properly identified in the Compendium of Pharmaceuticals and Specialties
- preventive vaccines and medicines (oral or injected)
- standard syringes, needles and diagnostic aids, required for the treatment of diabetes

*The following are not Covered Expenses:*

- charges for cotton swabs, rubbing alcohol, automatic jet injectors and similar equipment
- charges made by a practitioner or physician to administer injectable medications
- charges for dietary supplements, health foods, nutritional products, and vitamins (except injectable and hematinic vitamins)
- charges for drugs, biologicals and related preparations which are intended to be administered in hospital on an in-patient or out-patient basis and are not intended for a patient's use at home

### **- Drug Maximums**

Fertility drugs - \$15,000 per lifetime

Anti-smoking drugs - \$400 per lifetime

All other covered drug expenses - Unlimited

### **- Payment of Covered Expenses**

Payment of your covered drug expenses will be subject to any Drug Deductible, any Drug Dispensing Fee Maximum and the Co-insurance of 100%.

Covered expenses for any prescribed drug or medicine will not exceed the price of the lowest cost generic equivalent product that can legally be used to fill the prescription, as listed in the Provincial Drug Benefit Formulary.

If there is no generic equivalent product for the prescribed drug or medicine, the amount covered is the cost of the prescribed product.

# Your Group Benefits

---

## - No Substitution Prescriptions

If your prescription contains a written direction from your physician or dentist that the prescribed drug or medicine is not to be substituted with another product and the drug or medicine is a covered expense under this benefit, the full cost of the prescribed product is covered.

Payment of your covered drug expenses will be subject to any Drug Deductible, any Drug Dispensing Fee Maximum and the Co-insurance of 100%.

## - Payment of Drug Claims

Your Pay Direct Drug Card provides your pharmacist with immediate confirmation of covered drug expenses. This means that when you present your Pay Direct Drug Card to your pharmacist at the time of purchase, you and your eligible dependents will not incur out-of-pocket expenses for the full cost of the prescription.

The Pay Direct Drug Card is honoured by participating pharmacists displaying the appropriate Pay Direct Drug decal.

To fill a prescription for covered drug expenses:

- a) present your Pay Direct Drug Card to the pharmacist at the time of purchase, and
- b) pay any amounts that are not covered under this benefit.

You will be required to pay the full cost of the prescription at time of purchase if:

- you cannot locate a participating Pay Direct Drug pharmacy
- you do not have your Pay Direct Drug Card with you at that time
- the prescription is not payable through the Pay Direct Drug Card system

For details on how to receive reimbursement after paying the full cost of the prescription, please see your Plan Administrator.

## *Vision Care*

- eye exams, once per 24 consecutive months
- purchase and fitting of prescription glasses or elective contact lenses, as well as repairs, or elective laser vision correction procedures, to a maximum of \$175 during any 12 consecutive months, with prescription change, for persons under age 18 and \$175 during any 24 consecutive months for persons age 18 and over
- if contact lenses are required to treat a severe condition, or if vision in the better eye can be improved to a 20/40 level with contact lenses but not with glasses, the maximum payable for all vision care expenses will be \$250 during any 12 consecutive months for persons under age 18 and \$250 during any 24 consecutive months for persons age 18 and over

# Your Group Benefits

---

## ***Professional Services***

Services provided by the following licensed practitioners:

- Chiropractor - \$625 per calendar year(s)
- Osteopath - \$475 per calendar year(s)
- Podiatrist - \$475 per calendar year(s)
- Massage Therapist - 15 visit(s) per calendar year(s) to a maximum of \$70 per visit
- Naturopath - \$475 per calendar year(s)
- Speech Therapist - \$475 per calendar year(s)
- Physiotherapist - Unlimited
- Psychologist - \$475 per calendar year(s)

The maximum for each specialty includes no more than one x-ray per calendar year.

Expenses for some of these Professional Services may be payable in part by Provincial Plans. Coverage for the balance of such expenses prior to reaching the Provincial Plan maximum may be prohibited by provincial legislation. In those provinces, expenses under this Benefit Program are payable after the Provincial Plan's maximum for the benefit year has been paid.

Recommendation by a physician for Professional Services is not required.

## ***Medical Services and Supplies***

For all medical equipment and supplies covered under this provision, Covered Expenses will be limited to the cost of the device or item that adequately meets the patient's fundamental medical needs.

## ***Private Duty Nursing***

Services which are deemed to be within the practice of nursing and which are provided in the patient's home by:

- a registered nurse, or
- a registered nursing assistant (or equivalent designation) who has completed an approved medications training program

Covered Expenses are subject to a maximum of \$9,500 per calendar year(s).



# Your Group Benefits

---

*Charges for the following services are not covered:*

- service provided primarily for custodial care, homemaking duties, or supervision
- service performed by a nursing practitioner who is an immediate family member or who lives with the patient
- service performed while the patient is confined in a hospital, nursing home, or similar institution
- service which can be performed by a person of lesser qualification, a relative, friend, or a member of the patient's household

## *Pre-Determination of Benefits*

Before the services begin, it is advisable that you submit a detailed treatment plan with cost estimates. You will then be advised of any benefit that will be provided.

## **Ambulance**

- licensed ambulance service provided in the patient's province of residence, including air ambulance, to transfer the patient to the nearest hospital where adequate treatment is available

## **Medical Equipment**

- rental or, when approved by Manulife Financial or your employer, purchase of:
  - Mobility Equipment: crutches, canes, walkers, and wheelchairs
  - Durable Medical Equipment: manual hospital beds, respiratory and oxygen equipment, and other durable equipment usually found only in hospitals

## **Non-Dental Prostheses, Supports and Hearing Aids**

- external prostheses
- surgical stockings and surgical brassieres
- braces (other than foot braces), trusses, collars, leg orthosis, casts and splints
- stock-item orthopaedic shoes and modifications or adjustments to stock-item orthopaedic shoes or regular footwear, up to a maximum of \$300 per calendar year(s)
- orthotic foot appliances (including foot braces) which are made or altered to fit the person's specific medical needs and which are prescribed by a podiatrist, up to a maximum of \$450 per calendar year(s) (recommendation of a physician is not required)
- cost, installation, repair and maintenance of hearing aids (excluding charges for batteries), to a maximum of \$500 every 1 calendar year(s)

# Your Group Benefits

---

## Other Supplies and Services

- ileostomy, colostomy and incontinence supplies
- medicated dressings and burn garments
- oxygen
- microscopic and other similar diagnostic tests and services rendered in a licensed laboratory in the province of Quebec
- charges for the treatment of accidental injuries to natural teeth or jaw, provided the treatment is rendered within 12 months of the accident, excluding injuries due to biting or chewing

## Out-of-Province/Out-of-Canada

- treatment required as a result of a medical emergency which occurs during the first 60 days outside the province of residence, provided the covered person who receives the treatment is also covered by the Provincial Plan during the absence from the province of residence.

A medical emergency is a sudden, unexpected injury which occurs or an unforeseen illness which begins while a covered person is travelling outside his province of residence and requires immediate medical attention. Such emergency no longer exists when, in the opinion of the attending physician and supporting medical evidence, the covered person is stable enough to return to his province of residence.

- expenses are payable up to a lifetime maximum of \$1,000,000

*Charges for the following are payable under this expense:*

- physician's services
- hospital room and board at standard ward rates. Charges in excess of ward rates are payable, if hospital coverage is provided under this Benefit Program.
- the cost of special hospital services
- hospital charges for out-patient treatment
- licensed ambulance services, including air ambulance, to transfer the patient to the nearest medical facility or hospital where adequate treatment is available
- medical evacuation for admission to a hospital or medical facility in the province where the patient normally resides

The amount payable for these expenses will be the reasonable and customary charges less the amount payable by the Provincial Plan.

Charges incurred outside the province of residence for all other Covered Extended Health Care Expenses are payable on the same basis as if they were incurred in the province of residence.

# **Your Group Benefits**

---

## ***Submitting a Claim***

To submit an Extended Health Care claim, you must complete an Extended Health Care Claim form , except when claiming for physician or hospital expenses incurred outside your province of residence. For these expenses, you must complete an Out-of-Province/Out-of-Canada claim form. Claim forms are available from your employer.

**All** applicable receipts must be attached to the completed claim form when submitting it to Manulife Financial.

**All** claims must be submitted within 12 months after the date the expense was incurred.

Claims for Out-of-Canada expenses must first be submitted to the Provincial Plan for payment. Any outstanding balance should be submitted to Manulife Financial, along with the explanation of payment from the Provincial Plan.

## ***Subrogation (Third Party Liability)***

If your medical expenses result from an injury caused by another person and you have the legal right to recover damages, your employer may request that you complete a subrogation reimbursement agreement when you submit a claim for such expenses.

On settlement or judgement of your legal action, you will be required to reimburse your employer those amounts you recover which, when added to the payments you received from your employer, exceed 100% of your incurred expenses.

## ***Exclusions***

*No Extended Health Care benefits are payable for expenses related to:*

- self-inflicted injuries
- war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion
- committing or attempting to commit an assault or criminal offence
- an illness or injury for which benefits are payable under any government plan or workers' compensation
- charges for periodic check-ups, broken appointments, third party examinations, travel for health purposes, or completion of claim forms
- services or supplies provided by an employer's medical or dental department
- services or supplies for which no charge would normally be made in the absence of group benefit coverage

# Your Group Benefits

---

- services and supplies where reimbursement would have been made under a government-sponsored plan, in the absence of coverage
- services or supplies which are not permitted by law to be paid
- services or supplies which are required for recreation or sports
- services or supplies which would have been payable by the Provincial Plan if proper application had been made
- medical treatment which is not usual or customary, or is experimental or investigational in nature
- services or supplies which are performed or provided by the covered person, an immediate family member or a person who lives with the covered person
- services or supplies which are provided while confined in a hospital on an in-patient basis
- services or supplies which are not specified as a covered expense under this benefit

## ***Drug Benefit For Persons Who Reside In Quebec***

If you and your dependents reside in Quebec, the following provisions apply to your drug benefit coverage.

### ***Covered Drug Expenses***

The following expenses are covered:

- drugs that are on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List), provided such drugs are on the list at the time the expense is incurred; and
- drugs that are listed as a covered expense in this Benefit Booklet, but are not on the RAMQ List.

# Your Group Benefits

---

## ***Coverage for drugs on the List of insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List)***

The following provisions apply only to the coverage of drugs that are on the RAMQ List, as legislated by An Act Respecting Prescription Drug Insurance (R.S.Q. c., A-29-01). Coverage for all other drugs will be subject to the regular provisions included in this Benefit Booklet:

### **a) Benefit Percentage**

Prior to the annual out-of-pocket maximum being reached, the percentage of covered drug expenses payable under this benefit will be as follows:

- i) For any drug on the RAMQ List which is not otherwise covered under the terms of this Benefit, the percentage payable is the percentage as set out by the then applicable Legislation
- ii) For any drug on the RAMQ List which is covered under the terms of this Benefit, the percentage payable is the greater of:
  - the benefit percentage stated under The Benefit; and
  - the percentage as set out by the then applicable Legislation.

After the annual out-of-pocket maximum has been reached, the percentage of covered drug expenses payable under this benefit will be 100%.

### **b) Annual Out-of-Pocket Maximum**

The annual out-of-pocket maximum is the portion of covered drug expenses which must be paid by you and your spouse in a calendar year, before the percentage payable under this benefit will be 100%. Amounts that will be applied to the annual out-of-pocket maximum are

- i) deductible amounts, and
- ii) the portion of covered drug expenses that is paid by a covered person, when the percentage of covered expenses payable under this benefit is less than 100%.

The annual out-of-pocket maximum for you and your spouse is as stipulated in the Legislation and includes those portions of covered drug expenses paid for your dependent children.

For the purposes of calculating the out-of-pocket maximum for you and your spouse, those portions of covered drug expenses paid for your dependent children will be applied to the person who is closest to reaching the annual out-of-pocket maximum.

### **c) Deductible**

Deductible amounts (if any) for the drug benefit will apply, until the annual out-of-pocket maximum is reached. Thereafter, the deductible will not apply.

# Your Group Benefits

---

## d) **Lifetime Maximums**

Lifetime maximums (if any) for the drug benefit will not apply. Drug coverage provided after the lifetime maximum amount stated under the benefit is reached is subject to the following conditions:

- i) only drugs that are on the RAMQ List are covered, and
- ii) the percentage payable by the Administrator for covered expenses is the percentage as set out by the then applicable Legislation.

## e) **Eligible Dependent Children**

Your eligible dependent children who are in full-time attendance at an accredited educational institution will be covered until the later of:

- i) the age specified in this Benefit Booklet (please refer to definition of child in the Explanation of Commonly Used Terms); and
- ii) age 26.

Drug coverage provided for dependent children after the age stated in this Benefit Booklet is subject to the following conditions:

- only drugs that are on the RAMQ List are covered, and
- the percentage payable by the Administrator for covered expenses is the percentage as set out by the then applicable Legislation.

## f) **Termination Age**

Provided you are otherwise eligible for the drug benefit, the Termination Age (if any) for the drug benefit will not apply. Drug coverage provided after the Termination Age specified under the benefit is subject to the following conditions:

- i) only drugs that are on the RAMQ List are covered,
- ii) the percentage payable by the Administrator for covered expenses is the percentage as stipulated in the then applicable Legislation
- iii) the Annual Out-of-Pocket Maximum is as stipulated in the then applicable Legislation
- iv) the premium required for the drug coverage is the premium for the Extended Health Care benefit.

### ***Coverage for drugs that are listed as a covered expense in this Benefit Booklet but are not on the RAMQ List***

Coverage for drugs that are listed as a covered expense under this Benefit but not on the RAMQ List will be subject to all the standard provisions included in this Benefit Booklet.

# Your Group Benefits

---

## Dental Care

Your Dental Care Benefit is provided directly by MTD Products Limited. **Manulife** Financial has been contracted to adjudicate and administer your claims for this benefit following the standard insurance rules and practices. Payment of any eligible claim will be based on the provisions and conditions outlined in this booklet and your employer's Benefit Plan.

If you or your dependents require any of the dental services specified under Covered Expenses, your Dental Care benefit can provide financial assistance.

Payment of Covered Expenses is subject to any maximum amounts shown below under The Benefit and in the expenses listed under Covered Expenses.

Claim amounts that will be applied to the maximum are the amounts paid after applying the Deductible, Benefit Percentage, and any other applicable provisions.

### ***The Benefit***

Deductible - \$25 Individual, \$25 Family, per calendar year(s)

#### **- Deductible Carry-Forward**

Covered Expenses used to satisfy the deductible in the last 3 months of the calendar year may also be used to satisfy the deductible in the following calendar year.

Dental Fee Guide - 2002 Ontario Fee Guide for General Practitioners

Benefit Percentage (Co-insurance)-

90% for Plan A - Basic Services

50% for Plan B - Major Restorative Services

Benefit Maximums

\$1,350 per calendar year for Plan A - Basic Services

\$1,350 per calendar year for Plan B - Major Restorative Services

Termination Age - employee's retirement

Waiting Period

As advised by your Employer, based on:

a 60 calendar day period for employees hired on or prior to the Plan Document Effective Date

120 days worked for all other employees

# Your Group Benefits

---

## ***Covered Expenses***

The following expenses are covered if they:

- are incurred for the necessary dental care of a covered person while covered under this benefit
- are incurred for services provided by a dentist, a dental hygienist working under the supervision of a dentist, or a denturist working within the scope of his license
- are reasonable as determined by your employer or Manulife Financial, taking all factors into account, and
- do not exceed the fees recommended in the Dental Fee Guide, or reasonable and customary charges as determined by your employer or Manulife Financial, if the expenses are not listed in the Dental Fee Guide.

## ***Alternate Treatment***

Where any two or more courses of treatment covered under this benefit would produce professionally adequate results for a given condition, your employer will pay benefits as if the least expensive course of treatment were used. Your administrator will determine the adequacy of the various courses of treatment available, through a professional dental consultant.

## ***Plan A - Basic Services***

- one complete oral exam in any 24 consecutive months
- full mouth x-rays during any 24 consecutive months
- one unit of light scaling and one unit of polishing, once every 9 consecutive months for persons age 18 and over and once every 5 consecutive months for persons under age 18, or prophylaxis (light scaling and polishing) once every 9 consecutive months for persons age 18 and over and once every 5 consecutive months for persons under age 18, when the service is performed in Quebec
- recall exams, bitewing x-rays and fluoride treatments, once every 9 consecutive months for persons age 18 and over and once every 5 consecutive months for persons under age 18
- routine diagnostic and laboratory procedures
- one visit for oral hygiene instruction
- fillings, and pit and fissure sealants
- pre-fabricated full coverage restorations (stainless steel crowns), excluding crowns of porcelain fused to metal, acrylic, plastic, gold, porcelain and other substances
- space maintainers (appliances placed for orthodontic purposes are not covered)



# Your Group Benefits

---

- minor surgical procedures and post surgical care
- extractions (including impacted and residual roots)
- periodontal services for treatment of diseases of the gums and other supporting tissue of the teeth, including:
  - scaling in excess of one unit, and root planing, up to a combined maximum of 16 units per calendar year;
  - provisional splinting; and
  - occlusal equilibration, up to a maximum of 8 units per calendar year
- consultations, anaesthesia, and conscious sedation
- injection of antibiotic drugs when administered by a Dentist in conjunction with dental surgery

## ***Plan B - Major Restorative Services***

- crowns and onlays when the function of a tooth is impaired due to cuspal or incisal angle damage caused by trauma or decay
- endodontic services which include root canals and therapy, root amputation, apexifications and periapical services
- surgical procedures not included in Plan A (excluding implant surgery)
- initial provision of fixed bridgework
- replacement of bridgework, provided the new bridgework is required because:
  - a natural tooth is extracted and the existing appliance cannot be made serviceable;
  - the existing appliance is at least 60 months old; or
  - the existing appliance is temporary and is replaced with the permanent bridge within 12 months of its installation
- expenses for bridgework required solely to replace a natural tooth which was missing prior to becoming covered for this expense are not payable
- initial provision of full or partial removable dentures

# Your Group Benefits

---

- replacement of removable dentures, provided the dentures are required because:
  - a natural tooth is extracted and the existing appliance cannot be made serviceable:
  - the existing appliance is at least 60 months old; or
  - the existing appliance is temporary and is replaced with the permanent dentures within 12 months of its installation (replacement of dentures within the first 12 months of becoming covered for this covered expense is not covered)
- denture repairs, relines and rebases (relining and rebasing of dentures is limited to once every 36 consecutive months)

## ***Late Entrant Limitation***

If you or your dependents become covered for dental benefits more than 31 days after you first become eligible to apply, the amount payable in the first 12 months of coverage will be limited to \$125 for each covered person.

## ***Pre-Determination of Benefits***

If the cost of any proposed dental treatment is expected to exceed \$300, it is suggested that you submit a detailed treatment plan, available from your dentist, before the treatment begins. You can then be advised of the amount you are entitled to receive under this benefit.

## ***Work in Progress When Coverage Terminates***

Covered expenses related to dental treatment that was in progress at the time your dental benefits terminate (for reasons other than termination of the Plan Document or the Dental Care Benefit) are payable, provided the expense is incurred within 31 days after your benefit terminates.

## ***Submitting a Claim***

To submit a claim, you and your dentist must complete a Dental Claim form available from your employer.

All claims must be submitted within 12 months after the date the expense was incurred.

# Your Group Benefits

---

## ***Subrogation (Third Party Liability)***

If your dental expenses result from an injury caused by another person and you have the legal right to recover damages, your employer may request that you complete a subrogation reimbursement agreement when you submit a claim for such expenses.

On settlement or judgement of your legal action, you will be required to reimburse your employer those amounts you recover which, when added to the payments you received from your employer, exceed 100% of your incurred expenses.

## ***Exclusions***

*No Dental Care benefits will be payable for expenses resulting from:*

- self-inflicted injuries
- war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion
- committing or attempting to commit an assault or criminal offence
- dental care which is cosmetic, unless required because of an accidental injury which occurred while the patient was insured under this benefit
- anti-snoring or sleep apnea devices
- broken dental appointments, third party examinations, travel to and from appointments, or completion of claim forms
- services which are payable by any government plan
- services or supplies provided by an employer's medical or dental department
- services or supplies for which no charge would normally be made in the absence of group benefit coverage
- treatment rendered for a full mouth reconstruction, for a vertical dimension or for a correction of temporomandibular joint dysfunction
- replacement of removable dental appliances which have been lost, mislaid or stolen
- laboratory fees which exceed reasonable and customary charges
- services or supplies which are performed or provided by the covered person, an immediate family member or a person who lives with the covered person
- implants, or any services rendered in conjunction with implants
- treatment which is not generally recognized by the dental profession as an effective, appropriate and essential form of treatment for the dental condition
- services or supplies which are not specified as a covered expense under this benefit

# Your Group Benefits

---

## Weekly Income (Short Term Disability)

Your Weekly Income Benefit is provided directly by MTD Products Limited. Manulife Financial has been contracted to adjudicate and administer your claims for this benefit following the standard insurance rules and practices. Payment of any eligible claim will be based on the provisions and conditions outlined in this booklet and your employer's Benefit Plan.

If you become Totally Disabled while covered and meet the Entitlement Criteria for this benefit, your employer will pay a disability benefit.

### ***Definition of Totally Disabled***

Totally Disabled means a restriction or lack of ability due to an illness or injury which prevents you from performing the essential duties of your own occupation.

The availability of work will not be considered by Manulife Financial or your employer in assessing your disability.

If you must hold a government permit or licence to perform the duties of your job, you will not be considered Totally Disabled solely because your permit or licence has been withdrawn or not renewed.

### ***The Benefit***

**Benefit Amount** - \$500

**Qualifying Period** - none, if the disability is due to an accident; or

none providing the employee satisfies Manulife Financial's Entitlement Criteria; and

is admitted into a licensed shelter for abused persons; and

resides there for at least one night during the first 5 days of Total Disability.

Day Shift Employees - 5 working days, if the disability is due to a sickness

Afternoon Shift Employees - 4 working days, if the disability is due to a sickness

- If hospitalized due to sickness prior to the end of the Qualifying Period, benefits are payable from the first day of hospitalization.

"Hospitalization" means admission as an in-patient or on an out-patient basis for surgical procedures or diagnostic tests for cancer and D & C (dilation and curettage) including chemotherapy or laser treatment.

# Your Group Benefits

---

- Benefits are payable from the end of the Qualifying Period. Benefits are not payable for or during the Qualifying Period.
- You must be receiving regular, ongoing care and treatment from a physician during the Qualifying Period in order for benefits to be payable at the end of the Qualifying Period. Otherwise, benefits are not payable until the date you are first treated by your physician.

**Maximum Benefit Period** - 26 weeks

**Termination Age** - age 70 or retirement, whichever is earlier

## **Waiting Period**

As advised by your Employer, based on:

a 60 calendar day period for employees hired on or prior to the Plan Document Effective Date

120 days worked for all other employees

## **Entitlement Criteria**

To be entitled to disability benefits, you must meet the following criteria:

- you must be continuously Totally Disabled throughout the Qualifying Period.
- your employer or Manulife Financial must receive medical evidence documenting how your illness or injury causes restrictions or lack of ability, such that you are prevented from performing the essential duties of your own occupation.
- you must be receiving from a physician, regular, ongoing care and treatment appropriate for your disabling condition, as determined by your employer or Manulife Financial.

At any time, your employer or Manulife Financial may require you to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by your employer or Manulife Financial.

## **Periods for Which You are Not Entitled to Benefits**

*You are not entitled to benefit payments for any period that you are:*

- not receiving from a physician, regular, ongoing care and treatment appropriate for your disabling condition, as determined by your employer or Manulife Financial
- receiving Employment Insurance, maternity or parental benefits
- on lay-off during which you become Totally Disabled
- on leave of absence during which you become Totally Disabled, unless your employer is required to pay benefits during this period as a result of legislation, regulation or case law
- receiving benefits under an employer-sponsored salary continuance or wage loss replacement plan, or receiving temporary disability benefits from Workers' Compensation

# Your Group Benefits

---

- receiving earnings or payments from any employer, including severance payments and vacation pay
- incarcerated in a prison, correctional facility, or mental institution by order of authority of a criminal court

## ***Amount of Disability Benefit Payable***

The amount of disability benefit payable to you is the Benefit Amount shown above reduced by any disability benefits you receive or are entitled to receive from the following source(s) for the same or related disability:

- any government motor vehicle automobile insurance plan or policy which is considered an allowable exclusion under the Employment Insurance Premium Reduction Regulations, unless prohibited by law

## ***Subrogation***

If your disability is caused by another person and you have a legal right to recover damages, your employer will request that you complete a subrogation reimbursement agreement when you submit your Weekly Income claim.

On settlement or judgement of your legal action, you will be required to reimburse your employer those amounts you recover which, when added to the disability benefits that your employer paid to you, exceed 100% of your lost income.

## ***Tax Status of Benefits***

The tax position of any payments you receive under this benefit depends on whether you or your employer pays the cost of the benefit.

If your employer pays a portion or all of the cost, then any disability benefit payments you receive will be taxable. If you pay the full cost of the benefit, then any disability benefit payments you receive will be non-taxable.

## ***Payment of Disability Benefits***

Disability benefit payments will be made weekly in arrears. Any payment for a period of less than one week will be made at a daily rate of one-fifth of your weekly benefit amount.

Day Shift Employees: if you are working at least 8 hours per day, 5 days per week (Monday through Friday) you will be eligible for 20% of the weekly Benefit Amount for each work shift lost.

Afternoon Shift Employees: if you are working at least 10 hours per day, 4 days per week (Monday through Thursday) you will be eligible for 25% of the weekly Benefit Amount for each work shift lost.

# Your Group Benefits

---

## ***Termination of Benefit Payments***

Your disability benefit payments will cease on the earliest of:

- the date you cease to be Totally Disabled, as defined under this benefit
- the date you work in any occupation for wage or profit
- the date you do not supply your employer or Manulife Financial with appropriate medical evidence documenting how your illness or injury causes restrictions or lack of ability, such that you are prevented from performing the essential duties of your own occupation
- the date you do not attend an examination by an examiner selected by your employer or Manulife Financial
- the date on which benefits have been paid up to the Maximum Benefit Period for this benefit
- the date of your death

## ***Recurrent Disability***

If you become Totally Disabled again from the same or related causes within 2 weeks from the end of the period for which Weekly Income benefits were paid, the disability will be treated as a continuation of your previous disability.

You will not be required to satisfy any applicable Qualifying Period again. The benefit payable to you will be based on your earnings as at the date of your previous disability. Benefits for all such recurrent disabilities will not be paid for a combined period longer than the Maximum Benefit Period for this benefit.

If the same disability recurs more than 2 weeks after the end of the period for which benefits were paid, such disability will be considered a separate disability.

Two disabilities which are due to unrelated causes are considered separate disabilities if they are separated by a return to work of at least one day.

## ***Submitting a Claim***

To submit a claim, you must complete the Weekly Income Claim form which is available from your employer. Your attending physician must also complete a portion of this form.

A completed claim form must be submitted within 180 days from the end of the Qualifying Period.

# Your Group Benefits

---

## ***Exclusions***

*No benefits are payable for any disability related to:*

- any illness or injury for which benefits are payable by Workers' Compensation or similar coverage or which arises out of or in the course of employment
- self-inflicted injuries or illnesses
- war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion
- the committing of or the attempt to commit an assault or criminal offence

## **Long Term Disability**

**The Long Term Disability benefit is insured under Manulife Financial's Group Policy G0023322A.**

If you become Totally Disabled while insured and meet the Entitlement Criteria for this benefit, Manulife Financial will pay a disability benefit.

### ***Definition of Totally Disabled***

Totally Disabled means a restriction or lack of ability due to an illness or injury which prevents you from performing the essential duties of:

- your own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period
- any occupation for which you are qualified, or may reasonably become qualified, by training, education or experience, after the 2 years specified above

The availability of work will not be considered by Manulife Financial in assessing your disability.

If you must hold a government permit or licence to perform the duties of your job, you will not be considered Totally Disabled solely because your permit or licence has been withdrawn or not renewed.



# Your Group Benefits

---

## *The Benefit*

**Benefit Amount** - 66.7% of your monthly earnings, to a maximum of \$1,400

**Non-Evidence Limit** - \$1,400

**Qualifying Period** - 182 days

- Benefits are payable from the end of the Qualifying Period. Benefits are not payable for or during the Qualifying Period.
- You must be receiving regular, ongoing care and treatment from a physician during the Qualifying Period in order for benefits to be payable at the end of the Qualifying Period.

**Maximum Benefit Period** - to age 65

**Termination Age** - age 65 less the Qualifying Period, or retirement, whichever is earlier

## **Waiting Period**

As advised by your Employer, based on:

a 60 calendar day period for employees hired on or prior to the Group Policy Effective Date

120 days worked for all other employees

## **Entitlement Criteria**

To be entitled to disability benefits, you must meet the following criteria:

- you must be continuously Totally Disabled throughout the Qualifying Period. If you cease to be Totally Disabled during this period and then become disabled again within 3 weeks due to the same or related illness or injury, your Qualifying Period will be extended by the number of days during which you ceased to be Totally Disabled.
- Manulife Financial must receive medical evidence documenting how your illness or injury causes restrictions or lack of ability, such that you are prevented from performing the essential duties of:
  - your own occupation, during the Qualifying Period and the following 2 years, and
  - any occupation for which you are qualified, or may reasonably become qualified, by training, education or experience, after the 2 years specified above.
- you must be receiving from a physician, regular, ongoing care and treatment appropriate for your disabling condition, as determined by Manulife Financial.

At any time, Manulife Financial may require you to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

# Your Group Benefits

---

## ***Periods for Which You are Not Entitled to Benefits***

*You are not entitled to benefit payments for any period that you are:*

- not receiving from a physician, regular, ongoing care and treatment appropriate for your disabling condition, as determined by Manulife Financial
- receiving Employment Insurance maternity or parental benefits
- on lay-off during which you become Totally Disabled
- on leave of absence during which you become Totally Disabled, unless your employer is required to pay benefits during this period as a result of legislation, regulation or case law
- receiving benefits under an employer-sponsored salary continuance or short term wage loss replacement plan
- working in any occupation, except as provided for under the Rehabilitation Assistance provision
- incarcerated in a prison, correctional facility, or mental institution by order of authority of a criminal court

## ***Amount of Disability Benefit Payable***

The amount of disability benefit payable to you is the Benefit Amount shown above reduced by any disability benefits you receive or are entitled to receive from the following sources for the same or related disability:

- Workers' Compensation or similar coverage
- Canada or Quebec Pension Plans, excluding dependent benefits
- any government motor vehicle automobile insurance plan or policy, unless prohibited by law

If necessary, the amount of your benefit will be further reduced so that your total income from all sources does not exceed 85% of your pre-disability gross earnings (net earnings, if your benefit is non-taxable). All sources include those sources stated above and any benefit you are entitled to receive from:

- any group, association or franchise plan
- any retirement or pension plan
- earnings or payments from any employer, including severance payments and vacation pay
- self-employment
- any government plan, excluding Employment Insurance Benefits
- Canada or Quebec Pension Plans' dependent benefits

Once benefits become payable, the amount of your benefit will not be affected by any subsequent cost of living increase in benefits you are receiving from other sources.

# Your Group Benefits

---

## ***Benefit Calculation Rules***

Manulife Financial will apply the following rules in determining your disability benefit:

- benefits payable from other sources which began before the commencement of your current Disability will not be taken into account;
- benefits payable from other sources will not be adjusted to take into account any difference between the tax status of those benefits and the benefit payable by Manulife Financial;
- benefits payable by Manulife Financial to your pension plan, if stated as such under the Benefit Amount, will not be taken into account;
- subsequent changes in benefits from other sources, other than cost of living increases, will be taken into consideration and a new benefit amount may be established;
- benefits payable under individual disability income insurance will not be taken into account;
- for benefits payable other than on a monthly basis, a monthly equivalent of such benefit will be estimated by Manulife Financial; and
- if you do not apply for a benefit for which you are eligible, the amount of such benefit will be estimated by Manulife Financial and assumed to be paid.

## ***Subrogation***

If your disability is caused by another person and you have a legal right to recover damages, Manulife Financial will request that you complete a subrogation reimbursement agreement when you submit your Long Term Disability claim.

On settlement or judgement of your legal action, you will be required to reimburse Manulife Financial those amounts you recover which, when added to the disability benefits that Manulife Financial paid to you, exceed 100% of your lost income.

## ***Tax Status of Benefits***

The tax position of any payments you receive under this benefit depends on whether you or your employer pays the cost of the benefit.

If your employer pays a portion or all of the cost, then any disability benefit payments you receive will be taxable. If you pay the full cost of the benefit, then any disability benefit payments you receive will be non-taxable.

## ***Payment of Disability Benefits***

Disability benefit payments will be made monthly in arrears. Any payment for a period of less than one month will be made at a daily rate of one-thirtieth of your monthly benefit amount.

# Your Group Benefits

---

## ***Rehabilitation Assistance***

Once Manulife Financial determines that you are Totally Disabled, if appropriate, and at Manulife Financial's discretion, you may be offered rehabilitation to assist you in returning to gainful employment, either to your pre-disability occupation or to another occupation.

In considering whether Rehabilitation Assistance is appropriate for you, Manulife Financial will take into account:

- the nature, extent and expected duration of your disability
- your level of education, training or experience
- the nature, scope, objectives and cost of a Vocational Plan

### **- Vocational Plan**

A Vocational Plan is a training or job placement program that is expected to facilitate your return to gainful employment.

If it is determined that Rehabilitation Assistance is appropriate for you, in partnership with you and your employer, Manulife Financial will provide a structured Vocational Plan that will prepare you for a return to work, either:

- with your employer
- with an alternate employer
- in a self-employed capacity

### **- Disability Benefits During Rehabilitation**

You will continue to be entitled to disability benefits while participating in the Vocational Plan. If you receive any earnings as part of the plan, your disability benefit will be reduced once your total income (your disability benefit plus your earnings) exceeds 100% of your pre-disability gross earnings; net earnings if your benefit is not taxable.

If you cease to participate in the Vocational Plan because of a change in your medical status, Manulife Financial will require medical evidence documenting how your current medical status prevents you from continuing with the Vocational Plan.

If you are not available or do not co-operate or participate in the Vocational Plan, you will no longer be entitled to disability benefits.

# Your Group Benefits

---

## ***Re-Employment Subsidy Benefit***

If, after you qualify for disability benefits, you are unable to return to your previous job because of your disability, but you do return to alternate employment, Manulife Financial will subsidize your employer during the first 3 months of your employment.

The amount of the subsidy benefit will be the lesser of:

- 50% of your first 3 months' earnings, or
- an amount equal to your Long Term Disability benefit for one month

The benefit is payable to your employer after you have worked for 3 continuous months.

## ***Termination of Benefit Payments***

Your disability benefit payments will cease on the earliest of:

- the date you cease to be Totally Disabled, as defined under this benefit.
- the date you do not supply Manulife Financial with appropriate medical evidence documenting how your illness or injury causes restrictions or lack of ability such that you are prevented from performing the essential duties of:
  - your own occupation, during the Qualifying Period and the following 2 years, and
  - any occupation for which you are qualified, or may reasonably become qualified, by training, education or experience, after the 2 years specified above.
- the date you do not attend an examination by an examiner selected by Manulife Financial.
- the date on which benefits have been paid up to the Maximum Benefit Period for this benefit.
- the date of your death.

## ***Recurrent Disability***

If you become Totally Disabled again from the same or related causes within 6 months from the end of the period for which Long Term Disability benefits were paid, Manulife Financial will treat the disability as a continuation of your previous disability.

You will not be required to satisfy the Qualifying Period again. The benefit payable to you will be based on your earnings as at the date of your previous disability. Benefits for all such recurrent disabilities will not be paid for a combined period longer than the Maximum Benefit Period for this benefit.

# Your Group Benefits

---

If the same disability recurs more than 6 months after the end of the period for which benefits were paid, such disability will be considered a separate disability.

Two disabilities which are due to unrelated causes are considered separate disabilities if they are separated by a return to work of at least one day.

## ***Waiver of Premium***

The premium for your Long Term Disability benefit will be waived during any period you are entitled to receive Long Term Disability benefit payments.

## ***Submitting a Claim***

To submit a claim, you must complete the Long Term Disability claim form which is available from your Plan Administrator. Your attending physician must also complete a portion of this form.

A completed claim form must be submitted to Manulife Financial within 180 days from the end of the Qualifying Period.

## ***Exclusions***

***No benefits are payable for any disability related to:***

- self-inflicted injuries or illnesses.
- war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion.
- medical or surgical care which is not medically necessary.
- the committing of or the attempt to commit an assault or criminal offence.
- abuse of addictive substances, including drugs and alcohol, unless you are actively participating and co-operating in a medical treatment program for substance abuse which has been approved by Manulife Financial.
- a Pre-Existing Condition which causes disability within the first 12 months of your Long Term Disability coverage. A Pre-Existing Condition is any injury or illness (whether diagnosed or not) for which you were treated or attended by a physician, or for which drugs were prescribed, within 90 days prior to the effective date of your coverage.

134