COLLECTIVE LABOUR AGREEMENT

Cooper Standard

AGREEMENT dated this 1st day of May, 2006
BETWEEN:

COOPER STANDARD AUTOMOTIVE,
- AND -

NATIONAL AUTOMOBILE, AEROSPACE & TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA

(CAW) - CANADA and its LOCAL 876

01971 (09)

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(hereinafter called the "COMPANY")

- AND -

NATIONAL AUTOMOBILE, AEROSPACE AND TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW) - CANADA and it's LOCAL 876

(hereinafter called the "UNION".)

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NOTE: Reference to the male gender shall include the female gender unless the context requires otherwise.

RECOGNITION

- **1.01** The Company recognizes the Union as the sole bargaining agent for, and this agreement shall be deemed to apply to, all employees of Cooper Standard Automotive at Georgetown, save and except supervisor, persons above the rank of supervisor, and office and sales staff.
- **2.01** The Union acknowledges that, except as otherwise specifically provided in this agreement, it is the exclusive function of the company to:
- (a) Manage the industrial enterprise in which the Company is engaged, and without restricting the generality of the foregoing, to determine the number and location of plants, products to be manufactured, methods of manufacturing, schedules of production, kinds and location of machines and tools to be used, processes of manufacturing and assembling, the engineering and designing of its products, and the

control of the materials and parts to be incorporated in the products produced.

- (b) Hire, discharge, transfer, promote, demote or discipline employees and determine qualifications needed for jobs, provided that a claim of unfair promotion, demotion, transfer, determination of qualifications or a claim that an employee has been discharged or disciplined without just cause may be the subject of a grievance and dealt with as hereinafter provided.
- (c) Maintain order, discipline and efficiency.

2.02 The Union further recognizes the right of the Company:

- (a) To make and alter from time to time rules and regulations to be observed, by employees, which rules and regulations shall not be inconsistent with the provisions of this agreement.
- (b) To establish or make provision for departments throughout the plant.
- (c) To establish occupational groups and to discontinue, restrict or expand the same and the grievance procedure shall be applicable with respect to any such change and a grievance may be initiated in writing by the Union as the grievor at stage two (2) of the grievance procedure. Rates of pay will be set up on the basis of like and similar jobs.

The above functions will be exercised in a manner consistent with the provisions of this agreement.

In order to ensure open communications, the Company agrees in the application of article 2.02 (c) to provide the Union President with a minimum of (20) twenty days notice in writing prior to any decision to establish, amalgamate, discontinue, restrict and or expand any of the occupational groups contained in this collective agreement. At the request of either party, a meeting will be convened to discuss the effect any proposed change may have on the workforce.

DISCRIMINATION NO DISCRIMINATION

3.01 There shall be no discrimination, interference, intimidation, restraint or coercion on behalf of the Company or the Union, its officers and members respectively, regarding any employee because of his sex and/or sexual orientation, race, colour, creed, age, national origin, political affiliation, any disabled employee, membership or non-membership in the Union.

UNION ACTIVITIES / REPRESENTATION

UNION ACTIVITIES

4.01

The Union, the local and members of the Union of the Local shall not, on Company time, conduct or hold Union activities or Union meetings of any kind, except as in this agreement expressly provided, without prior written consent of the Company.

REPRESENTATION

- **4.02** (a) The Company agrees to recognize and deal with a bargaining committee of three (3) bargaining unit employees and the President elected for the purpose of meeting with Management in the administration of this Agreement, including negotiations. The Committee shall consist of:
 - 1) One Chairperson
 - 2) Two Committee Persons

3) President

- (b) The plant committee may appoint a steward, in any department or production area on any shift, where there is no committee person employed.
- (c) The Company shall be notified forthwith of any such appointment. The appointment shall forthwith be rescinded at any time when there is a committee person employed in the same department or production area on the same shift as the steward.
- (d) In the event that two or more committee persons are employed in one department or production area on the same shift, the committee shall forthwith designate to the Company one committee person in that department or production area who shall alone be entitled to handle grievances arising in such department or production area pursuant to the procedure hereinafter provided.
- (e) **A** steward during his term of office shall be deemed to be a committee member within the meaning of clauses 6.01 to 7.06 inclusive.
- (f) The Company will pay the plant negotiating committee for all time spent at any meetings agreed to by the parties at base rate plus cost of living allowance.
- (g) It is understood and agreed that no persons shall be eligible for election to the bargaining committee unless such employee has completed one (1) year of service in the employ of the Company. To be eligible to serve as a steward, an employee must have completed his probationary period.
- (h) Should the Union decide that the selection of union representatives, members of the negotiating committee or stewards shall be by election, then and in such case, such election shall be held on the Company premises and shall be conformity with this agreement, providing the company has been notified one (1) week in advance of such election and completion of employees' shifts, it being understood that such election shall not be held on Company time. Prior to any such election, the Union and the Company will determine suitable locations and times for balloting.

CHECK-OFF OF UNION DUES and INITIATION FEE

5.01 The parties agree that there shall be set up as of the date hereof a check-off of Union dues, compulsory upon all employees who come within the bargaining unit, in which this agreement applies. The check-off shall continue during the life of this agreement. Every employee within the bargaining unit shall become eligible to the check-off upon completion of 40 hours worked in the first calendar month of employment within the Company.

The amount to be deducted shall be such sum as may from time to time be assessed by the Union on its members, according to its Constitution and Bylaws, for General Union purposes, as regular monthly Union dues. This check-off of Union dues shall be deducted from a pay cheque in the calendar month in which the first 40 hours of employment are completed and remitted to the Financial Secretary of Local 876, CAW prior to the 19th day of the current month.

- **5.02** The Company shall also deduct from the pay of every employee who comes within the bargaining unit and who has completed 30 calendar days of employment with the Company, one Union initiation fee during his employment with the Company, provided the employee has not at an earlier time paid an initiation fee to the Union. The amount of the initiation fee shall be the amount fixed by the Constitution and Bylaws of the Union. The initiation fee shall be deducted from a pay cheque in the calendar month following the month in which the said 30 calendar days of employment have been completed, and remitted to the Financial Secretary of the Local along with the next remittance of Union dues as aforesaid.
- **5.03** The Company agrees to deduct Union dues and/or the equivalent of Union dues according to the

Constitution of the CAW from all employees in the bargaining unit beginning with the first month in which 40 hours of employment have been completed. Will agree to take dues off one cheque and initiation fee off another and will agree to show annual Union dues deducted on T4 Tax form.

The list will contain the employees' name, badge number, address, postal code and telephone number along with the amount of such deductions and the reason, if any, why no deductions were made from certain employees.

The Financial Secretary of the Local Union shall notify the Company in writing of any corrections to be made in the sums deducted.

Any dispute as to the alleged breach of these provisions or to the interpretation of any of the terms of conditions thereof shall be dealt with at Step 2 of the grievance procedure.

COMPANY - UNION MEETINGS

- **6.01 (1)** Meetings between the plant superintendent and the plant committee as defined in article 4.02 (A), shall be held within five (5) working days from the time of receipt of a detailed agenda, written or typewritten, submitted by the party requesting the meeting and outlining the matters to be discussed during the meeting.
- (2) At any such meeting the plant committee shall be entitled to have present with them a representative or representatives of the National Union and the plant superintendent shall be entitled to have present with him any employees of the Company.
- (3) Unless otherwise agreed, the party in receipt of the agenda will reply in writing to each of the items on the agenda discussed at such meeting within five (5) working days.
- (4) In cases of grievances or discussions, including negotiations, involving Skilled Trades, a Skilled Trades Representative shall be entitled to be present.

GRIEVANCES

- **7.01** A grievance by the Union may be initiated in writing at the second stage of the grievance procedure, provided the subject matter of the grievance is not such that it could be disposed of at the first stage of the grievance procedure on the grievance of an employee.
- 7.02 Any one or more of the employees may present and appeal grievances singly or in groups as individuals or through committee members and the committee in accordance with the procedure provided herein. Whenever in any stage of the procedure it is provided that action be taken by a committee member or the committee, the same action may be taken by the employee or group of employees desiring to present and settle a grievance singly or in a group as individuals.
- 7.03 It shall be optional with the Company to decline to consider any grievance, the alleged circumstances of which originated or occurred more than five (5) working days prior to its presentation, provided however, that in the case where an employee could not have become aware of the alleged circumstances within the said five (5) working days, the said period will commence to run from the time when he/she did become aware of them.

7.04 FIRST STAGE:

Any employee having a grievance shall first submit the same during working hours to his Supervisor and if he/she requests, be accompanied by his committee person. If the grievance cannot be settled by the Supervisor, the employee may during working hours refer it to the committee member in the employees' department. The committee member, if he/she shall consider the grievance reasonable but not otherwise, shall during working hours present it in writing to the Supervisor in the presence of the aggrieved

employee. The Supervisor shall receive and discuss the grievance and shall endeavour to arrange a satisfactory settlement with the committee member and/or the aggrieved employee and shall in any event render his decision in writing not later than the second regular working day following the day upon which the grievance shall be received. Further time may be allowed by the committee member and/or the employee.

SECOND STAGE:

The Supervisors'decision may be appealed from by lodging an appeal in writing with the Company management directly or through the chairperson of the committee within two regular working days after receipt of the supervisors' decision. The grievance shall be discussed at a meeting or meetings between the Personnel Manager, General Supervisor and the committee to be held on notice to be given not later than five (5) working days after the receipt of the supervisors' decision, at such time as may be agreed upon and if no time is agreed upon, within five regular working days following the receipt of the notice. Further time may be allowed by either party. An international or local representative may attend such meetings.

7.05 To expedite the settlement of a grievance, the management shall begin an investigation as soon as possible after the grievance is reported by the committee and shall make every effort to become fully informed concerning and to be prepared to act promptly upon the grievance.

7.06 An aggrieved employee represented by a committee member of the committee shall, if requested by the Company or the Union, participate in the discussion, if any, of his grievance with the Factory Manager or the management.

ARBITRATION

- **8.01** In the event that no accord is reached through the grievance procedure herein provided:
- **a)** When either party to this agreement requests that a grievance be submitted to arbitration, such request shall be made in writing addressed to the other party to this agreement.
 - **b)** The party to whom such request is directed shall immediately write to the arbitrator whose name is next in the sequence of rotation seeking a date for arbitration. The arbitrators and the sequence of their rotation are as follows:
 - 1) Louisa Davie
 - 2) Professor W. A. Rayner
- c) Should any of the arbitrators constituting the panel of arbitrators withdraw or resign from the panel, then the party who nominated the arbitrator who has withdrawn or resigned shall forthwith submit to the other party to this agreement a list of four (4) nominees from which shall be selected one (1) nominee to replace the arbitrator who has withdrawn or resigned.
- d) The arbitrator shall act in rotation with respect to each successive grievance that is referred to arbitration. Should the arbitrator to whom the reference is made be unable to hear the grievance within ninety (90) calendar days after the grievance has been referred to him, then he/she shall be passed over to the next arbitrator on the list.
- *e*) The expenses of the arbitrator shall be shared equally between the parties.
- f) At the request of either party or the arbitrator, all reasonable arrangements shall be made to permit the arbitrator to take a view of the premises in question or the site at which the dispute took place together with the representatives of both parties and material witnesses who may be involved.
- 8.02 As an alternative to the regular arbitration procedure the parties shall have the option of mutually

agreeing to refer a post third step grievance to a grievance commissioner in the following procedure:

- **a)** The Company and the Union may agree in writing to the appointment of a person or persons as a single arbitrator to be known as a grievance commissioner (where more than one, acting in rotation) will set aside such time as may be requested by the Company and the Union to consider and determine grievances referred to him hereunder for final and binding arbitration. The grievance commissioner shall have the same powers and be subject to the same limitations as an arbitrator under clause 8.01.
- b) Through the grievance commissioner, the parties desire the expeditious means for the effective disposition of grievances, which the parties have agreed may be handled in a summary manner. The rules governing the summary proceedings of the grievance commissioner are set out in this Article.
- c) The decision of the grievance commissioner shall only be applicable in the case in question and shall not constitute a precedent nor be used by either party as precedent in future cases. Notwithstanding anything contained in the agreement, the decision of the grievance commissioner shall:
 - i) be consistent with the provisions of this agreement.
 - ii) be confined to the grievance referred to him.
- **d)** The Union and the Company shall each be responsible for one half the expenses and fees payable to the grievance commissioner.
- *e*) The parties, when referring a grievance to a grievance commissioner, shall also provide him with the Step 1 summary (or as amended by the agreement of the parties) and the decisions of the management representatives at Step 3.
- f) The parties shall supply the grievance commissioner and each other with additional concise and brief written representations on which they intend to rely provided that such are mailed not less than ten (10) days before the commencement of the hearings of the grievance commissioner.
- **g)** The parties shall meet at least ten (10) days prior to the hearing date in order to determine what information or facts can be agreed upon prior to the hearing in order that a statement of facts can be written and provided to each party and the grievance commissioner before the commencement of the hearings.
- **h)** The purpose of the hearing is to clarify the issues or facts in dispute. At the hearing, the parties may make such further representations or adduce such evidence as the grievance commissioner may permit or require, but the grievance commissioner shall not be obligated to conform to the rules of evidence.
- i) The grievance commissioner must render his decision in writing without reasons to both parties within seven (7) days of the conclusion of the hearings. Upon request by either party after his decision has been rendered, the grievance commissioner shall deliver brief reasons but such reasons shall not form part of his decision. The list of grievance commissioners identified to expedite the disposition of the grievance under 8.02 are:
 - 1) John Clement
 - 2) Bill Kaplan
- j) The parties shall jointly write to the grievance commissioner whose name is next in the sequence of rotation seeking a date for a hearing. The grievance commissioners and the sequence of their rotation are specified in (1) above.
- **k)** Should any of the grievance commissioners constituting the panel of grievance commissioners withdraw or resign from the panel, then the party who nominated the grievance commissioner who has withdrawn or resigned shall forthwith submit to the other party a list of four (4) nominees from which shall be selected one (1) nominee to replace the grievance commissioner who has withdrawn or resigned.

Should the grievance commissioner in rotation be unable to hear the grievance within ninety (90) calendar days after the grievance has been referred to him, then he/she shall be passed over to the other grievance commissioner on the list.

8.03 In the event of failure to agree, the Company and the Union shall submit a joint request to the Minister of Labour for Ontario to appoint an Arbitrator.

- **8.04** The arbitrator shall not have the authority to alter, modify or amend any part of this Agreement, nor make any decisions inconsistent with the provisions thereof. It is mutually agreed that the arbitrator shall have the right to modify any penalty.
- **8.05** After a grievance has been referred to arbitration, either party may request a meeting between the appropriate representatives of the parties to attempt to resolve the problem.

SUSPENSION OR DISCHARGE

- **9.01** The following procedure will apply when a seniority employee is to be given a written reprimand or Suspension:
- (a) When the Company believes an offence has been committed that warrants a written reprimand or suspension, the employee with a Union representative will be interviewed in an office and advised of the alleged offence within two (2) working days of the Company becoming aware of the infraction. This time limit will not apply in cases of absenteeism.
- **(b)** Following a full investigation by both parties, to be completed within two (2) days of the employee being advised of the offence, unless a longer period is needed and mutually agreed upon, the employee and the Union will be advised of the penalty to be imposed.
- (c) When the Union disagrees with the penalty stated above, a meeting may be requested with the employee, the chairperson or his/her designate, and the Manager of Human Resources or his/her designate to be held prior to the employee losing time because of the penalty to be imposed, to attempt to mitigate the discipline. After consideration of the Union's position, the Company will impose the disciplinary action they believe is appropriate under the circumstances. It is understood that Article (c) may not apply to written reprimands.
- (d) If after Step (c) the Union still feels the issue has not been properly addressed, it shall be dealt with at Step 3 of the Grievance procedure.
- **9.02** (a) Article 9.01 shall not apply when the alleged violation may endanger the safety of the employee himself or other employees or be of such a nature that it would be inadvisable to retain the employee in the plant, e.g. such violations involving drunkenness, immoral conduct, theft, sabotage, fighting or matters of a similar nature.
 - (b) In such cases, the Company may immediately remove such employee from the premises.
- **9.03** (a) The following special procedure shall be applicable to a grievance alleging improper discharge or suspension of an employee having seniority. He/she shall have the right to interview their committee person or steward in a suitable place for a reasonable period of time before leaving the plant premises. The discharged or suspended employee shall present the grievance in writing, signed by him, to the Company management at any time within three normal working days next following the day on which the discharge or suspension takes place.

The management will review the discharge or suspension with the employee and the committee and render its decision in writing within three (3) normal working days after said review. The consideration of his grievance may include not only the merits of the case, but also what, if any compensation shall be paid for the time lost in the event his reinstatement is agreed upon. The word "committee" as used in this paragraph shall mean the committee mentioned in Section 4.02 (a) or a quorum thereof.

9.04 (a) A copy of all reprimand notations will be given to the employee (including probationary

employees) and the Union and such notice will become part of the employees' personnel record. If an employee has had a reprimand notation placed on his/her record and has since the date of that placement, been employed for a period of twelve (12) months without having further reprimand notation placed on his/her record, it is understood that said reprimand or any prior reprimands shall not be used against him/her.

SENIORITY

10.01 Fundamentally, rules respecting seniority are designed to give employees an equitable measure of security and promotional opportunity based on length of continuous service with the Company.

PROBATIONARY PERIOD (MASTER LIST)

- **10.02** (a) An employee shall have no seniority rights or claim to a job until he/she is entitled to have his name placed on the Master Seniority List and until that time shall be a probationary employee.
- (b) His name shall be placed on the Master List as of the date of hiring after **60** working days of continuous employment within any period of 12 consecutive months.

"In the application of this article, employment will also include days in which the employee receives statutory holiday pay. Eg: for paid dates – this would count to overall seniority when counted to confirm date.

- (c) The date of hiring of **an** employee placed on the Master List after **60** working days of intermittent employment within any period of 12 consecutive months shall be considered to be the date **60** working days prior to the date upon which he/she completed his probationary period.
- (c1) When students are hired, they shall not accumulate seniority and shall be considered as probationary (without right to recall) employees. If however, it is ascertained that the student is not returning to school, and is seeking permanent employment, he/she will be given an opportunity to apply to a future vacancy and be reclassified as a normal "hire" and seniority date will apply from this normal hire date for all purposes of this Agreement.
- (d) Employees must complete 4 hours of work before the day is counted towards seniority. Any employee sent home by the Company before completing four hours work will have the day count towards their seniority. However, employees going home as a result of sickness or personal reasons before completing four hours, will not have the day count towards seniority.
- (e) Until an employee is entitled to be placed on the Master List, he/she shall not be deemed to have been doing work within an occupational group.
- (f) When an employee shall have completed 30 working days within an occupational group he/she shall be entitled to have his/her occupational group seniority coincide with his Master List seniority.
- (g) Notwithstanding anything herein contained to the contrary, the trial period with will be 50 working days.

When an employee shall have completed 50 working days within Group 7, 17, 37, 39, 50, 66 and 73 they shall be entitled to have their occupational group seniority based upon their original date of hiring to coincide with their Master List seniority.

(h) The probationary period for new employees may be extended by mutual agreement between the Company and the Union.

POOL HELP

10.03 Employees while not employed within an occupational group shall be described as working in

the pool or as pool help.

10.04 The Master List and the lists for each occupational group, the accuracy of which has been agreed to by the Chairperson of the Committee on behalf of the Union in writing, shall be maintained at all times by the Company and shall be available to the Committee for inspection at all reasonable times. The Company shall post a revised copy of the said list every three (3) months.

INFORMATION TO THE UNION

- 10.05 The following information shall be provided to the Local Union as frequently as indicated.
 - (A) Upon completion of the appropriate Company documents:
 - (i) Copy of starting slip of all new employees.
 - (ii) Copy of Job Postings and list of successful and unsuccessful applicants.
 - (iii) Copies of Written notice of disciplinary action.
 - (iv) Copy of termination notice.
 - (v) Copy of Daily Absentee List (W.S.I.B.; S & A, L.T.D.)
 - (B) On a quarterly basis:
 - (i) A Master List covering all employees who have served their probationary period.
 - (ii) A list for each Occupational Group
- (iii) A list covering all employees showing birth date, phone number, except unlisted numbers unless authorized by employee, and seniority.
- (C) A list covering all employees showing date of birth, social insurance number and address upon request, but not exceeding once per year.

SENIORITY GENERAL

- **10.06** When the Company is operating two or more shifts, the employees shall rotate, where practicable, and shall work on the shift to which they are assigned, and, except in the case of a lay-off, shall not be entitled to exercise seniority on a shift to which they have not been assigned,
- **10.07** (a) In the event of an employee suffering a major disability exception may be made to the seniority provisions of this agreement in favour of such employee, but in the event of a lay-off, he/she shall be subject to the seniority provisions of this agreement which would have applied had he/she not been disabled. Following recall after a lay-off, exception may again be made to the seniority provisions of this agreement in favour of such employee.
- **(b)** Notwithstanding the provisions of Article 10.07 (a) where practicable the plant committeepersons and the following officers of the Local, the President, Vice-president, Financial Secretary, and Recording Secretary shall be retained on the day shift and it shall be deemed to be practicable if the employee concerned is working in pool or in **an** occupational group having five (5) or more employees therein.
- (c) A Union Representative, who because of their position in the Union, is required to change jobs because of their Union position, will be returned to their previous job once they no longer hold a Union position and the Company has been notified by the Union
- **10.08** Any employee transferred or promoted out of the bargaining unit and returned back to the bargaining unit shall only accumulate the seniority acquired while in the bargaining unit. The employee returning to the bargaining unit will be permitted to replace the junior employee in his former classification for a period of up to six (6) months after such promotion, seniority permitting. After six (6) months out of the bargaining unit he/she will be permitted to replace the junior employee in the bargaining unit only.

- **10.09** Pool employees will be moved by seniority and returned where it is practical to do so without interrupting production, it being the intention of this section that the junior employee is the one to take the move.
- **10.10** Seniority employees who apply for such a job opening in a direct or indirect group, will after the lapse of 3 working days, be placed in such group if he/she is able to do the work required of him after 4 days of instruction.

LOSS OF SENIORITY

- **11.01** Seniority rights shall cease for any one of the following reasons:
 - (1) If the employee guits and an employee shall be deemed to have guit when:
 - (a) he/she gives notice, in writing, of his desire to leave the Company's employment.
- (b) he/she is absent for more than three working days without having applied for and obtained a leave of absence for a definite period from the management unless it was not reasonably possible for the employee to make application for leave.
 - (c) he/she is absent for seven consecutive days due to illness or injury unless the Company is notified of such condition by the employee or his Agent within the said seven days, provided, however, that such notification shall be deemed to have been given if the employee is incapacitated to the extent that he/she cannot notify the Company within the time and in the manner aforesaid.
 - (d) he/she fails to report for work at the expiration of a leave of absence, unless the employee furnishes a reason satisfactory to the Company for his failure to report.
- (2) If the employee fails to report for work after a lay-off within five (5) days after notification that he/she should return shall have been delivered or sent registered mail to the last address given to the Company by the employee.
- (3) If the employee is discharged and such discharge is not reversed through the grievance procedure.
- (4) In case of non-employment by the Company for a period of thirty-six (36) months or for non-seniority employees, a period of twelve (12) months.

LAY-OFF

- **12.01** In the event of a lay-off of an employee after four hours of a shift have elapsed, seniority for the balance of the shift shall not be exercisable by him except in pool.
- **12.02** Subject as aforesaid, seniority rights of employees shall be exercised upon a lay-off as follows:
- (a) An employee in an occupational group shall be entitled to seniority over an employee in that occupational group having less seniority if able to do the different work required of him or them.
- **(b)** An employee laid off from an occupational group shall be entitled to seniority rights (by reference to the Master List) among pool help, only if able to do the different type of work required of him. The Company shall after the lapse of two (2) working days place such employee within another occupational group if he/she has seniority therein and if he/she are able to do the work required of them and lay off an employee from such latter group who in turn may exercise their seniority among pool help.
- (c) In addition to the rights given an employee by Section 12.03 on the lay-off of an employee working in the pool, seniority shall be exercised among pool help (and in Groups 40) by reference to the Master List, provided the one with the greater seniority is able to do the different type of work required of him.
- (d) An employee laid off while working on one shift shall not be entitled to exercise his or her seniority rights upon another shift until after the lapse of one working day, exclusive of the day of layoff.

The company may however permit the exercise of the said rights after the lapse of one working day (at least 24 hours from the end of their shift). For example, an employee laid off from their afternoon shift on Tuesday would not be entitled to exercise seniority until the beginning of Thursday's midnight or day shift. (Wed. midnight shift)

- (e) In the event of breakage of tools or the happening of unforeseen contingencies the Company will temporarily transfer an employee for the remainder of the shift to work other than his or her usual work, and in such events seniority rights shall be exercised in pool only.
- **(f)** In the event of an indefinite reduction of an occupational group or in the event of a plant layoff, and where practical, a list of the employees to be affected thereby will be provided to the Plant Committee Chairperson at least one week prior to the effective date of the reduction or lay-off.
- (g) An employee when transferred to an occupational group (not pool) shall be deemed to be serving a trial period within such group for such number of days as may appear appropriate or necessary to the Company provided however that such employee shall not be considered to be serving a trial period after completing thirty (30) working days within such group. He/she shall, however, for such number of days (not to exceed thirty) receive the same rate of pay received by him at the time of transfer and shall for such time retain his seniority, if any, within the group from which he/she was transferred
- (h) Employees transferred will receive the rate of his job or the rate of the job he/she is transferred to, whichever is higher, for the balance of the shift..
- **12.03** (1) If an employee is laid off from pool and if he/she has more seniority according to the Master Seniority List than an employee working in a direct Occupational Group, he/she shall, after the lapse of one working day, be placed in such Occupational Group, if he/she is able to do the work required of him after 3 days of instruction and the employee replaced in such Occupational Group may exercise his seniority rights, if any, as herein before provided for.
- (2) If an employee is laid off from pool and if he/she has more seniority according to the Master Seniority List than an employee working in an indirect Occupational Group, he/she shall, after the lapse of one working day, be placed in such Occupational Group, if he/she is able to do the work required of him without training and at the normal level of quality production, or at a level of quality production which will satisfy the Company that he/she will be able to achieve the normal level of quality production in a reasonably short period of time, and the employee replaced in the Occupational Group may exercise his seniority rights, if any, as herein before provided.

Letter of Understanding

- (3) This letter of intent is meant to clarify Sections 12:02(b), 12:03 (1) and 12:03 (2) of the Collective Labour Agreement between Cooper Standard Automotive Canada Limited and the National Automobile, Aerospace and Transportation and General Workers Union of Canada (CAW) Canada and Local 876 at Georgetown.
- 12.02 (b) An employee laid off from an Occupational Group will be moved by seniority to Pool and to another Occupational Group within 2 days if he/she has seniority in the second group and is able to do the work required.
- 12.03 (1) If the employee is laid off from Pool and has no other Occupational Group seniority, he/she will be moved to a Direct Labour Occupational Group and given 3 days of instruction, seniority providing.
- 12.03 (2) **As** a final provision before an employee is laid off to the street, the Company will move the employee into an Indirect Occupational Group if the employee is able to do the work required of him without training and at the normal level of quality production which will satisfy the Company.

- 12.04 Notwithstanding their seniority status, plant committeepersons shall be continued at work as long as work of their classification or work in the department they represent is available in the plant, and which they are able and willing to do.
- 12.05 The number of Committee members to be determined as follows:
 - 1) If 49 or less secondary employees are working, there shall be three (3) Union committee members.
 - 2) If between 50-99 employees are working in secondary, there shall be four (4) Union committee members.
 - 3) If there are 100 or more employees, there shall be five (5) Union Committee members.
 - as long as they are able and willing to do the work.

Exceptions to the above are as follows:-

- a) If Extrusion is working but not secondary, then the sliding scale will be applied as long as the Union representatives hold seniority in the Occupational Group. Likewise, if all production is on layoff but skilled trades are working, then only the Union President or designate will be brought in.
- b) If Extrusion only is working, one (1) Union Representation per shift will be retained, i.e. 1 holds extrusion seniority, balance Group 40 and 1 Pool to maximum of 3 Pool or 3 Extrusion holding extrusion Occupational Group.

JOB POSTING

- 13.01 Postings for all Occupational Group jobs will appear on Bulletin boards, whether it will be for replacement or backup personnel. The posting shall include the number of people required except when it may not be possible due to new lines or cells ramping up.
- **13.02** A selection under this section will be based on seniority providing the applicant has the necessary qualifications and ability to satisfactorily perform the job.

The Company agrees in the application of article 13 to provide interested employees with instruction during the trial period to assist them better familiarize themselves with the necessary processes and methods to properly perform the job.

- **13.03** A Vacancy shall be defined as an open position created by:
 - (1) a need to increase the work force.
 - (2) the termination, transfer or movement of an employee from an existing position.
 - (a) Permanent job openings, except in pool, shall be posted for a period of 48 hours.
- **(b)** Before a final selection on a job posting the Company will forthwith advise the Union of its selection and will for a period of 48 hours hear representations from the Union with respect to the selection made.
- (c) All applicants not selected who have greater seniority than the successful applicant will be reinterviewed by the Plant Superintendent or his representative and following the interview, the Company will advise the Union Committee of its position and will for a period of 48 hours hear representations from the Committee and/or the rejected employee with respect to his rejection.
- 13.04 (a) The Trial period within Occupational Groups shall be 30 working days.
- (b) Notwithstanding anything herein contained to the contrary, the trial period with groups 7, 17, 36, 37, 39, 40, 49, 50, 51 and 66 will be 50 working days.
- (c) A successful applicant on a job posting may not, without the consent of the Company and the Union, apply on a subsequent posting for a period of four (4) months from the date of his final selection.
 - (d) (1) A backup position will be posted for 7, 36, 37, 39, 40, 49, 50, 51, and 66 and any others

that the Union and Company mutually agree upon.

- (2) a) Backups will be trained within sixty (60) working days of selection of the posting, or longer if mutually agreeable.
- (b) The Company will make every reasonable effort for backups to be utilized for a minimum of four (4) hours training at one time. May be utilized for less than four (4) hours for lateness.
- (3) Backups will be eligible to work overtime as a person normally performing the work if they are actually working on the job, or after all employees who have occupational group seniority.
- (4) Should a backup refuse to fill a position for whatever reason, they will be removed from the backup list for that occupational group
- (5) Backups for absenteeism and emergencies The Company will make every reasonable effort to utilize backup employees during the balance of the shift. Backups shall not accumulate occupational group seniority.

13.05 Within Quality:

- testing threshold at 65% and then master overall seniority will be the basis of selection of candidates
- Company to provide Union a list of subjects that are on the test so that the applicants can properly prepare
- In the event of a dispute with the test results, the Union will be allowed the opportunity to review the test in question

PAID HOLIDAYS

14.01 An employee shall receive holiday pay for the following days:

Victoria Day	May 22, 2006
Canada Day	June 30, 2006
Civic Holiday	August 7, 2006
Labour Day	September 4, 2006
Thanksgiving Day	October 9, 2006
Christmas Day	December 25, 2006
Boxing Day	December 26, 2006
Christmas Holiday	December 27, 2006
Christmas Holiday	December 28, 2006
Christmas Holiday	December 29, 2006

New Years Day	January 1, 2007
Good Friday	April 6, 2007
Easter Monday	April 9, 2007
Victoria Day	May 21, 2007
Canada Day	July 2, 2007
Civic Holiday	August 6, 2007
Labour Day	September 3, 2007
Thanksgiving Day	October 8, 2007
Christmas Holiday	December 24, 2007
Christmas Day	December 25, 2007
Boxing Day	December 26, 2007
Christmas Holiday	December 27, 2007
Christmas Holiday	December 31, 2007

New Years Day	January 1, 2008
Good Friday	March 21, 2008
Easter Monday	March 24, 2008
Victoria Day	May 19, 2008
Canada Day	June 30, 2008
Civic Holiday	August 4, 2008
Labour Day	September 1, 2008
Thanksgiving Day	October 13, 2008
Christmas Holiday	December 24, 2008
Christmas Day	December 25, 2008
Boxing Day	December 26, 2008
Christmas Holiday	December 30, 2008
Christmas Holiday	December 31, 2008

New Years Day	January 1, 2009
Good Friday	
Easter Monday	April 13, 2009

^{****} Canada Day Holiday is subject to change due to customer schedules ****

- (a) The employee, in order to qualify for such holiday pay, must have completed thirty (30) calendar days of employment with the Company and must work on the regular scheduled shift immediately preceding and following the holiday, unless absent one of such shifts, but not both, with good reason acceptable to the Company. Good reason shall include lay-off, approved Leave of Absence, Union Business, receiving benefits under Sickness and Accident insurance or W.S.I.B., etc.
- (b) If an employee complies with subparagraph (a), but fails to work on either his last scheduled working day before or his next scheduled working day following the holiday and such failure was unavoidable, the Company will credit the employee with having worked on the said day or days if he/she proves to the satisfaction of the Company that his failure to work was unavoidable.
- (c) Provided, however, that if an employee is receiving benefits under sickness and accident insurance or W.S.I.B. for a period of not more than thirty (30) calendar days, he/she shall be deemed to have been working on the said days, then, in that event, the said period of thirty (30) calendar days shall be extended retrospectively to cover the period during which such benefits are received to a total of not more than thirty (30) calendar days and he/she shall be deemed to have been working during such extended period.
- (d) For the purpose of this section, an employee on leave of absence for not longer than three (3) weeks immediately before and/or three (3) weeks immediately following their vacation period, shall be deemed to have complied with 14.02.
- (e) The Company agrees to adhere to the Collective Labour Agreement for absences of employees of less than thirty (30) calendar days due to confirmed sickness or a WSIB claim. The Company will administer a "top up" for these affected employees.
- **14.02** The amount of holiday pay shall be:
- (1) for employees working on **a direct** or an indirect labour basis, eight (8) hours at base rate plus cost of living allowance plus shift premium:
- **14.03** An employee laid off during the thirty (30) calendar days immediately preceding the day of the observance of the holiday shall receive a holiday pay if he/she works his last scheduled work day during the said thirty (30) calendar days provided the lay-off is not due to a disciplinary measure or unauthorized work stoppage.
- **14.04** An employee who works on such paid holidays shall be paid double time for all hours worked plus C.O.L.A., plus shift premium where applicable, and in addition holiday pay.

VACATIONS

15.01 The vacation shutdown will be posted by March 31st of each calendar year. Employees with more than two (2) weeks of vacation entitlement may apply for weeks other than those posted for the next 10 days following the posting. The Company will review the requests and respond by April 30th with a decision of approval or rejection based upon seniority within the Department. Subsequent to April 30th, all vacation requests will be approved or denied on a first come first serve basis to the employee concerned when possible within 2 weeks of applying for the vacation. The purpose of this clause is to allow senior employees the opportunity to maximize their vacation entitlement during prime vacation periods. For vacation periods other than shutdown, approved vacations may only be changed by mutual agreement between the Company and the Employee.

Years	Allowed	% of Gross
<u>Service</u>	<u>Weeks</u>	Earnings
Up to 1 year	1	4%
1	2	4%
2	2	4%
2 3	2	5%
	2	5%
4 5	3	6%
6	2 2 2 2 3 3 3 3 3	6%
7	3	6%
8	3	7%
9	3	7%
10	4	8%
11	4	8%
12	4	8%
13	4	8%
14	4	8%
15	4	8%
16	4	9%
17	4	9%
18	4	9%
19	5	10%
20	5	10%
21	5	10%
22	5 5 5 5 5	10%
23	5	10%
24 & Up	5	11%

- (a) The fourth and fifth week of vacation may or may not be given consecutively to the first three weeks depending on the Company commitments and/or requirements.
- (b) When an employee with at least one year of Company service credit has been absent for more than 2 months because of a comprehensible injury or a Sickness & Accident claim, and the employee has worked more than 60 days in the vacation year, the calculated vacation pay will be the greater of the percentage of the employees' gross pay or a minimum of 40 times his base rate per eligible week.
- (c) The vacation period of an employee shall be extended by one day for each paid holiday which is celebrated under Article 14.01 during their vacation period.
- (d) All employees must take their full vacation entitlement.
- (e) Vacation Pays will be issued to employees prior to each year's shutdown unless written notification is received by the company before May 31st of each year. Employees shall be permitted to withhold vacation pay to be paid later in the year as vacation weeks are used. All unpaid vacation monies shall be processed for employees the first week of December..
- (f) The Vacation year shall be from July 1st through June 30th. Vacations must be completed by April 30th and can not accumulate or be taken in subsequent vacation years.

LEAVE OF ABSENCE

16.01 (a) Leave of Absence with accumulation of seniority will be granted upon application to any employee with seniority elected or appointed to an office in the National Union or Local 876 thereof, during the term of said office and to other employees for the time necessarily expended while going to, attending and returning from, the regular sessions of a convention of the National Union or other Union or Local meeting as a delegate or representative, provided however, that leave of absence shall not be granted to more than three employees for attendance at any such convention or meeting. Leave of

absence as aforesaid may be granted to more than three employees in cases where the Company and the Union agree upon the larger number.

(b) The Company agrees to grant leave of absence in cases of bona fide illness or injury, with seniority accumulated as provided for in Section 11.01, No. 4. The duration of such leave shall be dependent on the nature of the illness or injury, the medical aspects of the case and the effort the employee is making to restore themselves to normal health.

MATERNITY LEAVE

- 17.01 (a) Any female employee will in the case of pregnancy, certified by a qualified physician, be granted a Leave of Absence subject to the following conditions:
- (1) The employee involved must notify the Company in writing, two weeks prior to the day on which she intends to commence her Leave of Absence.
- (2) The employee involved must take a Leave of Absence from the employment for one (1) week prior and up to a maximum of sixteen (16) weeks following date of delivery. In individual cases, an extension to or shortening of this period of time may be granted where the employee has requested such extension or shortening of change in writing, with written notice from her Physician that such is medically acceptable.

Not withstanding the provision of the 17 weeks of maternity spelled out above; the employee may apply for an additional 35 weeks of Parental Leave to be taken immediately following her maternity leave. Furthermore, the employee has **an** additional right to apply for an additional 8 week extension to be taken consecutively with her other leaves. Both additional leaves will be permitted only with proper approval by the Company and must be applied for four (4) weeks prior to the expiration of the maternity leave, but may be shortened with two (2) weeks written notice to the Company. The total eligibility for maternity leave would therefore be 52 weeks.

- (3) Seniority will accumulate during the period of such leave.
- (4) Before returning to work the employee must provide the Company with a Physicians' Certificate stating she is fit to return to her normal duties at least five (5) working days prior to the date of return.
- (b) The Company agrees to identify and post employees' rights under Bill 14 'AnAct to amend the Employment Standards Act with respect to Pregnancy and Parental Leave', and to comply with this Act or any other legislation regarding maternity or maternity leave.

The Company will return such employees' to their former classification upon their return to work, seniority permitting.

17.02 During pregnancy/parental leave, the employee continues to participate in each benefit plan that the employee was previously enrolled in, unless he/she elects in writing not to do so.

JURY DUTY

18.01 Employees called for jury service or as subpoenaed crown witnesses shall be excused from work for the days on which they serve and shall receive for each day of jury service or as a subpoenaed crown witness, base rate plus C.O.L.A., plus shift premium where applicable. Employees shall present proof of service and the amount of pay received.

An employee working the midnight shift schedule will be allowed an additional shift off with pay if the employee is required to be present under this clause beyond 12 noon. The employee will provide two (2) weeks notice whenever possible.

BEREAVEMENT LEAVE

19.01 In the event of bereavement of the employees' family, which shall include father, mother, husband, wife, grandparents, son, daughter, grandchildren, brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-parents, stepsister, stepbrother, step-children, spouse's parents, spouse's grandparents, common-law spouse and parents and grandparents which may necessitate an employee to be absent from his scheduled work within his normal work week, claim for payment for lost time on normal hours for three consecutive working days including the funeral day, may be made to the Company after the occurrence and with a submission of proof. Payment for such time so lost shall be at the employees' base rate plus C.O.L.A., plus shift premium where applicable. If the employee is eligible for any other form of remuneration to which the Company contributes, payment shall not be made under the section for such day or days.

The above is intended to allow bereaved employees three (3) normal working days off with pay, not including statutory holidays, this period will be extended to five (5) working days upon the death of an employee's dependant spouse or child. When the Company is notified during an employee's vacation that a death has occurred in the employee's family, as identified above, the vacation will be extended by the length of the bereavement taken and the employee will receive bereavement for those days.

19.01 – Unpaid compassionate leave (maximum one 1 day) for an employee to attend the funeral of an aunt, uncle, niece, or nephew will be granted by the Company.

HOURS OF WORK, PAY AND OVERTIME

- **20.01** The regular pay period shall be one (1) week of seven (7) days regardless of the day upon which it starts.
- **20.02** The regular work period shall be forty (40) hours, consisting of eight (8) regular working hours per day upon each regular work day which shall be Monday through Friday inclusive. When deemed necessary by the Company, the employee shall work additional hours on the above days and on Saturday and Sunday. The starting hour each day shall be determined by the Company.
- **20.03** A day shall consist of twenty-four (24) hours and shall commence with the starting time of an employees' shift.

If an employee is directed by the Company to transfer from one shift to another with less than eight hours (8) before the commencement of their new shift, he/she will be paid at the applicable overtime rate for all hours worked on his/her next regular shift.

HOURS OF LABOUR AND PAY

- **20.04** (a) The base rates of pay shall be set out in Schedule "A" hereto annexed. Any rate altered, amended or established by the Company incidental to the establishment of an Occupational Group or the restriction or expansion of an Occupational Group may be the subject matter of a grievance.
 - (b) Earnings shall be the greater of -
 - (1) the base rate or
- (2) the base rate plus that percentage of the base rate by which the employees' production on a full shift plus overtime exceeds the standard of production as predetermined by the Company.
- (3) In the event of overtime the employee shall be paid on the basis provided in the next preceding paragraph plus 50% of his base rate per hour overtime worked on Monday through Saturday and 100% of his base rate on Sunday for hours worked.

20.05 All hours worked in addition to the eight (8) hours upon a regular work day and all hours worked upon a Saturday shall be considered overtime and paid for at a rate of time and one-half, plus cost of living allowance, plus shift premium if applicable.

All hours worked outside an employees regular scheduled shift shall be considered overtime and paid at the applicable overtime rate of pay if the employee is sent home by the Company and cannot work their regular shift hours unless it is by an Act of God that employees are sent home.

- **20.06** (1) All hours worked by employees, upon a Sunday shall be paid for at the rate of double time.
- (2) All hours worked by employees in excess of twelve (12) consecutive hours shall be paid at the rate of double time.
- (3) In the event there are more than eight (8) employees working overtime in a department, the Union representative of that area will be entitled to work overtime also to represent such employees, providing he/she is able to perform the work to be done.

STANDARDS

20.07

TIME STUDY REPRESENTATIVE

It is understood and agreed that the services to provide a Local Union Time Study Representative will continue during the term of this agreement as follows:

Said representative will be paid by the Company for the time which it is necessary for him/her to lose his/her regular duties, in order to attend Time Study Training Courses jointly approved by the Company and the Union.

Fees for such Company approved time study courses and the expenses relating thereto will be borne by the Company.

Upon his/her appointment the Company will then initiate a training program for the said local Union Time Study Representative.

When necessary, the Local Union Time Study Representative shall have access to such Company time study records that are required in the performance of such duties.

At the request of the Union to the Supervisor Industrial Engineering, the local Union Time Study Representative will be excused from his/her regular duties where possible to investigate and study standard grievances, attend meetings that involve violation of standards and attend time study training courses which have been approved by the Company.

DEVELOPMENT OF STANDARDS

(a) STANDARD TIME

The standard time per piece produced is the length of time required by an average qualified operator working at normal pace and under standard conditions to produce one piece. This time is determined by stop-watch timestudy observation or standard data derived from timestudy in the Company's Georgetown Plant.

(b) Allowance For Miscellaneous Work and Short Unavoidable Delays

in each job there are miscellaneous work elements, such as obtaining stock, handling scrap pieces, disposing of finished work and miscellaneous delays inherent in the job. The normal h i e required to perform such work is added to and becomes a part of the standard time per piece.

Also, an allowance of 3% is made to cover short unavoidable delays which occur irregularly, such as interruptions by oilers, inspectors, and instructions from the supervisor.

(c) Allowance For Fatigue

An allowance of 5% is included in the standard for fatigue.

(d) Allowance for Personal Needs

An allowance of 6.25% is included in the standard for personal needs and end-of-shift clean-up.

(e) Scrap Allowance

In some operations there is a certain amount of unavoidable scrap. The normal time lost making and handling scrap which cannot be avoided by close attention on the part of the operator is added to and becomes part of the standard time per piece. The operator turns in his production separately - good pieces and scrap pieces.

INSTALLATION OF STANDARDS

The Company will establish standards when and wherever practical. Employees being time-studied will be told why the study is being made. The result of the standard will be given to the employees involved. Standards start on the date the standard is installed. All current rates will be listed in routing books or on the computer and made readily available to employees.

The Union may at any reasonable time and from time to time have a timestudy expert from its engineering department attend at the Company's' plant to inquire into the particulars of any established and installed standard, and the Company shall **furnish** all reasonable and relevant information necessary to enable the expert to complete the said enquiry.

If the employees or the Union feel that an established standard is too high and should be restudied, they are at liberty to request this;

OVERTIME

20.08 (a) Overtime will be equitably distributed among those employees normally performing the work to be done on the line or Department, on the shift the overtime occurs.

Department is defined for example as GMX 211, GMX 365, etc.

- The person who has the least amount of overtime hours working on the job will be asked first.
- If the Company is unable to obtain sufficient employees among those employees normally performing the work, the opportunity will be given to the employees with the least amount of overtime on the same shift, in the department, who are capable of performing the work, without training. The term 'without training' applies to Occupational Groups.
- In cases where overtime hours are equal between two or more employees within the group or classification, the overtime opportunity will be offered to the senior employee.
- Weekend overtime will be posted by the Punch Clock no later than Thursday Noon, whenever possible. If there are any employees who were missed and wish to work the overtime, they must contact their Supervisor and/or Union person, prior to the end of their normal work week.
- ~ When there is a Shift change and overtime is required for the weekend, the current shift sheet will be asked for Saturday overtime and if overtime is required for Sunday, the following week Shift Sheet will be used.
- The Union will furnish at all times a Committee person to work with the Human Resources Department to distribute equitable overtime.
- An employee who refuses to work overtime will be charged with the overtime hours and the opportunity will be passed on to the next employee.
- When an employee changes from one classification to another, as a result of a job posting, he/she will be averaged into the new classification/group.

- All employees will be charged for overtime hours scheduled or asked, or if they are not available but would have otherwise been asked to work.
- Employees will be asked once. If the employee does not have a definite answer, it will be considered a "no" by the Supervisor and that employee will be required to advise the Supervisor prior to noon Thursday, when it becomes a definite "yes".
- When overtime is needed on Sunday, but not known until Saturday, it shall be offered to the same employees who would have been asked on Friday according to the Shift Sheet, if they are actually at work on Saturday.
- **(b)** When reasonably possible the Company shall give twenty-four (24) hours notice of overtime to employees. Such notice shall also be given to the Steward representing the employees concerned, and whenever he/she is available he/she shall be notified before the employees concerned.
- (c) The Company will maintain up-to-date records of the overtime offered in each department and these records will be posted on plant bulletin boards.

CALL-IN

21.01 The Company, when it calls an employee in to work, shall provide at least four (4) hours regular pay at base rates, plus cost of living allowance, plus shift premium if applicable.

The Company shall be relieved of its duty to an employee or employees as aforesaid when lack of work is due to any one or more of the following causes:

Fire, flood, labour dispute, failure of power or other causes beyond the control of the Company.

REPORTING-IN

22.02 When an employee not having been instructed otherwise, reports for work on the shift to which he/she is assigned, he/she shall be given a minimum of four (4) hours work at base rate plus cost of living, plus shift premium or pay for any part of the four hours plus cost of living not worked. Provided the Company takes all reasonable steps to notify the employee or employees not to report for work, the Company shall be relieved of its duty to an employee or employees as aforesaid when lack of work is due to any one or more of the following causes:

Fire, flood, labour dispute, failure of power or other cause beyond the control of the Company, provided however, that if there is work available in the plant on a subsequent shift(s) the employee may exercise his seniority rights on a plant wide basis as outlined in Article 12 of this agreement.

REST AND LUNCH PERIODS

- 23.01 (a) The Company shall provide one ten (10) minute rest period during each half shift.
- **(b)** At the end of each shift five (5) minutes will be allowed to enable employees to clean up machines, put away tools, wash up and complete such other preparations as are necessary before leaving their departments.
- (c) The said period of five (5) minutes in the next preceding subparagraph mentioned shall be extended to ten (10) minutes in cases where an employee is required to continue at work for two (2) or more hours of overtime immediately following a shift, in addition, immediately prior to the completion of the overtime, he/she shall be allowed the five (5) minutes allowed in article 23.01(b).
- (d) When a machine is being operated on three consecutive shifts (no overlapping) the lunch period of the operator or operators of the machine shall be reduced to twenty minutes and shall be paid for by the Company at base rate.

When employees are required to rotate on three (3) shifts, an equal number of employees from the day and afternoon shifts will be give a twenty (20) minute paid lunch as the number of employees on the midnight shift.

(e) When employees are required to work on the Midnight Shift, the lunch period of such employees shall be reduced to twenty minutes and the Company shall pay for the lunch period.

LUNCH ROOM

- **23.02** (a) The Company will provide a lunch room for employees.
- **(b)** Accommodation will be provided for employee's street clothes in an area outside the production area.

HEALTH AND SAFETY

24.01 (A) Company Duties

The Company shall institute and maintain all precautions reasonable in the circumstances for the protection of the workers. The Company shall comply in a timely manner with the Occupational Health and Safety Act, and its applicable regulations and codes of practice. The Company further agrees the Occupational Health and Safety Act as of October 1, 2002 will be used as a minimum standard pertaining to employee's rights.

All standards established under these laws shall constitute minimum acceptable practice to be improved upon by the agreement of the Joint Health and Safety Committee which shall be known throughout the following articles as "the Committee".

(B) Employee Duties

All employees shall follow the Company safety rules at all times while on the Company premises and use or wear the personal protective devices that the Company requires to be used or worn.

24.02 Joint Health and Safety Committee

- a) (i) The Company and the Union agree to maintain the established Joint Health and Safety Committee in accordance with the Occupational Health and Safety Act as now written or hereafter amended. The Union representation on the committee shall be up to four (4) members chosen by the Union. At no time shall the number of Management members out number the number of Union members.
 - (ii) One Certified representative and other Union members to have W.H.S.C. Level I.
- b) Two (2) co-chairpersons shall be selected from and by the members of the Committee. One (1) of the co-chairpersons shall be a Union member chosen by the Union members of the committee. The other co-chairperson shall be a management member selected by the Management members of the Committee.
- **c)** During all absences of the Union co-chairperson, the Company shall recognize an alternate co-chairperson designated by the Union.
- d) The Committee shall assist in creating a safe and healthy place to work, shall recommend actions which will improve the effectiveness of the Health and Safety program, and shall promote compliance with appropriate laws, regulations and codes of practice. The Company shall respond within 21 days to the recommendations of the committee. **Agreed upon recommendations will be prioritized and completed in a timely manner.**

e) The Committee shall:

- I) hold regular meetings at least once a month or more frequently if mutually agreed upon by the Union and the Company co-chairpersons for the review of:
 - reports of current accidents, industrial diseases, accidents and incidents, and their causes and means of prevention.
 - remedial action taken or required by the reports of investigations or inspections.
 - any other matters pertinent to health and safety.
- 11) have access to all reports, records and documents in the company's possession

pertaining to health and safety matters.

f) Time spent by members of the Committee in the course of their duties shall be considered as time worked and shall be paid in accordance with .the terms of the agreement.

24.03 Right to Refuse

- **a)** The Company shall ensure that all employees are informed that they have the right to refuse unsafe work which may harm them or another person.
- **b)** If a worker exercises his or her right to refuse he or she shall notify the Supervisor and a Union member of the Health and Safety Committee. He or she shall stand by in a safe place and participate fully in the investigation of the hazard.

24.04 No Disciplinary Action

- **a)** No employee shall be discharged, penalized, coerced, intimidated or disciplined for acting in compliance with the Occupational Health and Safety Act and its regulations.
- b) No employee shall be discharged, penalized coerced, intimidated or disciplined for refusing to work on a job, in any workplace, or operate any equipment, which they believe would be unsafe or unhealthy to them, a workmate, or where it would be contrary to the applicable provincial health and safety laws and regulations.

24.05 Education and Training

- **a)** No employee shall be required or allowed to work on any job or operate any piece of equipment until they have received proper education, training and instruction.
- **b)** The Company will ensure that all members receive chemical hazard training. This training shall include WHMIS education and training.
- c) All Union members of the Joint Health and Safety Committee will attend the following courses:
- W.H.S.C. Level 1 Workers Health and Safety Centre. Management representatives of the Committee may also attend this course.

All such training to be completed as soon as reasonably possible, but within one (1) year of the signing of the contract.

d) The Company will ensure that the lost time, per diem or meal and travel and accommodation, if required will be paid for those who participate in education or training required by this Article.

24.06 Accident and Incident Investigations

- **a)** Every injury or near-miss which involved or would have involved a worker requiring outside medical aid must be investigated.
- **b)** the Company shall immediately notify the Ministry of Labour on all such critical injuries as defined in O. Reg. 834 under the Occupational Health and Safety Act.

A Union Health and Safety Representative in conjunction with a Management representative shall investigate the accident.

c) Accident and incidence investigation reports shall contain all pertinent information.

24.07 Right to Accompany Inspectors

- a) A Union Health and Safety member shall be allowed to accompany Government inspectors (health and safety) on an inspection tour and to speak with the inspector out of ear shot of any other person.
- b) The Company shall give a copy of the reports or any other written documents, received from the Inspector, to the Union Health and Safety representative.

24.08 Disclosure of Information

The Company also agrees to make any information in their possession available to the committee upon request, including the trade name or technical description (including chemical analysis of any compounds and substances used in the plant).

The Union and its representatives shall ensure that the information is not disclosed to any third party without prior written approval from the Company.

24.09 Ventilation

The Company shall ensure that adequate local exhaust ventilation systems are installed on all sources of hazardous airborne contaminants and must be maintained on a regular basis.

24.10 Noise Abatement

- **a)** The Joint Health and Safety Committee will conduct noise measurements throughout the plant and identify areas and equipment by amount of noise found or produced.
- **b)** The Company will endeavour to ensure that bi-annual audiometric tests are made available for all employees who are exposed to noise in excess of 80 deb.

The results of the audiometric examinations will be given to each employee. Statistics shall be supplied to the Committee. Permanent records of audiometric tests and noise level surveys will be maintained by the Company.

24.11 Access to the Workplace

The Company agrees that the national representative or his designate with reasonable advance notice may attend meetings of the Joint Health and Safety Committee and plant inspections.

24.12 National Day of Mourning

Each year on the National Day of Mourning (April 28) at 11:00 a.m., a one (1) minute silence will be observed in memory of workers killed or injured on the job. Exceptions to this will be any continuous operations, such as extrusion.

24.13 Heat Stress

Policy in the past has been that when employees find the working conditions affecting them to the point of illness or extreme discomfort, each employee will approach the respective Supervisor who will follow the <u>Company Exit Policy for Heat Stress</u> dated July 8, 2002 unless mutually amended by both parties.

The Company agrees that, when the temperature and humidity reach a level that the comfort and health of the employees is in question, the Company will meet with the Bargaining Committee to discuss and find Heat Relief.

24.14 Ergonomics

- **a)** The Joint Health and Safety Committee will address ergonomic needs on a priority basis and work toward modifying the workplace, work station, or tool to accommodate the worker.
- **b)** The Company shall ensure that a member of the Management Staff is given ergonomic issues a priority as well as sufficient training so that professional advice to the committee may be obtained from within the plant.
- **c)** When an ergonomic concern is beyond the scope of the Committee or company engineer, the Company shall hire a consultant.

24.15 Lockout Program

- a) Both parties recognize the need for a lockout procedure.
- **b)** Lockouts are to be carried out by each employee during set-up, before any repair, trouble shooting, adjustment or servicing of all plant equipment in accordance with plant lock-out

procedure. A proper machine lockout should block and de-energize all possible sources of motion.

- c) Employees who may be at risk because they are required to set-up, repair, or maintain equipment, machinery or system where a lockout is required, shall receive lockout training.
- d) The Company shall provide employees with personal locks to ensure all equipment is locked before being repaired, maintained or set up.
- e) No Supervisor or employee shall remove another person's lock, unless done in accordance with the Company's lockout procedure.

24.16 Protective Clothing and Equipment

The Company will furnish and maintain, without charge to the employee, special wearing apparel considered necessary by mutual agreement between the Company and the Union.

24.17 Confined space Entry

- a) The Joint Health and Safety committee shall review the work areas in the plant to determine those specific work activities they consider hazardous for confined space entry.
- **b)** The Company in conjunction with the Committee shall develop confined space entry procedures including but not limited to: air sampling and ventilation, communication systems, personal surveillance arrangements, proper instructions and training, rescue procedures, and personal protective equipment.
 - c) The Company shall ensure such procedures are followed.

24.18 Medical Examinations

- a) The Company will provide safety related medical examinations and tests for employees as prescribed in the Occupational Health and Safety Act of Ontario. If an employee participates in a prescribed medical surveillance program or undergoes prescribed medical examination, the Company will pay:
 - 1) the employee's costs for medical examinations or tests required by the medical surveillance program or required by legislation.
 - 2) the employee's reasonable travel costs respecting the examination or tests.
 - 3) the time the employee spends to undergo the examination or tests, including travel time, which shall be deemed work time for which the employee shall be paid at the applicable rate of pay.

24.19 Alternate Work Program

The employer agrees to make every reasonable effort to provide suitable **productive** alternate work to any employee who is unable to perform normal duties as a consequence of work-related illness or injury **and or a sick and accident claim.** The Union agrees to counsel its member on the benefits of co-operating in the Alternate Work Program. The employer agrees to establish a joint alternate work committee between Union, Management and employee upon Doctor's approval to provide a practical rehabilitation program that will assist in the return of the employee to a productive role, while meeting the provisions of the Workplace Safety and Insurance Act **where applicable.** The Company will endeavour to protect the employment of the injured or disabled employee according to our Collective Agreement. **It is understood that Workplace Safety and Insurance Board claims will take precedence in placements under this article. It is also understood any placement of an employee who is off to a sick and accident claim will be for a maximum duration of a four (4) week period.**

INJURY ALLOWANCE

24.20 If an employee is injured on the job, he/she will be paid for the balance of the shift on which he/she has been sent home or to an outside hospital or doctor, because of such injury, irrespective of when the injury occurred. The Company shall supply transportation to the doctor, home and hospital for

the first visit if needed and for any subsequent visits to a doctor or hospital within a 15 mile radius of Georgetown.

(b) The Company will assume the full cost of medical certificates or forms required by them, the Workplace Safety and Insurance Board or the Insurance Carrier to a maximum of \$40 per note.

SMOKING

24.21 Smoking by employees will not be permitted except in those areas in the plant which may from time to time be designated by the Company as smoking areas.

FUNCTION OF THE SUPERVISOR

25.01 It is the function of the Supervisor or assistant Supervisor to develop proper methods, perform experimental set up work, and instruct operators as to proper methods and quality required. It is agreed that supervisors and assistant supervisors or other excluded personnel will not perform operations regularly performed by employees in the bargaining unit except for brief periods as necessity requires and in emergencies or when required as qualified employees are not immediately available.

NO STRIKE OR LOCK-OUT

26.01 There shall be no lock-out, strike, sit-down or slow-down, nor stoppage of work either partial or complete over any matters so long as this agreement continues to operate, such words to have any meanings defined by the Labour Relations Act.

BULLETIN BOARDS

27.01 The committee may have the use of bulletin boards in the said plant to be erected, located, and designated for the purpose by the Company. Provided it is agreed that the use by the committee of such bulletin boards shall be restricted to the posting thereon of only such notices as have received the approval of the Company prior to the posting thereof and that the subject matter of all such notices shall be restricted to notices pertaining to recreational or social activities, notices of meetings or notices of the results of elections. Provided further that no notices shall be posted by the committee on such board containing advertising or political matter. The Company reserves the right itself to use such bulletin boards for the posting of such matters as it may wish to call to the attention of the employees but the Company shall not use such bulletin boards in such manner as unreasonably to interfere with the use thereof by the committee as herein agreed to.

PAID EDUCATION LEAVE

28.01 Effective May 1, 1994, a paid education program will be implemented (see supplementary letter). **PENSION PLAN**

29.01 The Pension Plan attached to the end of this agreement forms part of this agreement.

PLANT MOVEMENT

30.01 In the event that the Company moves or transfers a portion of the production and equipment at Georgetown, to a new factory owned or leased or operated by it, then in that event, the Company will give the Union notice of move or transfer as far in advance as practicable and will meet with the Union for the purpose of working out a transfer of production agreement covering employees laid off as a result of such move or transfer, provided always however, that there is no Collective Agreement to which the Company is a party or is bound by reason of the provisions of the Labour Relations Act or Amendments thereto, covering a bargaining unit at the new factory. In the event there is a Collective Agreement covering a bargaining unit at the new factory, employees laid off as a result of the move or transfer shall, subject to said Collective Agreement, be offered the opportunity to transfer with their job.

COST OF LIVING ALLOWANCE EFFECTIVE MAY 1, 2000

31.01 A Cost of Living Allowance will be paid in accordance with the changes in the official Statistics Canada Index (1986 = 100) and hereinafter referred to as the Consumer's Price Index.

Added to gross earnings will be a Cost of Living Allowance calculated on hours worked and on a basis of a one cent (0.01) adjustment for each change of .12 in the Consumer Price Index in effect for the month of March, 1988.

The Cost of Living Allowance will be adjusted up and down if as required for each quarterly period in accordance with the above calculation, provided, however, that in no event will a decline in the Consumers' Price Index below the established base provide for a further reduction in the base rate.

Cost of Living shall be calculated as above for each quarter commencing with the Statistics Canada Index as published for June, printed in July and paid in August. Thereafter, Cost of Living adjustments will be made quarterly and paid in November, February, May and August for each year of the Collective Agreement.

There shall be a one (1) cent roll back each quarterly calculation over the three (3) year agreement.

Effective May 1,2006: Open with no caps (unchanged inclusive of \$0.01 rollback) $:1986 = 100 \ @ 0.12$ formula

May 1, 2006 - \$0.25 fold in May 1, 2007 - \$0.25 fold in May 1, 2008 - \$0.25 fold in

SKILLED TRADES

32.01 All employees classified in the skilled trades department are subject to all the provisions of the Collective Agreement, except as specifically provided for in the skilled trades section.

Skilled Trades for the purpose of this agreement shall be those trades and classifications listed below:

Group 44 - Tool & Die Certified/Mould Maker

Group 48 - Tool & Die Leader

Group 57 - Maintenance Leader

Group 46 - Certified Industrial Millwright

and others agreed upon by both parties.

A "journey person" as used in this agreement shall mean any person who:

- a) who presently holds a journey person's classification in the skilled trades occupation as listed above, or;
- b) has served a bona fide apprenticeship of four (4) years (8000 hours), 5 years (9000 hours) and holds a certification which substantiates his/her claim of such service;
- c) who has 8 years of practical experience in the trade or classification he/she claims journey person's designation and can prove same. A CAW journey person's card will be accepted as proof in conjunction with an Ontario Ministry of Skills and Development certificate;
- d) any further employment in the Skilled Trades occupations as listed above, after signing this agreement, shall be limited to journey persons and apprentices.
- e) seniority lists shall be maintained by basic trades and shall not be interchangeable with other trades.

- f) present employees in any skilled trades classifications prior to May 1, 1997 shall have their total seniority applied in such skilled trades classification. Employees entering a skilled trades classification after April 30, 1997 shall have a seniority date established as of the date of entry in such classification.
- g) a production employee will not exercise his/her seniority in any skilled trades classification, nor will any skilled trades employee exercise seniority in any production classification.

In the event of a reduction in force in the skilled trades department, employees will be laid off from their respective groups, in accordance with the following procedure:

- 1) probationary
- 2) apprentices
- 3) the most junior person within the classification
- 4) recalls will be in reverse order of layoff

In the event of a reduction in the workplace in any of the skilled trades classification, the individual affected will be laid off from the plant except for an apprentice, who, if laid off, may exercise his/her total master seniority including time serving apprenticeship.

In the event of recall from layoff, the tradesperson will only be eligible to recall to the group from which he/she was laid off.

In the event of the abolition of a particular skilled trade, the Company and the Union will meet to discuss the bumping of the abolished skilled tradesperson into a remaining trade. It is agreed and understood that it may not be possible to accomplish this integration due to seniority and/or skills.

Should a skilled trades employee become medically unfit and unable to follow his/her skilled trade, both the Company and the Union will cooperate in endeavouring to place such an employee on a job he/she is capable of performing in accordance with Article 12.02 and he/she will carry his/her total plant-wide seniority to such job.

In the event that an employee removed from a skilled trades classification is subsequently cleared to return to such classification, he/she will be returned with no loss of seniority provided he/she exercises such election within fourteen (14) days of his receipt of medical clearance.

Before hiring a skilled trades employee, the Company will provide the Skilled Trades Representative with proof the proposed employee holds a valid journeyperson license.

New Process or Equipment

The Company will communicate with the Union any significant process or equipment change that affects the job duties normally performed by our skilled trades employees with as much advanced notice as possible. It is the intent that this stated communication shall solicit input for the stated process or equipment and to identify any input and or training needs from the skilled trade employees.

The Company will also update the information provided, on an ongoing basis, as soon as new developments arise or modifications are made. When the Company deems that such training is required the Company will make every reasonable effort to equitably distribute such opportunities giving due consideration to seniority.

32.02 Dues

The Company agrees to deduct Canadian Skilled Trades Council dues as adopted by the Canadian Skilled Trades Council, 1/2 hour/year.

The first such dues deduction will be made from the employees first pay following completion of their probationary period. Thereafter, dues deduction will be made in January of each succeeding year or upon completion of one (1) months' work in the calendar year. These deductions, along with the names and clock numbers of the employees shall be remitted to the financial, secretary of the Local Union.

32.03 Job Security and Outside Contracting

It is the policy of the Company, that outside contractors will not be utilized to perform work normally done by seniority employees.

- a) In the event utilization of outside contractors is required, the following procedure will take place:
 - i) If the need to utilize outside contractors should arise, the Company will provide the respective Skilled Trades Representative or their designate with notification of the Companies intention to sub-contract work. If the Company has less than forty-eight (48) hours notice of the sub-contracting, the Union Representative will be given prior verbal notice. If the Company has forty-eight (48) hours notice, written notification will be provided prior to the work being sub-contracted. The notification will indicate when the Company intends to sub-contract the work, the type and nature of the work to be sub-contracted and any other particulars pertaining to the work to be sub-contracted. If they so decide, the Skilled Trades Representative may ask for a meeting to discuss the work to be sub-contracted. The Skilled Trades Representative will be permitted to have a member of the appropriate skilled trades classification attend any such meeting. It is the intention that this discussion will take place prior to the outside contractors being used. The Company will give significant weight to any and all comments made by the Union at this meeting.
 - ii) if it is work normally performed by seniority employees, it will be offered to our skilled trades first, on an overtime basis, provided it can be done in a timely and cost efficient manner.
 - iii) the use of outside contractors shall be determined by the Company.
 - **iv)** Work that normally falls within the duties of Skilled Trades employees will not be contracted out if such contracting out is significant enough to result in the layoff of Skilled Trades employees or delays the recall of laid off Skilled Trades employees.
- b) i) The Company will not eliminate jobs or deprive employees of overtime by outsourcing work performed by our skilled tradespeople when the work may be performed in a timely and cost efficient method. Notwithstanding, it is understood that technical expertise from S.P.M.T.D., or other internal/external organizations may be utilized from time to time for new equipment or critical problem solving objectives. When possible, skilled trades personnel will be present to gain necessary knowledge to effectively service the equipment in the future.
 - ii) It is the intent that all outside contractors will be completely self

sufficient with tools, equipment and supplies where practical. Exceptions will be approved by the Maintenance Supervisor or designate.

32.04 Disputes in Trades

Where disputes have been resolved pertaining to normal duties and responsibilities in the skilled trades area, they will be recorded and used in the future as guidelines for resolving any future disputes of the same or similar nature.

32.05 Skilled Trades Representative

The Company and Union agree that when a dispute arises within and concerning the skilled trades department any discussions and resolves that involve the Union will include the appropriate skilled trades local Union representative(s). The President or Chairperson of the Union committee may request the Human Resources Department to arrange a meeting to hear the skilled trades department representatives' views concerning problems in connection with work assignments of employees in skilled trade classifications and to discuss the matter. Any such meetings will be attended by the skilled trades committeeperson, a representative from Management in the department concerned, a representative from the Hamen Resources Department, The National representative may attend.

The Committee shall attempt to solve the matter. If the parties cannot resolve the matter, it may be withdrawn by the Union without prejudice or may be appealed to an arbitrator for final and binding decision.

32.06 Tool Allowance/Boot Allowance for Skilled Trades (substantiated by receipts) will be:-

May 1, 2006	\$420.00
May 1, 2007	\$435.00
May 1, 2008	\$450.00

The tooling allowance is for the skilled trades to upgrade their selection of tools used at the plant so that their ability to service the customer is improved. Therefore, allowance will only be paid for new tools purchased that are intended for the use at the plant.

This allowance is not intended for perishable items that the plant will supply. For example, perishable tools such as drill bits, reamers, taps and dies will be replaced by the Company when the broken item is submitted to the Supervisor.

32.07 SKILLED TRADES APPRENTICES: GENERAL

- 1) The purpose of the appendix is to define the provisions governing registration, education, seniority, and all other matters pertaining to skilled trades;
- 2) Provisions of the collective agreement shall apply to all skilled trade apprentices;
- 3) A joint Apprenticeship Committee shall be composed of an equal number of members;.
 - 2 from Management
 - 2 from the skilled trades classification, (1) of which shall be the elected skilled trades committeeperson.

The function of this committee shall be to advise on all phases of the Apprenticeship Training Program.

This committee shall meet as required. At least one member of the committee from the Union and one member of the committee from the Company, who shall act as a chairperson must be present in order to

administer the Apprenticeship Standards. For area of dispute that cannot be resolved, the Chairperson's

decision will be final, subject to the grievance procedure:

4) Registration - All apprentices will be registered with the Ontario Department of Labour and the Ontario Training Adjustment Board.

All apprentices will sign a written Apprenticeship Agreement with the Company.

5) Initial Education Requirements

An apprentice will be required to have all Ontario Academic Credits or equivalent. Exception to these requirements may be made by the Apprenticeship Committee.

6) Completion of Apprenticeship

An apprentice, upon completion of his/her apprenticeship and certification, shall receive the journeyperson's classification and the applicable top rate of pay. No certificates will be issued by the Apprenticeship Branch, Ontario Department of Labour, unless approved by the Joint Apprenticeship Committee.

7) Seniority

The trial or probationary period for all apprentices to obtain occupational group seniority shall be 60 working days. The apprentice will exercise their seniority in their own classification.

Upon satisfactory completion of the Apprenticeship Program, the apprentice will obtain skilled trades seniority as of the starting date of the apprenticeship, minus any time spent on layoff or in production due to exercising bumping rights due to layoff.

Employees who enter the Apprenticeship Training Program shall retain their relative plant seniority until such time as they complete their apprenticeship when the regular apprenticeship seniority rule shall apply. (The apprentice will exercise his relative plant seniority at a time of layoff from the apprenticeship).

8) Ratio

The ratio shall not be more than one apprentice for every 3 journeypersons. Ratio may be modified upon approval from Joint Apprenticeship committee.

9) Seniority Employees (Apprenticeships)

- **a)** Notice of apprenticeship openings will be posted on the Company's bulletin board as per job posting procedure.
- **b)** Applications for apprenticeship will be accepted by the Human Resources Department from seniority employees within the bargaining unit who consider themselves eligible under this program of training.
- c) Applicants meeting the minimum requirements as per Number 5 will be turned over to the Joint Apprenticeship Committee for review.

10) Credit for Previous Experience

The committee and the representative from the Ontario Training Adjustment Board will review previous experience and determine if credit for such services will be granted to the apprentice.

11) Discipline

The Committee shall have the authority to discipline an apprentice and to cancel the apprenticeship agreement of the apprentice at any time for cause pertaining to his/her apprenticeship such as:

- a) inability to learn;
- b) unsatisfactory work;
- c) lack of interest in his/her education.

This shall not limit the right of the Company to discipline an apprentice for cause for matters not related to his/her training as an apprentice. Such discipline by the Company shall be subject to the grievance procedure.

12) Apprentices

Apprentices in each of the trades covered shall be paid a progressively increasing schedule of wage as follows:

For the:

1st 6 months, not less than 65% of the journeyperson's rate.

Next 6 months, not less than 70% of the journeyperson's rate.

Next 6 months, not less than 75% of the journey person's rate.

Next 6 months, not less than 80% of the journeyperson's rate.

Next 1 year, not less than 85% of the journeyperson's rate. Next 6 months, not less than 90% of the journeyperson's rate.

Next 6 months or until certified as a journeyperson as defined by this section, not less than 95% of the journeyperson's rate.

1st year apprentices rate of pay shall not be below \$15.00 per hour for any Skilled trades classification, if hired from within the bargaining unit.

BENEFITS

33.01 During the term of the within agreement the Company will pay for:

LIFE INSURANCE

- (1) Continue to carry Group Life Insurance on its employees on the following basis: effective May 1, 2006, on all employees Life Insurance in the amount of \$35,000., plus \$35,000. A.D. & D.; May 1, 2007, on all employees Life Insurance in the amount of \$36,000., plus \$36,000 A.D. & D; May 1, 2008, on all employees Life Insurance in the amount of \$37,000, plus \$37,000 A.D. & D.
- (2) Life Insurance Policy future retiree employees will have a \$3000 policy. Effective May 1, 2003 \$3250, Effective May 1, 2004 \$3500, Effective May 1, 2005 \$3750. Effective May 1, 2006 \$4,000 Effective May 1, 2007 \$4,250
 - level of insurance is based on current level of CLA at retirement date

A.D. & **D**

a) Accidental Death and Dismemberment Benefits - If injury shall, within 365 days of the date of the accident causing such injury, result in any of the following losses, the Insurance Company will pay for loss of or permanent and total use of the following - the loss of life, both hands, both feet, entire sight of both eyes, one hand and one foot, one hand and the entire sight of one eye, one foot and the entire sight of one eye, or speech and hearing shall pay the principal sum. The loss of one arm or one leg shall pay three quarters of the principal sum. The loss of one hand, one foot or the entire sight of one eye shall pay two thirds of the principal sum. The loss of speech or hearing shall pay one half of the principal sum. The loss of four fingers of either hand shall pay one quarter of the principal sum. The loss of all toes of one foot shall pay one eighth of the principal sum. The loss of thumb and index finger of either hand shall pay one third of the principal sum. The loss of hearing in one ear shall pay one sixth of the principal sum. Quadriplegia (paralysis of both upper and lower limbs), paraplegia (complete paralysis of both lower limbs), and hemiplegia (complete paralysis of upper and lower limbs of one side of the body) shall be payable at two hundred percent of the principal sum.

"Loss" as above used with reference to the hand or foot means complete severance at or above the wrist or ankle joints but below the elbow or knee joint; as used with reference to arm or leg means complete severance at or above the elbow or knee joint; as used with reference to thumb and fingers means complete severance at or above the metacarpophalangeal joint; as used with reference to toes means complete severance at or above the metatarsophalangeal joint; as used with reference to eye, speech and hearing means to irrevocable loss thereof. Any indemnity payable for Loss of Use shall be paid only if such loss is permanent, total and irrevocable and shall have been continuous for a period of twelve months from the date of the accident. "Loss" as above used with reference to Quadriplegia, Paraplegia and Hemiphlegia means the permanent and irrevocable paralysis of such limbs. Indemnity provided under this part will not be paid under any circumstances for more than one of the losses, the greatest, sustained by the employee as the result of any one accident.

- (b) Repatriation Benefit If injury results in the loss of life of an employee within 365 days of the date of the accident, the Insurance Company will pay the actual expense incurred for preparing the Deceased for burial and cremation and the shipment of the body of the employee to the city of residence of the Deceased, subject to a maximum amount as defined in the Letter of Understanding with the Insurance Carrier.
 - (c) Rehabilitation Benefit If injury caused by an accident requires that the

employee undergoes special training in order to be qualified to engage in a special occupation in which he/she would not have engaged except for such injury, the Insurance Company will pay the reasonable and necessary expense incurred for such training by the employee within 365 days of the date of the accident subject to a maximum, as the result of any one accident, as defined in the Letter of Understanding with the Insurance Carrier. Payment shall not be made for travelling or clothing expenses, nor for room, board or other ordinary living expenses. Benefits payable under this part shall be limited to only one policy in the event this benefit is contained in two or more policies insured to the Policyholder by the Insurance Company.

- (d) Occupational Training Benefit In the event of the Accidental Death of an employee and if Indemnity for such loss becomes payable in accordance with the terms of this policy, the Insurance Company will pay the reasonable and necessary expenses actually incurred within three years from the date of such accident by the spouse of the employee who engages in a formal occupational training program in order to become specifically qualified for active employment in an occupation for which he/she would not otherwise have sufficient qualifications, not to exceed in the aggregate amount as defined in the Letter of Understanding with the Insurance Carrier for all such expenses. Payment shall not be made for room, board, or other ordinary living, travelling or clothing expenses. Benefits payable under this part shall be limited to only one policy in the event this benefit is contained in two or more policies issued to the Policyholder by the Insurance Company.
- **(e) Termination of Insurance of an Employee -** The insurance of any employee shall immediately terminate on the earliest of the following dates:-
 - (i) at the date this policy is terminated.
 - (ii) on the premium due date if the Policyholder or the employer fails to pay the required premium for **an** employee except as the result of an inadvertent error;
 - (iii) on the date an employee reaches 65 years of age;
 - (iv)on the date the employee ceases to be associated with the Policyholder.
- (f) Notice and Proof of Claim The employee or his agent, or a beneficiary entitled to make a claim or his agent, shall
- (i) give written notice of claim to the Insurance Company:
 - a) by delivery thereof, or by sending it by registered mail, to the Head Office or chief agency of the Insurance Company in the province, or
 - b) by delivery thereof to **an** authorized agent of the Insurance Company in the province, not later than thirty days from the date of the accident;
 - (ii) within ninety days from the date of the accident for which the claim is made, furnish to the Insurance Company such proof of claim as is reasonably possible in the circumstances of the happening of the accident and the loss occasioned thereby; and
 - (iii) if so required by the Insurance Company, furnish a certificate as to the cause and nature of the accident for which the claim is made and as to the duration of the disability caused thereby, from a medical practitioner legally qualified to practice in the province.

Failure to give notice of claim or furnish proof of claim within the time prescribed will not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible and in no event later than one year from the date of the accident and if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed.

1(a) <u>Transition Benefits:</u>

Effective May 1, 2002 the company will provide Transition Survivor Income Benefits Insurance in the amount of \$250 per month, for a period up to a maximum of twelve (12) months, payable to the eligible survivor of an employee who dies on or after May 1, 2002. This amount will be payable in any month in which:

(1) **An** eligible class "A" survivor has a dependent child as defined in the plan

Class A: The spouse of a deceased employee, as defined in the plan

OR

(2) An eligible class "B" survivor survives both parents

Class B: Any child as defined in the plan, of the deceased employee, who at the time of Transition Survivor Income Benefit first becomes payable to him is both unmarried and either:

- (i) under 18 years of age, or
- (ii) totally and permanently disabled at any age over 18; provided, however that this person must have been legally residing with and dependent upon the employee at the time of his death

A child shall cease to be a Class B eligible survivor upon marriage, or if not totally and permanently disabled, upon reaching their 18th birthday.

No retired employee shall be insured hereunder.

O.H.I.P.

A health care premium of \$200 will be established for employees and paid to each employee every January to help subsidize the new Health premium. This payment will commence in January 2007 and continue each January as long as the current Ontario Health Premium is in place.

SICK & ACCIDENT

The Company shall continue to carry sickness and accident insurance on its employees. The coverage shall be 60% of any employees'hourly earnings (plus C.O.L.A.) for a forty hour work week, to a maximum weekly amount of \$545.00 per week effective May 1, 2006, \$565 effective May 1, 2007, \$575 effective May 1, 2008, for a total of thirty-five (35) weeks. First day of accident and hospitalization, second day of Day Surgery, fourth day of sickness.

PRESCRIPTION DRUG PLAN

Continue to pay the cost of the prescription drug plan (one dollar (\$1.00) deductible) for employees and their dependants in cases where the employee is not covered by spouse with another employer. **There shall be a nine (\$9) dollar maximum dispensing fee cap.** Dependent is as defined in Article (2).

DENTAL PLAN

The Company will provide a Dental Plan equal to the Green Shield (Shield) Dental Plan for

employees and their dependants based on 1 year lag of the O.D.A. Dental Fee Guide, following completion of the employees' probationary period.

VISION CARE

As of May 1, 2006, the Company will provide an eye vision plan (\$245.00 per 24 month period) for employees and their dependants following completion of the employees' probationary period. This provision includes Contact Lenses. As of May 1, 2007 - \$255.00 and May 1, 2008 - \$265.00

The company will pay \$50 every twelve (12) months if a prescription change occurs within the 24 month interval for dependent children under the age of fifteen (15) years of age.

May 1,2003: Company to cover cost associated with eye examinations provided that the employee has exhausted all provincial subsidies to a maximum of **\$60** every two (2) years.

Prescription Safety Glasses

The Company will supply the first pair of prescription safety glasses and safety frames with side shields which meet C.S.A. Standards for all seniority employees who work in areas that have been mutually agreed upon by the Joint Health and Safety Committee, the Company, and the Union as mandatory safety glass areas. The choice of supplier and style of the lenses and frames will be made by the Company. The Company will supplement lenses for the aforementioned safety glasses that are accidentally damaged or broken, to a maximum of fifty (50) dollars per two year period. It must be definitely established through investigation that the said glasses were broken in the course of the employee's regular work and not from a person's negligence or carelessness on the part of the employee.

SHARE PURCHASE PLAN

As of March 1, 1985, employees can participate in share purchase plan.

LONG TERM DISABILITY

The Company will obtain and pay one hundred (100%) of the premium costs of obtaining a Long Term Disability Plan (L.T.D.) which will provide benefits to employees up to the point at which any employee so affected becomes eligible for disability benefits under the Canada Pension Plan at levels of coverage as follows:

Effective May 1, 2006 - 1425.00 per month; Effective May 1, 2007 - 1475.00 per month;

It being understood that eligibility for payment under such plan shall be determined and governed by the terms and conditions of the Standard Form Insurance Policy so obtained, and that the Union shall be entitled to inspect such policy at any time.

LTD to remain \$1400, eliminate CPP quantifier and offset, to provide for 2-year own occupation definition. After two years, an employee must qualify for CPP to continue benefit - effective May 1, 2004

SAFETY SHOES

All employees performing jobs, decided by the company, requiring safety shoes, excluding Tool and

Maintenance personnel, who purchase safety footwear, will be eligible for a payment of up to \$100.00 per contract year towards the cost, effective May 1, 2006.

EXTENDED HEALTH CARE

Effective May 1, 1997 the Company will cover the cost of an Extended Health Care coverage.

- 1) Private duty nursing (RN) or licensed practical nursing in the home or hospital subject to a maximum of five thousand five hundred (\$5,500) in a three (3) consecutive year period. **Effective May** 1, 2007 \$5,750
- 2) Registered or licensed physiotherapist, including diagnostic to a maximum of \$300 per year of the contract.
 - 3) Laboratory tests and X-rays.
- **4)** Purchase or rental of special remedial appliances, trusses, braces, crutches, artificial limbs, eyes.
- **5)** Specialized treatments such as radium, deep X-ray and radioisotopes, oxygen, plasma or blood transfusion, surgical dressing and bandages.
 - **6)** Ambulance service to the nearest hospital.
- 7) Registered masseurs, osteopaths, naturopaths, podiatrists and chiropractors to a maximum of three hundred (\$300) in a twelve (12) consecutive month period per calendar year for such services. X-ray examinations are limited to one (1) per year for each service, on expiry of provincial Medicare benefits. Effective May 1, 2006 \$350 for chiropractic services only
- 8) Qualified speech therapist to a maximum of three hundred dollars (\$300) during any period of twelve (12) consecutive months per calendar year. Such coverage must be certified as necessary by a medical physician or dentist.
- 9) Medical fees where legal while travelling or residing outside Ontario when such fees are in excess of the Ontario Medical Association Schedule of Fees and are not greater than the amount that would be paid in Ontario if it were legal to provide such benefits in Ontario.
 - **10**) Hearing Aids May 1, 2006 \$590 every 24 months.
 - May 1, 2007 \$600 every 24 months.
 - 11) Orthotics \$185 for orthotics when prescribed by a physician once every 24 months Effective May 1, 2007 \$195, effective May 1, 2008 \$200

Co-ordination of Benefits

If a person, who is covered for benefits under this plan is also covered simultaneously under any other plan which provides similar benefits, the amount of benefits payable under this plan for allowable expenses incurred during any benefit year shall be co-ordinated and/or reduced, so that the benefits payable from all plans shall not exceed 100% of the actual allowable expenses.

If a person is covered as an employee, and a spouse is also an employee, under the basic Dental Plan only, both employees will be allowed to be eligible for benefits. The amount of benefits payable under this particular plan shall be co-ordinated and/or reduced so that the benefits shall not exceed 100% of the allowable expenses.

Dependent

- A) The term "Dependent" means a person who is:
 - i) The legal spouse or common-law spouse, but only if the common-law spouse has co-habited with the employee for a period of not less than one year and has been publicly represented as a spouse. Only one spouse at any time may be claimed.
 - ii) Any unmarried, natural, adopted, step-child or foster child or other child under

the age of 21 years who is principally dependent on the employee for support or lives with the employee in a parent-child relationship.

A fully employed child is not a dependent under this definition. Prescription

drug and extended health coverage continues until age 25 if the child is attending school full time.

- **iii)** The unmarried children of 21 years or more of age who are dependent on the employee for support and maintenance and who are either mentally or physically incapable of self support. Fully employed children are not dependants under this definition.
- An employee will be considered to be single and without dependants until he/she has properly enrolled his dependants on the application forms applicable to the specific dependent benefits and he/she may be required to furnish such proof as the Company may reasonably require to establish the eligibility of any person claimed as a dependent. He/she must further inform the Company promptly of any changes in the status of his dependants which would affect their eligibility for benefits.
 - i) The dependants of an eligible employee shall be eligible to receive benefits in respect of any eligible expenses incurred on or after the date on which such dependent is properly enrolled under this plan, provided they are not hospitalized at that time, otherwise, on release from hospital.
 - ii) Dependants of any employee shall cease to be eligible for benefits under the Plan on the date on which the employee ceases to be eligible, and in the case of the death of an employee, at the end of the billing period in which such death occurred.

DENTAL PLAN

DENTAL EXPENSE BENEFIT

The Company will provide dental expense benefits according to this Article 33.01 (5) for employees and their dependants, following completion of their probationary period.

- 1. **Maximum Benefits** The maximum benefit amount payable for basic and major services combined is \$1950 per calendar year and \$2,000 for a lifetime for orthodontic services.
- **2. Treatment Plan** When the total cost of proposed dental work is expected to exceed \$300.00, the Company recommends that a treatment plan be filed for benefit determination prior to the date treatment is rendered.
- **3. Eligible Expense -** Eligible expenses are those which are recommended as necessary by a physician or dentist that are not in excess of the suggested fee for general practitioners, or the minimum fee specified in the current Denturist Fee Guide, of the province of Ontario.

Effective May 1, 2006 - 2005 Ontario Dental Fee Guide Effective May 1, 2007 - 2006 Ontario Dental Fee Guide

Effective May 1, 2008 - 2007 Ontario Dental Fee Guide

The Company reserves the right to use the least expensive method of treatment that would provide a professionally adequate result. The eligible expenses are limited to the following:

BASIC SERVICES - 100% PAYABLE

Examinations

Complete Oral examination (once every two years)

Recall oral examination (Once in 12 Months - ADULTS ONLY)

Emergency examination

Specific oral area examination

Diagnostic Services

Radiographic examination (X-ray), complete series, intra oral films (once every 2 years)

Periapical films

Occlusal films

Posterior bite-wing films (twice in any 12 months)

Panoramic film (once every 24 months)

Cephalometric films

Tracing of radiographs

Interpretation of radiographs from another source

Tests and Laboratory Examinations

Biopsy, soft-hard tissue

Cytological examination

Pulp vitality tests

Diagnostic casts

Preventive Services

Scaling and polishing (Once in 12 months - ADULTS ONLY)

Fluoride treatment (Once in 12 months - ADULTS ONLY)

Oral hygiene instruction (once in every 12 months)

Plaque control program (once only, family maximum \$50.)

Caries/pain control

Interproximal discing of teeth

Space maintainers

Nutritional counselling (once every 24 months per family)

Polishing and finishing restorations

Occlusal pit and fissure sealants

Protective athletic mouth appliance (once yearly)

Endodontic Services

Emergency procedures

Periodontal Services

Management of acute infections and other oral lesions

Surgical Services

Surgical incision

Miscellaneous surgical services

Adjunctive General Services

Drugs (injections)

Basic Services - 80% Payable

Case Presentation

Treatment Planning Consultation with patient

Restorative Services

Amalgam restorations primary teeth
Permanent anterior and biscupid teeth
Permanent molar teeth
Pin reinforcement
Silicate restorations
Acrylic or composite restorations
Other restorative services
Crowns

Endodontic Services

Pulp capping Pulpotomy Root Canal Therapy Apexification Periapical services

Banding of Tooth to Maintain

Sterile operating field Chemical bleaching Intentional removal, apical filling and reimplantation Emergency procedures

Periodontal Services

Gingival curettage Gingivoplasty Gingivectomy Osseous surgery Osseous grafts Soft tissue grafts

Post surgical treatment

Provisional splinting

Occlusal equilibration

Periodontal scaling and root planing

Special periodontal appliances (including occlusal guards)

Anaesthesia

Consultation

With another Dentist

Prosthodontic Services - Removable

Denture adjustments

Denture repairs

Denture rebasing and relining (once in a 36 month period)

Surgical Services

Removal of erupted tooth (uncomplicated) single tooth

Each additional tooth in same surgical site

Removal of erupted tooth (complicated)

Removal of impacted tooth

Removal of residual roots

Surgical exposure of tooth

Alveoloplasty

Gingivoplasty and/or stomatoplasty

Surgical excision

Fractures

Fractures

Frenectomy

Miscellaneous surgical services

Major Services - 50% Payable

Restorative Services

Metal inlay restorations

Retentive pins

Crowns

Post and core

Other restorative services

Prosthodontics

Complete dentures

Immediate dentures

Transitional partial dentures

Removable partial dentures

Denture Adjustments

After 3 months post-insertion care

Abutment retainers for bridgework

Pontics

Removal, repair, recementation of bridgework

Prefabricated veneer application

Onlays and crowns

Orthodontics - 80% payable

Interceptive Orthodontics

Observation and adjustment

Active orthodontics - removable

Fixed or cemented - bilateral

Fixed or cemented - unilateral

Appliances to control harmful habits

Orthodontics - 50% payable

Retention appliances: procedures

Retention appliances and fixed: procedures Retention appliances - removable: procedures

- **4. Extension of Benefits -** No dental benefits are payable after termination of coverage. However, such benefits are payable under the following:
- (i) Where the impression for a denture (including crown, inlays or onlays) was taken prior to the date of the coverage termination and the denture is installed within 30 days of the coverage termination **OR**
- (ii) Where the termination of coverage is due to the death of the employee, the expense benefit will be payable for a dependent, provided the service is rendered within 90 days following the death and provided it is a series of planned services that commenced prior to the death or rendered at definite dental appointments made prior to the death.

TERMINATION

34.01 This agreement shall continue in force and effect until the 30th day of April, 2009, and from year to year thereafter unless between the first day of February and the 31st day of March, 2009, or between the first day of February and the 31st day of March of any year thereafter, either the Company notifies the Union or the Union notifies the Company of its desire to terminate this agreement and thereupon this agreement shall terminate as of the 30th day of April of the year immediately following the year in which notice is given.

Between the first day of February and the 31st day of March, 2009, or between the first day of February and the 31st day of March of any year thereafter the Company may notify the Union or the Union may notify the Company of its desire to amend this agreement, in which event the notice shall set forth the nature of amendment desired. Any amendments which may be agreed upon shall become a part of this agreement without modifying or changing any of the other terms of this agreement, except insofar as may be necessary to give effect to such amendments.

Notice shall be in writing and shall be sufficient if sent by registered mail addressed, if to the Union, to the CAW, Local 876, Georgetown, Ontario, and if to the Company addressed to the Manager, Cooper Standard Automotive, Georgetown, Ontario.

IN WITNESS WHEREOF the Parties hereto have executed the within agreement.

COOPER STANDARD AUTOMOTIVE

Per: Howard Hallam Colin Stewart Gus Fargiorgio

NATIONAL AUTOMOBILE, AEROSPACE AND TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW) - CANADA and its Local 876

Dan Webster – CAW National Rep.
Jim Marhall - President
Florence Butler - Chairperson
Wayne Agoston - Committee
Denis Frenette - Committee
Ted Moore – Skilled Trades Representative

RETIREMENT BENEFIT PLAN AGREEMENT

BETWEEN

COOPER STANDARD AUTOMOTIVE

AND

NATIONAL AUTOMOBILE, AEROSPACE and TRANSPORTATION and GENERAL WORKERS UNION OF CANADA (C.A.W.) LOCAL 876

SECTION 1 - ESTABLISHMENT OF THE PLAN

- **1.01** This Retirement Benefit Plan Agreement is made and entered into as of the first day of May, 1994, between Cooper Standard Automotive and Union Local 876 of National Automobile, Aerospace and General Workers Union of Canada (C.A.W.).
- **1.02** The Plan as amended from time to time will remain in effect, except as otherwise provided herein, subject to the continued registration thereof by the relevant tax authorities and under any applicable provincial pension legislation.

SECTION 2 - DEFINITIONS

Unless a different meaning is clearly required by the context:

- **2.01** "Actuarial Equivalent" shall mean an actuarially equal value computed at the rates of interest and using the actuarial tables last adopted by the Actuary for the purposes of the vehicle through which benefits under the Plan are being funded.
- **2.02** "Actuary" shall mean the actuary or firm of actuaries, retained by the Company for the purposes of this Plan, who shall be, or in the case of a **firm** one of whose members shall be a Fellow of the Canadian Institute of Actuaries.
- **2.03** "Beneficiary" shall mean any person or persons designated by a Member, in such form and manner as the Company may prescribe, to receive amounts payable hereunder in the event of the death of the Member. Such designation may be revoked or amended by the Member at any time in similar manner and form, subject to the terms of the Plan and any applicable laws governing the designation of beneficiaries. If there is not a designated Beneficiary, or if the designated Beneficiary is not living at the time of death of the Member, then the estate of the Member shall be the Beneficiary.
- **2.04** "Collective Agreement" shall mean the agreement entered into on May 1, 1994, between the Company and the Union.
- **2.05** "Company" shall mean Cooper Standard Automotive.
- **2.06** "Continuous Service" shall mean the number of years and completed months (treating each month as one-twelfth of a year) of unbroken service from the most recent date of hire with the Company through the date of an employee's retirement or termination of employment, including periods of annual vacation, absence due to illness, and approved leaves of absence.
- **2.07** "Credited Service" shall mean the service of a Member which has been credited to him and remains to his credit pursuant to Section 3 credited to him hereof.

- **2.08** "Effective Date" shall mean February 1, 1979.
- **2.09** The term "**Employee**" means any employee of the Company who is a member of the bargaining unit as defined in the applicable sections of the Collective Labour Agreement, and meets the applicable eligibility requirements of this Agreement.
- **2.10** "Funding Agency" shall mean the trust or insurance company or companies licensed to do business in Canada and successors thereof as the Company may appoint from time to time to hold, administer and invest the Pension Fund.
- **2.11** "Funding Agreement" shall mean the agreement or agreements entered into between the Company and the Funding Agency for the purpose of establishing and maintaining the Pension Fund.
- **2.12** "Layoff" shall mean layoff as defined in the Collective Agreement.
- **2.13** "Member" shall mean an Employee, who is a member of the Union as defined in the applicable sections of the Collective Agreement, and meets the applicable eligibility requirements of the Collective Agreement or a former Employee entitled to benefits under the plan.
- **2.14** "Normal Retirement Date" shall mean the first day of the month coincident with or next following a Member's attainment of age sixty-five.
- **2.15** "Pension Benefits Act" shall mean the Pension Benefits Act, of Ontario and regulations thereunder, both as amended from time to time.
- **2.16** "Pension Fund" shall mean the assets which are held, administered and invested from time to time by the Funding Agency, under the terms of the Funding Agreement.
- **2.17** "Physician" shall mean a medical practitioner who is registered under the Medical Act of the Province of Ontario or such similar statute or law as governs the practice of medicine.
- **2.18** "Plan" shall mean the pension plan established under the terms of this Retirement Benefit Plan Agreement between the Company and Union, the provisions of which are set out herein.
- 2.19 "Plan Year" shall mean the period from each January 1st to the subsequent December 31st.
- **2.20** "Totally and Permanently Disabled" shall mean disabled by bodily injury or disease other than disability which:
 - (i) was contracted, suffered or incurred while the employee was engaged in or resulted from his having engaged in a criminal enterprise;
 - (ii) resulted from wilfully self-inflicted injury; or
- (iii) can be established as being caused by service in the armed forces of any country. which in the certified opinion of a Physician selected by or satisfactory to the Company will presumably, permanently, continuously and wholly prevent the employee, during the remainder of his life, from meeting the job requirements of any job covered by the Collective Agreement.
- **2.21** "Union" shall mean the National Automobile, Aerospace and Transportation and General Workers Union of Canada, C.A.W., Local 876.

Reference to the male gender shall include the female gender unless the context requires otherwise. Words importing the singular number shall include the plural and vice versa.

SECTION 3 - ELIGIBILITY AND CREDITING OF SERVICE

- **3.01** Each employee who is represented by the Union and who is in the service of the Company on or after February 1, 1979, shall automatically become a Member of the Plan upon attaining seniority status with the Company.
- **3.02** A member will be credited with Credited Service which shall mean the number of years or fractions thereof of a member's service with the Company subsequent to February 1, 1959, and prior to his Normal Retirement Date, subject to the following:
 - (a) A Member who is absent from his work pursuant to a paid leave of absence granted, under the provisions of the Collective Agreement, other than for work with the Union or its affiliates or with another employer shall be credited upon his return to active employment with service during any one leave of absence, to a maximum credit of

- one year.
- **(b)** A Member who has been on Layoff shall be credited upon his return to active employment with service during any one layoff to a maximum credit hereunder of one year.
- **3.03** If an employee terminates his service with the Company and is later re-employed, he/she shall for the purposes of the Plan, be regarded as a new employee who does not have credited service with the Company, provided that any rights previously vested in accordance with Section 8.01 and 9.07 hereof shall not be affected by such re-employment.
- **3.04** Any employee who transfers his employment within the Company to a position in which he/she ceases to be an Employee within the meaning of this Plan, shall immediately cease to accrue further benefits under this Plan, but shall not be deemed to have terminated employment in accordance with Sections 3.03 and 8.01 hereof.
- **3.05** Any employee who becomes a Member of the Pension Plan for Salaried and Non-Union employees of Cooper Standard Automotive shall be provided with benefits for all continuous service with the Company under that plan in lieu of any benefits accumulated hereunder, and shall not be deemed to have terminated employment in accordance with Sections 3.03 and 8.01 hereof.
- **3.06** An employee who becomes a Member of this Plan shall thereupon cease to be considered an employee within the meaning of any other pension plan of the Company.

SECTION 4 - CONTRIBUTIONS

- **4.01** Employees shall not be required or permitted to contribute to the plan.
- **4.02** The Company shall, from time to time but not less frequently than annually, make contributions for deposit in the Pension Fund in such total amount as is required based on the advice of the Actuary after taking into account the assets of the Pension Fund, and all other relevant factors, to provide the normal cost of the benefits currently accruing in accordance with the provisions of the Plan and to provide for the proper amortization of any unfunded liability or experience deficiency with respect to benefits previously accrued.
- **4.03** Company contributions which are made in respect of current service shall be deposited in the Pension Fund within 120 days following the end of the Plan year. Company contributions which are made in respect of any unfunded liability or experience deficiency shall be deposited in the Pension Fund within 30 days following the end of the Plan Year.

SECTION 5 - RETIREMENT DATES

- **5.01** A Member who retires from service with the Company on or after the effective date and who has attained his Normal Retirement Date and has ten or more years of Continuous Service, shall be entitled to receive a pension calculated in accordance with Section 6.01 hereof, on the first day of the month coincident with or next following his retirement from the Company.
- **5.02** A Member may retire early after the effective date with the consent of the Company, on the first day of any month following his attainment of age fifty-five and completion of ten years of continuous service.
- **5.03** An employee who is a member and who becomes Totally and Permanently Disabled prior to his Normal Retirement Date and after the effective date and who has ten or more years of continuous service shall be eligible to receive a disability pension subject to the conditions in Section 11 hereof.

SECTION 6 - AMOUNT OF PENSION

6.01 Each member who retires from service with the Company on or after his Normal Retirement Date and the effective date and who has completed ten or more years of Continuous Service with the Company, shall receive a monthly pension commencing on the first day of the month coincident with or

next following his retirement date equal to the amount indicated in the following table multiplied by the number of years of his Credited Service:

Retirement Date	Amount of Pension
After May 1, 2000	\$27.00
After May 1, 2001	\$29.00
After May 1, 2003	\$32.00
After May 1, 2004	\$33.00
After May 1, 2005	\$35.00
After May 1, 2006	\$36.00
After May 1, 2007	\$37.00
After May 1, 2008	\$39.00

Supplemental Pension - Age 55 to 65 years of age

- \$3.00 increase to a total of \$9.00 per year of service, Effective May 1, 2003
- \$1.00 increase to a total of \$10.00 per year of service, Effective May 1, 2006

Supplemental Pension is not subject to a reduction factor for early retirement and will be paid until the employee's sixty fifth (65) birthday.

- 6.02 The retirement benefit of a Member who retires prior to his Normal Retirement Date pursuant to Section 5.02 hereof, shall be payable commencing on the first day of the month coincident with or next following his early retirement date and shall be computed in accordance with Section 6.01 above but reduced by 4/10 of 1% for each full month that commencement of early retirement benefits precedes the Member's Normal Retirement Date.
- **6.03** All terms in this Section 6.03 shall have the meaning assigned thereto in Revenue Canada's Information Circular 72-13R7. In order to comply with Revenue Canada's requirements for Registered Pension Plans and notwithstanding any other provision of this plan, the annual pension provided under this plan, at retirement, termination of employment, or termination of the Plan, shall not exceed the lesser of:
 - (a) 2% of the average of the Participant's best three (3) consecutive years of remuneration received from the Company multiplied by his years of pensionable service, not exceeding thirty-five (35) years; and
 - **(b)** \$1,715 multiplied by the Participant's years of pensionable service with the Company, not exceeding thirty-five (35) such years;

provided, however, that the above prohibition will not apply to annual pensions of \$200 or less per year of service nor will it apply to the portion of the annual pension derived from a Member's voluntary contributions.

Benefits on early retirement, termination of employment or death shall not have a value in excess of the then value of the foregoing maximum benefits payable at age sixty in the form of a life annuity with a certain period of one hundred and twenty (120) months.

SECTION 7 - OPTIONAL FORMS OF PENSION

7.01 The normal form of pension under the plan is payable monthly for the entire lifetime of the retired member with payments commencing on the first day of the month coincident with or immediately following the Member's retirement date and with payments ceasing with the payment immediately preceding the Member's death regardless of the number of payments he/she has received.
7.02 However, in lieu of the above, a member may elect by notice in writing to the Company at any time

prior to the commencement of pension payments, one of the following optional forms of pension which shall be the Actuarial Equivalent of the normal form of pension under the Plan, provided that no election will be permitted which would result in a guaranteed period exceeding the lesser of fifteen (15) years, or the period from the date of retirement of the Member to the day before the date on which his eighty-sixth (86th) birthday would occur. **An** election to receive an optional form of retirement benefit may be cancelled or changed, provided notification of such cancellation or change complies with the requirements for **an** election, as expressed above.

(a) LIFE - GUARANTEED FIVE (5) YEARS

This option provides payments for the entire lifetime of the retired member and guarantees that, should the member die after his pension has commenced but before he/she has received sixty (60) monthly payments thereof, the payments shall be continued to his Beneficiary until sixty (60) monthly payments in all shall have been made. If the Beneficiary is the retired member's estate, any remaining guaranteed monthly payments shall be commuted and paid in a lump sum to the estate.

(b) LIFE - GUARANTEED TEN (10) YEARS

This option provides payments for the entire lifetime of the retired participant and guarantees that, should the Member die after his pension has commenced but before he/she has received one hundred and twenty (120) monthly payments thereof, the payments shall be continued to his Beneficiary until one hundred and twenty (120) monthly payments in all shall have been made. If the Beneficiary is the retired Member's estate, any remaining guaranteed monthly payments shall be commuted and paid in a lump sum to the estate.

(c) LIFE - GUARANTEED FIFTEEN (15) YEARS

This option provides payments for the entire lifetime of the retired member and guarantees that, should the member die after his pension has commenced but before he/she has received one hundred and eighty (1SO) monthly payments thereof, the payments shall be continued to his Beneficiary until one hundred and eighty (180) monthly payments in all shall have been made. If the Beneficiary is the retired member's estate, any remaining guaranteed monthly payments shall be commuted and paid in a lump sum to the estate.

(d) JOINT ANNUITANT PENSION

Under this option, a Member may have his pension continue for the lifetime of a joint annuitant under one of the following formats:

- (i) after his death the pension shall continue to the joint annuitant in the same amount as had been received by the member prior to the date of his death, or
- (ii) after his death, either one-half (1/2), two thirds (2/3), or three quarters (3/4) of the amount that had been received by the member prior to the date of his death shall continue to the joint annuitant. In the case of the death of the joint annuitant before the member retires under the Plan, the pension will become payable at the retirement date of the member as if the optional form had not been elected. In such case, the member may make another election under the terms of this Section.

7.03 The Company may adopt or establish from time to time, other optional forms of retirement income consistent with the rules and regulations of the Department of National Revenue and any other legislation affecting the Plan.

SECTION 8 - TERMINATION OF EMPLOYMENT

8.01 If a Member's employment with the Company is terminated for any reason other than death or retirement, subsequent to the completion of two years of continuous service, such member shall receive, commencing on his Normal Retirement Date a deferred life annuity computed in accordance with Section 6.01 hereof using the rate of retirement benefit in effect at the member's date of termination. Such deferred life annuity shall not be capable of surrender or commutation.

SECTION 9 - DISABILITY BENEFITS

- **9.01** An employee who is a member who becomes Totally and Permanently disabled prior to his Normal Retirement Date and who has completed ten or more years of continuous service, with the Company shall be eligible to receive a disability pension, subject to the conditions in the remaining paragraphs of this Section, computed in accordance with Section 6.01 hereof.
- 9.02 The pension of a member eligible to receive a disability pension shall become payable, if he/she shall then be living, on the first day of the month next following the later of the date on which he/she shall have filed an application for such pension with the Company on a form supplied by the Company or the date on which he/she ceased to receive remuneration from the Company, draw Weekly Indemnity benefits under the Welfare Benefits Plan Agreement, or be credited with service pursuant to Section 3.02 (c) hereof while receiving Workmen's Compensation benefit, and it shall be payable on the first day of each month thereafter up to and including the earlier of the month in which his disability retirement shall end pursuant to the following paragraphs of this Section or the month in which his death occurs.
- **9.03** Any member applying for a disability pension shall, if requested by the Company, submit to one or more physical examinations by a Physician or Physicians selected by the Company in order that the Company may determine whether such employee is Totally and Permanently Disabled and thus entitled, if otherwise qualified, to **a** disability pension.
- **9.04** A member on disability retirement shall be required to submit to a physical examination at any reasonable time and place during such retirement prior to his Normal Retirement Date for the purpose of determining his condition, whenever such examination shall be requested by the Company, but not more often than twice in any calendar year after Total and Permanent Disability has been established. A member who refuses to submit to any physical examination properly requested in accordance with the provisions of this Section may have his disability pension suspended until he/she does submit to such physical examination.
- **9.05** If, after his retirement on disability pension but before his Normal Retirement Date, a Member shall cease to be Totally and Permanently disabled, his disability pension shall cease, subject to Section 9.06 hereof.
- **9.06** If a Member's disability pension ceases pursuant to the provisions of the preceding paragraph, the Company will re-employ the pensioner in accordance with his seniority existing at the date of his retirement if the Company has employment available for him that he/she can do to the satisfaction of the Company. If the Company does not rehire the Member and the only reason for not doing so is because the pensioner does not have the ability to perform the available job to the satisfaction of the Company, then the pensioner's disability pension will continue notwithstanding Section 9.05, hereof.
- **9.07** A member who was retired on a disability pension in accordance with this Section 9, and who is re-employed upon the termination of his disability shall, upon his subsequent retirement be entitled to a pension based on his Credited Service accumulated on his disability retirement date increased by any Credited Service attributable to his service subsequent to his date of re-employment.

SECTION 10 - PENSION FUND

10.01 The Company has established and will maintain during the term of the Plan a Pension Fund to be held and invested by the Funding Agency under the terms of the Funding Agreement.

- **10.02** All contributions of the Company will be paid into the Pension Fund. The Pension Fund will be administered by the Funding Agency in accordance with the terms of the Funding Agreement.
- **10.03** Investments will be restricted to the securities and loans prescribed by the regulations of the Pension Benefits Act.
- **10.04** A copy of the Funding Agreement may be examined by a Member at any reasonable time at the office of the Company.
- 10.05 All benefits under the Plan will normally be paid out of the Pension Fund. However, the Company may at any time in its sole discretion require the Funding Agency to purchase out of the Pension Fund from a life insurance company licensed to do business in Canada, benefits of equal amount and payable under the same conditions as the pension to which any retiring Member is entitled under the Plan, so long as such action will not result in the Plan ceasing to be approved or registered for purposes of the Income Tax Act.
- **10.06** Neither the Company nor the Funding Agency shall be liable in any manner if the Pension Fund should be insufficient to provide the payment of any retirement benefits, provided the Company has made the necessary contributions to the Pension Fund pursuant to the requirements of the Pension Benefits Act.
- **10.07** The fiscal year of the Pension Fund shall be on a calendar year basis.

SECTION 11 - ADMINISTRATION OF THE PLAN

- 11.01 The Plan shall be administered by the Company which shall determine all questions relating to the length of service, eligibility, early or postponed retirement and rates and amounts of Compensation for the purposes of the Plan and shall conclusively decide all matters relating to administration, interpretation, application and overall operation of the Plan, consistently however, with the rules and regulations of the Department of National Revenue, the requirements of the Pension Benefits Act and any other regulatory bodies with the text of the Plan and the terms of the Funding Agreement.
- **11.02** In the administration of the Plan, the Company may from time to time employ agents and delegate to them such duties as it deems fit, and may from time to time consult with counsel who may be counsel to the Company.
- **11.03** All normal or reasonable expenses incurred in the operation of the Plan with respect to actuarial, consulting and administrative services will be withdrawn from the Pension Fund, unless otherwise paid by the Company.
- **11.04** Should any dispute arise between the Company and any employee applicant for a disability pension or pensioner on disability retirement as to whether he/she is, or continues to be, totally and permanently disabled as defined in this Agreement, such dispute shall be resolved as follows:
 - (a) The employee applicant or pensioner shall be examined by a physician appointed for that purpose by the Company and by a physician appointed for that purpose by the Union.
 - (b) If they disagree concerning either total and permanent disability, or disability under Section 9.01, as the case may be, the question shall be submitted to a third physician selected by the said two physicians. The opinion of the third physician, after examination of the disabled person and consultation with the other two physicians shall decide such question and such decision shall be binding upon the Company, the Union and the disabled person. The fees and expenses of the third physician shall be shared equally by the Company and the Union.

SECTION 12 - GENERAL PROVISIONS

12.01 Neither the establishment of this Plan nor the making of contributions by the Company nor any action of the Company or the Funding Agency shall be held or construed to confer upon any person any

right to be continued as an Employee of the Company. All Members shall be subject to discharge to the same extent as if this Plan had never been adopted, and the Company expressly reserves the right to discharge any Employee without any liability on the part of the Company, or the Funding Agency except as provided herein.

- 12.02 The Company shall provide each Member with a written explanation of the terms and conditions of the Plan and amendments thereto applicable to him, together with an explanation of the rights and duties of the Member with reference to the benefits available to him under the terms of the Plan, and such other information as may be prescribed by the regulations made pursuant to the Pension Benefits Act.
- **12.03** If the Company receives evidence that (a) a person entitled to receive any payments under the Plan is physically or mentally incompetent to receive such payment and to give a valid release therefor and (b) another person or an institution is then maintaining or has custody of such person and no guardian, committee or other representative of such person has been duly appointed by a court of competent jurisdiction, the payments may be made to such other person or institution and shall be a valid and complete discharge of all liability for the payment.
- **12.04** No payment of pension benefits shall commence until the Member has filed satisfactory proof of age with the Company. A Member who has named a joint annuitant shall also be required to provide satisfactory proof of age for such joint annuitant.
- 12.05 If the amount of the retirement income or deferred retirement income payable to the Member is less than \$25 a month, or such other amount as may be permitted from time to time in accordance with the Pension Benefits Act and the rules and regulations of the Department of National Revenue, the Member may receive the Actuarial Equivalent thereof in quarterly, semi-annual or annual payments, or the commuted value thereof in a lump sum, at the sole discretion of the Company.
- **12.06** Wherever the records of the Company are used for the purposes of this Plan, such records shall be conclusive of the facts with which they are concerned.
- 12.07 No benefit which shall be payable under the Plan to any person shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge whether voluntary or involuntary, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void; and no such benefit shall in any manner be liable for or subject to the debts, contracts, liabilities, or engagements of any such person nor shall such benefit be subject to attachment or legal process for, or against, such person, and the same shall not be recognized under the Plan, except to such an extent as may be required by law.
- **12.08** The provisions of this Plan shall be construed, regulated and administered according to the laws of the Province of Ontario.
- 12.09 The Union to receive an actuarial evaluation of the Pension Plan annually.
- **12.10** Employees to receive an annual statement on their Pension entitlement.

SECTION 13 - CONTINUANCE, AMENDMENT TO, OR TERMINATION OF THE PLAN

- **13.01** Amendments to the Plan must be adopted in writing by the mutual consent of the Company and the Union.
- 13.02 It is the intent of the Company and the Union that the Plan shall be and remain an approved plan so as to qualify under the appropriate provisions of the Income Tax Act. The Company shall promptly submit the Plan and any subsequent amendments thereto for approval. The Company will make modifications, alterations or amendments to this Plan necessary to obtain and retain such approval of the Minister of National Revenue as are required in order to establish the qualified status of the Plan and the deductibility for income tax purposes of Company contributions to the Fund.
- 13.03 The Company shall promptly submit the Plan, and any subsequent amendments thereto, for

registration by the proper regulatory authority of each Province which may require it and the Company will make any modifications, alterations or amendments to this Plan necessary to obtain and retain registered status in such Provinces. The Company shall submit, or cause to be submitted, to such regulatory authorities any periodic reports which may be required by law.

13.04 The Company and the Union agree to make any modifications, alterations or amendments to this Plan required by any Federal or Provincial legislation.

13.05 This Plan shall continue in full force and effect until the expiration of the Collective Agreement, and thereafter unless either the Company or the Union serves upon the other a written notice of desire to negotiate with respect to a modification of the Plan. No such notice shall be given earlier than 60 days prior to the expiration of said period. At any time during such negotiations either party may serve upon the other a written notice of desire to terminate in which event this Plan shall terminate 60 days after such termination notice has been served.

13.06 Except as specifically provided in Sections 13.01, 13.02 and 13.03, hereof, neither the Company nor the Union for the duration of the Collective Agreement shall demand any change in the Plan, nor shall either be requested to bargain with respect to any change in the Plan, nor shall any modification, alteration or amendment of the Plan be an objective of or reason for any strike or lockout, or other exercise of economic force or threat by the Union or the Company.

13.07 Termination of the Collective Agreement shall not have the effect of automatically terminating the Plan. In the event of termination of the Collective Agreement, except as may be provided in any subsequent agreement between the parties, the Company may continue, amend, modify or terminate the Plan provided, however, that any such action shall not operate to adversely affect any benefits otherwise earned by members to the extent the assets of the Fund are sufficient to provide such benefits at the time of such action.

13.08 In the event of the termination of the Plan, the Company shall not be obligated to make any further contributions to the Plan with respect to service after the date of such termination of the Plan.

13.09 Should the Plan be wholly discontinued or terminated all contributions on deposit in the Pension fund shall first be used to provide benefits as outlined in the Plan and Funding Agreement for the Members, their Beneficiaries and joint annuitants, in accordance with their respective shares of the Pension Fund, subject to the requirements of the Department of National Revenue and the Pension Benefits Act, through the purchase of annuity contracts from an insurance company licensed to do business in Canada, or by transfer of the benefits to which the respective participants are entitled to the pension plans of subsequent employers or to registered retirement savings plans or by the continuation of the Pension Fund for the provision of deferred pensions as determined by the Company, or by the payment of cash refunds, subject to the requirements of Revenue Canada and the Pension Benefits Act. After provision has been made for the satisfaction of all liabilities of the Plan, any surplus assets as may remain in the Pension Fund may revert to the Company or be used as the Company may direct.

IN WITNESS WHEREOF each of the parties hereto has caused his Retirement Benefit Plan Agreement to be signed the first day of February, 1982, by its authorized representatives as of the day and year first above written.

FOR THE COMPANY

Howard Hallam Colin Stewart Gus Fargiorgio

FOR THE UNION

Dan Webster – CAW National Rep.
Jim Marshall - President
Florence Butler - Chairperson
Wayne Agoston - Committee
Denis Frenette - Committee
Ted Moore – Skilled Trades Representative

SCHEDULE "A"

LABOUR RATES BY OCCUPATIONAL GROUPS Effective: May 1, 2006.

DIRECT LABOUR

		Start	3 mths	4mths
	PN Pool	19.84		
36	Working Job Control & Set-Up Operator, Flock & Glue	20.27		
37	Working Leader, Set up, Operator, General Relief, Packer	20.37	20.47	20.57
40	Operators in Line Extrusion, to operate tuber, Rubber Feed, Stock Take-Off and to perform Any other duties required in the Operation of this machine.	20.22		
58 (12 & 13)	Operator Injection Moulding	20.17		
	INDIRECT LABOU	R		
7	Set-up, Instruction, Planning, Stock Handling, Operate & Relief.	20.92	21.01	21.07
17	Floor Inspector of Material asPurchased, in Process & Finished	19.78	19.93	20.08
39	Leader in Line Extrusion	20.97	21.07	21.17
42	Lead Hand & Layout Inspector	20.71	20.81	20.91
45	Lubricator - Mechanic	20.23	20.32	20.38
47	C02 Mould Cleaning	20.23	20.32	20.38
49	Shipping, Receiving, Lift Truck, Stock Handling	19.81	19.87	19.96
50	Quality Control Analyst	20.48	20.54	20.63
51	Working Leader, General Relief Material Handling, Box Shunter	19.71	19.80	19.86

56	Teaching & Repairs	19.85		
60	Leader of Croups #49, #66	20.54		
66	Shipper/Receiver	20.16		
69	Auditor	19.85		
	SKILLED TRADES			
44 .	Tool & Die (Certified)	26.44		
46	Certified Industrial Millwright 24.84	25.04		
48	Leader of Groups # 44 and #55	26.64		
57	Leader of Groups #45, #46	26.14		

Employees assigned to work on Shift 2 (Afternoon Shift) and Shift 3 (Midnight Shift) shall receive a bonus per hour on hours worked on follows:

Any 8 hour shift that terminates later than 6:00pm carries afternoon shift premium.

Effective May 1, 1994, a new "Probationary Rate" will become effective. All new hires will be hired at eighty (80%) of the start rate set forth in Schedule "A": for the first 12 months; 85% for the next 9 months; 90% for the next 6 months and then 95% for the next 3 months; and the 100% of the start rate for the classification in which he/she was hired. Progressive Hiring Rates shall not apply to the groups listed under the Skilled Trades Wage Rate section.

SCHEDULE "A" LABOUR RATES BY OCCUPATIONAL GROUPS

Effective: May 1, 2007

DIRECT LABOUR

		Start	3 mths	4mths
	PN Pool	20.29		
36	Working Job Control & Set-Up Operator, Flock & Glue	20.72		
37	Working Leader, Set up, Operator, General Relief, Packer	20.82	20.92	21.02
40	Operators in Line Extrusion, to operate tuber, Rubber Feed, Stock Take-Off and to perform Any other duties required in the Operation of this machine.	20.67		
58 (12 & 13)	Operator Injection Moulding	20.62		
	INDIRECT LABOU	R		
7	Set-up, Instruction, Planning, Stock Handling, Operate & Relief.	21.37	21.46	21.52
17	Floor Inspector of Material as Purchased, in Process & Finished	20.23	20.38	20.53
39	Leader in Line Extrusion	21.42	21.52	21.62
42	Lead Hand & Layout Inspector	21.16	21.26	21.36
45	Lubricator - Mechanic	20.68	20.77	20.83
47	C02 Mould Cleaning	20.68	20.77	20.83
49	Shipping, Receiving, Lift Truck, Stock Handling	20.26	20.32	20.41
50	Quality Control Analyst	20.93	20.99	21.08
51	Working Leader, General Relief	20.16	20.25	20.31

	Material Handling, Box Shunter		
56	Teaching & Repairs		20.30
60	Leader of Groups #49, #66		20.99
66	Shipper/Receiver		20.61
69	Auditor		20.30
	SKILLED TRADES	S	
44	Tool & Die (Certified)		26.89
46	Certified Industrial Millwright	25.39	25.59
48	Leader of Groups # 44 and #55		27.09
57	Leader of Groups #45, #46		26.69

Employees assigned to work on Shift 2 (Afternoon Shift) and Shift 3 (Midnight Shift) shall receive a bonus per hour on hours worked on follows:

Any 8 hour shift that terminates later than 6:00pm carries afternoon shift premium.

Effective May 1, 1994, a new "Probationary Rate" will become effective. All new hires will be hired at eighty (80%) of the start rate set forth in Schedule "A": for the first 12 months; 85% for the next 9 months; 90% for the next 6 months and then 95% for the next 3 months; and the 100% of the start rate for the classification in which he/she was hired. Progressive Hiring Rates shall not apply to the groups listed under the Skilled Trades Wage Rate section.

SCHEDULE "A" LABOUR RATES BY OCCUPATIONAL GROUPS Effective: May 1, 2008

DIRECT LABOUR

		Start 3 mths 4m	nths
	PN Pool	20.74	
36	Working Job Control & Set-Up Operator, Flock & Glue	21.17	
37	Working Leader, Set up, Operator, General Relief, Packer	21.27 21.37 2	1.47
40	Operators in Line Extrusion, to operate tuber, Rubber Feed, Stock Take-Off and to perform Any other duties required in the Operation of this machine.	21.12	
58 (12 & 13)	Operator Injection Moulding	21.07	
	INDIRECT LABOU	R	
7	Set-up, Instruction, Planning, Stock Handling, Operate & Relief.	21.82 21.91 2	21.97
17	Floor Inspector of Material as Purchased, in Process & Finished	20.68 20.83 20	0.98
39	Leader in Line Extrusion	21.87 21.97 2	2.07
42	Lead Hand & Layout Inspector	21.61 21.71 2	1.81
45	Lubricator - Mechanic	21.13 21.22 2	1.28
47	C02 Mould Cleaning	21.13 21.22 2	1.28
49	Shipping, Receiving, Lift Truck, Stock Hand ling	20.71 20.77 20	0.86
50	Quality Control Analyst	21.38 21.44 2	1.53
51	Working Leader, General Relief Material Handling, Box Shunter	20.61 20.70 2	0.76

56	Teaching & Repairs		20.75	
60	Leader of Groups #49, #66		21.44	
66	Shipper/Receiver		21.08	
69	Auditor		20.75	
	SKILLED TRADES			
44	Tool & Die (Certified)		27.34	
46	Certified Industrial Millwright	25.94	26.14	
48	Leader of Groups #44 and #55		27.54	
57	Leader of Groups #45, #46		27.24	

Employees assigned to work on Shift 2 (Afternoon Shift) and Shift 3 (Midnight Shift) shall receive a bonus per hour on hours worked on follows:

Any 8 hour shift that terminates later than 6:00pm carries afternoon shift premium.

Effective May 1, 1994, a new "Probationary Rate" will become effective. All new hires will be hired at eighty (80%) of the start rate set forth in Schedule "A": for the first 12 months; 85% for the next 9 months; 90% for the next 6 months and then 95% for the next 3 months; and the 100% of the start rate for the classification in which he/she was hired. Progressive Hiring Rates shall not apply to the groups listed under the Skilled Trades Wage Rate section.

LETTER OF UNDERSTANDING

The following letters which constitute part of the Collective Agreement will remain in effect for the duration of this contract unless changed by mutual agreement.

LETTER OF UNDERSTANDING

Letter #3

RE: INVENTORY

As agr ed to during negotiations, when the Company is scheduling in 'entory during a normal work day (s), and the second shift (afternoons) is not required, the Company will post a notice of such inventory for 48 hours and allow employees from all weekday shifts to sign this list.

The Company will then allow, as per requirement, the most senior employees signing the list to work this inventory.

It is understood that this is being done on a voluntary basis, therefore the employees transferring from one shift to another would receive no shift change premium.

If not enough employees volunteer for inventory, the Company will then assign employees with the least seniority to perform the required work.

Letter#4

LETTER OF INTENT

Re: ARTICLE 3 - ANTI-DISCRIMINATION; ANTI-HARASSEMENT

Both the Company and the Union are committed to providing a workplace free of discrimination and harassment. Providing fair and equitable treatment for all employees is best achieved in an environment where all individuals interact with mutual respect for each other's rights. All employees are expected to treat all persons with courtesy and consideration and must not engage in discrimination or harassment because of a prohibited ground contrary to the Ontario Human Rights code (the "Code"). Prohibited grounds are race, ancestry, place of origin, colour ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, family status or handicap, as defined in the Code. This joint policy shall be interpreted in accordance with and subject to the provisions of the Code.

The Company and the CAW are committed to providing a harassment free workplace. Harassment is defined as a "course of vexatious comment or conduct that is known or ought to reasonably be known to be unwelcome, that denies individual dignity and respect on the basis of the grounds such as: gender, disability, race, colour, sexual orientation or other prohibited grounds. All employees are expected to treat others with courtesy and consideration and to discourage

harassment.

The workplace is defined as all premises of the corporation and any other place at which events organized as a corporate or employee function take place, which may include areas such as offices, production areas, restrooms, cafeterias, lockers, conference rooms, parking lots, off-site company functions and customer visits.

Harassment may take many forms: verbal, physical or visual. It may involve a threat or an implied threat or be perceived as a condition of employment. The following examples could be considered as harassment but are not meant to cover all potential incidents:

- 1. Unwelcome remarks, jokes, innuendoes, gestures, or taunting about a person's body, disability, attire or gender, racial or ethnic backgrounds, colour, place of birth, sexual orientation, citizenship or ancestry,
- 2. Practical jokes, pushing, shoving, etc., which cause awkwardness or embarrassment,
- 3. Posting or circulation of offensive photos or visual materials,
- 4. Refusal to work or converse with an employee because of their racial background or gender,
- 5. Unwanted physical conduct such as touching, patting, pinching, etc.,
- 6. Backlash or retaliation for the lodging of a complaint or participation in an investigation.

Harassment is in no way to be construed as properly discharged supervisory responsibilities including the delegation of work assignments, the assessment of discipline or any conduct that does not undermine the dignity of the individual. Neither is this policy meant to inhibit free speech or interfere with normal social relations.

Complaint and Investigation Procedure:

If an employee believes that he/she has been harassed and/or discriminated against on the basis of a prohibited ground of discrimination, the employee may:

- **A)** If an employee believes that they have been harassed and/or discriminated against on the basis of any prohibited ground of discrimination, there are specific actions that may be taken to put a stop to it. First, request a stop of the unwanted behaviour. Inform the individual that is doing the harassing or the discrimination against you that the behaviour is unwanted and unwelcome. It is advisable to document the events, complete with times, dates, location, witnesses and details
- B) However, it is also understood that some victims of discrimination or harassment
 Are reluctant to confront their harasser or they may fear reprisals from the harasser,
 lack of support from their work group, or disbelief by their supervisor or others. The incident should be brought to the attention of your Supervisor and/or Union Representative.
- C) If the Supervisor and/or Union representative cannot, to the satisfaction of the

employee, deal with the complaint, it will then be submitted in writing to the joint committee. The joint committee will be comprised of two (2) representatives selected by the Company and two (2) representatives selected by the Union. Where the complainant is a woman and the complaint involves sexual harassment or gender discrimination, the joint investigation committee will include at least one (1) woman. These representatives must be appropriately trained regarding harassment and discrimination issues. It is understood that only one representative will be utilized from each side at one time.

The joint committee will conduct an investigation of the complaint. The joint investigation will include interviews of the complainant, any employee accused in the complaint, witnesses and other persons named in the complaint. Any Union member interviewed by the joint committee may, if he/she so wishes, have Union representation during the interview.

It is the intention of the Union and the Company that, where practical, the joint investigation will begin within five (5) working days of the lodging of the written complaint and shall be completed within fifteen (15) calendar days after the lodging of the written complaint.

In conducting the joint investigation, both the Union and the Company shall, to the extent practicable, maintain confidentiality. Records of the investigation, including interviews, evidence and any recommendations made by the joint committee will be securely maintained in the offices of the Company and the Union. Upon the completion of the joint investigation, the joint committee will complete a written report of its findings and recommendations and submit a copy of the completed report to the Human Resource person and the Plant Chairperson. If the members of the joint committee do not agree, the report may reflect differences in the findings.

If a harassment Complaint is proven valid, appropriate corrective action will be taken against the offending employee(s). If, after completion of a thorough investigation, a harassment complaint can neither be proved or disproved in the view of the investigators, the local Human Resource person, on consultation with the local plant chairperson, will attempt to resolve the conflict in a manner that is agreeable to all parties.

If there is no agreement, the Company reserves the right to take such action as it deems appropriate, subject to the collective agreement. In the event the complaint remains unsolved and a violation of the collective agreement is alleged, the matter may be considered as a grievance beginning at Step 3 of the grievance procedure.

Nothing in this Letter of Understanding prevents an individual employee complaining of harassment or discrimination from filing a complaint under the Code.

Letter #5

As a part of the negotiations concluded today, the Company agreed that effective May 1, 1997 it will accrue three cents (.03) for each hour (excluding any vacation period) for which employees in the bargaining unit are compensated, to be used for educational purposes. Such accrued amounts shall be paid at the end of each quarter into a trust fund established by the National Union CAW, Canadian Region at their headquarters in Port Elgin, Ontario.

Upon written application at least four weeks in advance, employees selected by the Union shall be granted a leave of absence without pay from the Company for a period not to exceed, in any twelve (12) months, twenty (20) days class time plus travel time where necessary. Such leave

the trust fund referred to above and will be limited to two employees at any one time in this particular program.
Employees granted such Leave of Absence will continue to accrue seniority and benefits during such leave.
<u>Letter #6</u>
Letter of Intent - Re: Cross ,Training
The parties agree that adequate cross training is necessary to ensure a flexible work force as well as developing the employees to sufficiently handle new processes and methods of manufacturing.
Although, training shall be the responsibility of the Company, the Union agrees to consult and communicate with the Company on this matter. Further, it agrees to meet with the Company and resolve any problems arising, after any training has been mutually agreed upon.
The Company will attempt to develop a master schedule matrix on training wherever possible, to ensure consistency and the most efficient manner to complete the cross training.
<u>Letter #7</u>
Letter of Understanding
During the negotiations for the renewal of a Collective Agreement between Cooper Standard Automotive and The Canadian Automobile Workers Union, dated the 1st day of May, 2003 and expiring the 30th day of April, 2006, the representatives of the Company and the Union had occasion to discuss the practice of paying bargaining unit employees on Thursdays. The parties, through their representatives, have agreed that the pay practices as they have been followed in the past will be continued for the life of the renewal Agreement.
Letter #9
This letter will confirm the situation of Paid Lunches for Saturday work as discussed during our meeting of June 17, 1991.
If the Friday Midnight Shift (being completed Saturday morning) should work a full shift and the Day Shift on Saturday would work 8 hours, employees would receive a 20 minute paid lunch on the Day Shift. However, if there is no Friday Midnight Shift and the Day Shift works 8 hours on Saturday, they will <u>not</u> receive a 20 minute paid lunch, employees will take a half hour lunch break.

Letter#10

Letter of Agreement

If the Company needs to speak to an employee who is working the Midnight Shift, the meeting will be held at 7:30 A.M. and the employee may be asked to stay until this time. The employee will be paid for his time.

Letter #11

Letter of Agreement

Each year on the National Day of Mourning (April 28) at 11:00 A.M., a one (1) minute silence will be observed in memory of workers killed or injured on the job. Exceptions to this will be any continuous operations.

Letter #13 <u>Letter of Understanding</u>

As agreed to during negotiations, payments of W.S.I.B. benefits is to be prepaid by the short term disability insurance carrier as an advance whenever claims were not paid to the employee within twenty-one (21) days. In these cases, the employee will sign a waiver and an amount equal to the weekly indemnity payment will be paid to an employee who would otherwise qualify for short term disability benefits. The insurance carrier will be reimbursed upon receipt of W.S.I.B. benefits to the employee as per the afore mentioned waiver.

If for any reason, the claim is denied by the Compensation Board and/or the insurance company, Cooper Standard Automotive will be empowered to recover the amount advanced to the employee by any means available, including from vacation monies.

Letter #14 Letter of Understanding

Day of Commemoration and Action to end Violence Against Women:

The Company agrees to allow employees one (1) minute of silence at 10:00am December 6^{th} , each year, in observance of the Day of Commemoration and Action to end Violence Against Women. The Union will post a reminder notice and the company will make an approved announcement, to be provided by the Union, to all employees before 10:00am on December 6^{th} , each year.

Letter #15

Letter of Understanding

Groups 49 & 66

The parties agree to select two current group 49 employees to work permanently within group 66. These new assignments will encompass some responsibilities that they would currently have as a group 49 but would also incorporate all necessary requirements of group 66. They shall be selected voluntarily by seniority, asking the current group 49 personnel first.

For this selection only, the probationary period will be 30 working days. For any future group 66 positions, the 50 day probationary period shall apply.

Letter #17

Vacation Pay

For Vacation Pay the following is the new agreed upon procedure:

- all vacation entitlement will be paid to employees prior to the plant shutdown

Unless:

 written notification of your wish for the company to withhold a part of your vacation pay is received by Human Resources no later than May 31st

Then:

- on vacation requests, the remainder of vacation money will be paid on a 1 week at a time basis for vacations taken prior to December 1st, 3 consecutive days of vacation must be used to be paid for 1 week
- Once a request for payment has been made, it cannot be stopped and must be received 10 business days prior to the vacation in order to be paid.
- all unpaid vacation money will be processed the first week of December
- After the initial July payment, vacation money will be placed on your regular pay stub, separate vacation pay stubs shall not be issued.

Letter #18

Letter of Understanding

July 1 holiday/vacation letter:

The Company will attempt to provide the July 1st holiday exclusive of the Companies shutdown period whenever possible noting that service to our customers is essential. In cases where our customers do not take the July 1st holiday exclusive of the shutdown period it may be necessary for the Company to align with the customer's schedule.

Letter #19

Letter of Understanding

Paid Lunches

When an area is operating on all three shifts, **an** equal number of employees on the dayshift and afternoon shift will be given a corresponding paid lunch

Letter #20

<u>Letter of Understanding</u>

Pension Window

Effective May 1st, 2006 to July 31st, 2006 employees who are age 60 and have 20 years of service will be eligible to retire with an unreduced pension which will include health care benefit coverage's until age 65.

Letter #21

Letter of Understanding

Parties agree to the deletion of Occupational Group 38, to grandfather all current Gr 38 employees into the Occ Gr 17. Furthermore, employees who hold backup Gr 38's would become backup Gr 17. All existing employees within Occ Gr 17 will remain as Occ Gr 17, but all new employees entering into Gr 17 would be required to successfully complete all courses required by the Company within a two (2) year time frame or being actively enrolled within said courses. Based upon the successful completion of said courses, employees in Occ Gr 17 will be moved into Occ Gr 50 and will be granted Occ Gr seniority based upon the successful completion of the probationary period.

May 1, 2006 Groups 17 and 50

During negotiations the parties had considerable discussions surrounding occupational groups 17 and 50 including how in their duties and assignments overlap. These discussions also included a process to be followed in the event of a layoff or reduction.

In order to respect seniority and at the same time ensure the Company has the necessary skill set the parties have agreed to the following:

- 1. The parties will meet to set up a training matrix that will ensure all employees in group 17 are afforded the time to enroll in the three (3) courses that are necessary to progress into the occupational group 50.
- 2. The parties will seek the input of the affected employees.

- 3. All employees in occupational group 17 will be required to enroll in the courses with the anticipation that they will be able to complete the courses before the expiration of the collective agreement.
- **4.** It is agreed that providing the employees follow the agreed upon training matrix, layoffs or reductions will be handled in such a way that will respect the seniority of the employees. Should an unforeseen circumstance beyond the control of the Company occur the parties will meet to find a solution to the problem to ensure the employee and the Company's needs are met.

Letter #22

Letter of Understanding

The following Occupational Groups shall be deemed redundant and removed from the Agreement if not utilized during the life of the Collective Labour Agreement: Gr. 10, 30, 55, 65, 67

Letter #23

Letter of Understanding

The Company agrees to post for one backup position on two separate occasions during the Collective Labour Agreement for each of the Occupational Groups of Gr. 17, 47, 49 and 66.

These backups will be trained and utilized as required by the Company as necessary. In order for the selected employee to utilize their seniority during a period of layoff they must fulfill temporary assignments as required by the Company in the selected positions.

It is the intent of this letter to try and protect the more senior employees during periods of prolonged layoffs. In consideration of this, the Company agrees to post these openings as soon as practical.

If however, a prolonged layoff were to occur prior to these postings, the Company will commence training of a more senior employee if applicable, displacing a maximum of one person per Group until the more senior employee becomes proficient within the Occupational Group duties to the satisfaction of the Company. This training will apply only if two of such positions are not filled through employees trained via the job postings described within this letter in each Occupational Group and will last until proficiency is obtained or the resulting junior employee is displaced.

Senior employees who fail to sign these said postings will forfeit their right to the afore mentioned training.

All other provisions of 13.04(d) referring to backup language shall apply.

Letter #24

Letter of Understanding

The Company and the Union agree to provide four hours of training to all employees on the importance of maintaining an environment free of harassment. The training will be of joint facilitation with a facilitator from the Company and a facilitator from the Union. This training will commence within six months of the ratification of the agreement. The cost of the training will be paid by the Company. Company commits to having all training completed by April 30, 2006 – all new hires shall be trained on the harassment policy.

Letter #25

Letter of Understanding

Steady Day Shift Positions

If the Company knows there will be a steady day shift position, it will be indicated on the posting however it is understood there is no guarantee the shift position may not change. If so, the Company will not be required to repost.

Letter #26

Letter of Understanding

Incentive Language in the Collective Labour Agreement

Both parties agree to remove all incentive language within the Collective Labour Agreement and place this language within a side letter. This side letter shall be referenced within the Collective Labour Agreement.

Letter #27

<u>Letter of Understanding</u>

Substance Abuse Training

The Company agrees to set up and provide substance abuse training to the Executive of CAW Local 876. This training will be facilitated by either a CAW instructor or a similar type facilitator. The costs associated with this training will be paid for by the Company.

Incentive Language - removed May 1, 2006

2.02(d) To establish the incentive pay plan for jobs throughout its plant pursuant to paragraph 20.07(a) and, by agreement between the parties hereto, to alter, modify, amend and discontinue the same from time to time.

4.02(f) except that for employees working on incentive, payment will be at the rate of 1.2 X base rate per hour plus Cost of Living.

Pool Help 1 17.58
Operator Injection Moulder
Operator Injection Moulding

NOTE: For the purpose of calculating Incentive, Direct Labour employees will use the Base Rate less \$1.75.

INCENTIVE PAY PLAN......20.04, 20.07

- 14.02 (2) for employees working on a direct labour basis, ten (10) hours at base rate plus cost of living allowance plus shift premium.
- 15.02(b) for non-incentive employees, and 40 times his base rate times 1.2 for incentive employees.
- 18.01 except that direct labour employees will be at base rate times 1.2 plus C.O.L.A., plus shift premium where applicable.
- 19.01 except that for an incentive employee payment will be at base rate times 1.2 plus C.O.L.A. plus shift premium where applicable.

INCENTIVE PAY PLAN

- **20.07** (a) Pursuant and subject to the provisions of Paragraph 4 (b) the Company has established the incentive pay plan described in Schedule "B" hereto annexed and made a part hereof.
- **(b)** For the employees' protection, established incentive work rates will not be altered except as provided for in Schedule "B" which forms part of this Collective Labour Agreement and is attached hereto.

SCHEDULE "B"

1. TYPE OF PLAN

This incentive pay plan is designed, but not guaranteed, to provide the average qualified employee working on a time-studied direct labour productionjob operating under standard conditions the opportunity to earn approximately 20% over the base rate for the job by applying reasonable proportionate effort, attention and care to the job. It is understood that since there is no such thing as an average employee, some employees may earn in excess of 20% while others may earn less than 20%. The incentive pay plan is known as a "100%" or "standard hour plan". For each 1% increase in production over standard the employee receives a 1% increase over the base rate. There is no ceiling on

earnings.

2. INCENTIVE STANDARD

The standard is expressed in terms of standard hours required to produce 1000 units, such as pieces, pounds, or feet. It measures how many units an average qualified employee can produce under standard conditions in one hour at a normal pace. It includes time allowances for miscellaneous work elements; short delays which are unavoidable even when the job is running properly and allowances for rest and personal needs. **An** employee earns incentive pay by producing more than standard. The incentive pay is computed on the base rate as set forth in Schedule "A".

For example, if the standard is 100 pieces per hour, i.e., 10.0 standard hours per thousand pieces, the average qualified employee, by applying reasonable proportionate extra effort, attention, and care to the job, should, working as provided in paragraph 1, turn out 960 pieces in an 8 hour shift. He/she will then have earned 9.6 standard hours.

10 Standard Hours

900 x = 9.6 hours

1000 pieces

If the base rate on the job is \$1.60 per hour, his earnings for the shift will be \$15.36 ($$1.60 \times 9.6$ standard hours), \$2.56 more than he/she would have earned at the base rate.

3. EFFECT OF OTHER PAY POLICIES

(a) OVERTIME

The incentive pay is computed on the base rate plus overtime premium.

(b) SHIFT DIFFERENTIAL

Shift differential is not included in computing incentive pay.

(c) VACATION PAY

The incentive pay increases the employees' vacation pay because it is included in "gross earnings".

(d) HOLIDAY PAY, CALL-IN, ETC.

The incentive pay does not affect holiday pay or call-in pay which are paid at the employees' base rate.

(e) Inventory work shall be paid for at the base rate plus shift premium where applicable for employees so engaged except that for employees working on incentive, payment will be at base rate x 1.2 plus shift premium where applicable.

4. BASE RATE GUARANTEED

In all cases the employees' earnings are at least the number of hours worked times the base rate of the job.

For example, if the standard is 10 standard hours per 1000 pieces and the employee turns out 700 pieces in an 8 hour shift, he/she has earned only 7 standard hours.

10 Standard Hours

700 x = 7.0 hours

1000 pieces

In such case, if the base rate of the job is \$1.60 per hour, his earnings for the shift are \$12.80 (\$1.60 x 8 hours), not \$11.20 (\$1.60 x 7 standard hours).

5. INCENTIVE EARNINGS PAID BY JOB

If an employee works on two incentive jobs which are operating properly for four hours each on one shift at a base rate of \$1.60 per hour and produces 5 standard hours on the first job and 4.6 standard hours on the second job, he/she earns 9.6 standard hours for the shift. His earnings for the shift will be \$15.36 (\$1.60 \times 9.6 standard hours).

If on the secondjob he/she earns only 3.5 standard hours, he/she is paid 9. standard hours for the shift. His earnings for the shift are then $$14.40 ($1.60 \times 9. \text{ standard hours}).$

6. PAYMENT WHEN NOT ON INCENTIVE

(a) Job Not Covered By Incentive

When an employee works on a job which is not covered by an incentive standard he/she is paid the base rate of the job.

Assume an employee works on two jobs four hours each at a base rate of \$1.60 per hour. The first job is on incentive and the employee produced 4.8 standard hours while the second job is not on incentive. His earnings for the day are \$14.08 (\$1.60 x 4.8 standard hours plus \$1.60 x 4 hours).

(b) Downtime

Downtime is when the employee is unable to produce at all because of lack of material, machine breakdown, waiting for set-up, etc. In such cases, the operator shall ring out and contact his supervisor who will authorize the applicable downtime when the job is restarted or the operator is reassigned if such downtime is three (3) minutes or more. Downtime is paid at the base rate of the job.

Assume an employee works on a job for 7.5 hours producing 9 standard hours and then encounters .5 hour of downtime because the job was "out of stock". If the base rate is \$1.60, his earnings for the day will be $$15.20 (1.60×9 standard hours plus $$1.60 \times .5$ hours).

(c) NON-STANDARD

If the employee is unable to produce enough units to earn the equal of the base rate because of poor material or improperly operating equipment, then the operation is on non-standard.

The employee encountering such difficulty will immediately contact his supervisor. If, in the judgement of the supervisor, the incentive standard does not apply, the supervisor will authorize the employee to work on a non-standard basis. The employee will then be paid at the base rate for the pieces produced during this time until the trouble is corrected. All non-standard time cards will be authorized by the supervisor and a timestudy person before the non-standard period is granted.

For example, suppose the employee works 5 hours on incentive at \$1.60 base rate, producing 6 standard hours, and then has trouble for 3 hours. The supervisor and timestudy person authorize the 3 hours on non-standard. His earnings for the shift will be \$14.40 ($$1.60 \times 6$$ standard hours plus \$1.60 $\times 3$ hours).

(e) Machine Opportunity Allowance

On some jobs the employees' production is limited by the machine. In such cases, an addition to the other applicable allowances, a "machine opportunity allowance" is added to the standard machine time to provide the employee working as provided in paragraph 1 the opportunity to earn 20% incentive pay.

9. CHANGE IN STANDARDS

Established incentive standards Code 2 will not be altered except because of a change in material, equipment, method of manufacturing, a demonstrable clerical error or by mutual agreement. Only those elements affected by the change will be revised.

10. SUBSTITUTE AND ADDED OPERATIONS

Substitute and added operations will be paid at Group 56 rate. However, if the quantity of parts to be produced in the opinion of the Companyjustifies the installation of an incentive standard, it will be installed and the employee will be paid at base rate, plus incentive.

11. TEMPORARY INCENTIVE STANDARDS

Temporary incentive standards in accordance with paragraph 1 may be installed when it is impracticable to use established standards because of job conditions varying due to equipment, material, process or method employed.

Temporary incentive standards are applicable to those jobs that would eventually have established standards and are applicable for a time not exceeding 30 days of job operation.

Temporary incentive standards will be listed in the computer routings under Code 3.

- 12. The within described plan shall be subject to the grievance procedure.
- 13. In establishing an incentive standard for a group the Company will install a group incentive standard

based on the controlling or limiting operation.

Each member of the group will receive the same percentage incentive pay.

Revisions of incentive group standards may be made from time to time pursuant to paragraph 9. Such revised standards shall be based on whichever operation, following the revision, controls or limits production.

14. The payment of codes under the Incentive Pay Plan are as follows:

Code 1 - Estimated Standard, No Incentive Pay

Code 2 - Permanent Standard, Incentive Pay

Code 3 - Temporary Standard, Incentive Pay (section 11)

Code 4 - Non Standard Condition, Incentive pay on deviation where applicable.

15. GENERAL

The Incentive Plan is one of the basic foundation stones of the Company and it forms a part of the Collective Labour Agreement between the Company and its hourly rated incentive employees as represented in this plant by the C.A.W. The plan is printed in the contract as Schedule'B'. It is the desire of the Company that the Plan operate efficiently and fairly.

It is recognized that over a span of years, persons both in Management and in the Bargaining Unit, may for varying reasons come to overlook or forget the actual meaning and intent of some of the provisions in the Plan and this may lead to abuse, or apparent abuse of the Plan.

During the recent negotiations, considerable discussion took place concerning the Plan and a number of assurances were made to the Union and our employees, among these assurances are:

- (1) No incentive standard is altered merely because a part number is changed;
- (2) No incentive standard is altered merely because additional or extra effort results in high earnings;
- (3) Any altering of an established standard must be in accordance with Article 9 of the Plan and if the employees or the Union are not in agreement, they may question or grieve the alteration;
- **(5)** The Company will instruct persons on your level, and the intent of this item is to do that, that both Article 6(b) and Article 6(c), i.e., downtime and non-standard condition (Code 4) respectively, will be strictly adhered to especially with a view of permitting incentive workers to protect their incentive earning;
- (6) Realizing that it is the desire of all parties to keep downtime to a minimum, and further realizing that during downtime the employee is not working and thus not earning incentive, if the operation is **not** to cease and if the situation giving rise to the downtime is not expected to last more than one hour, the operation will be made Code 4 before returning to Code 2. However, if it is envisaged that the situation will continue longer but it is desired that the operation continue, a deviation to the established standard will be set as soon as possible so the employee shall again have the opportunity to earn incentive;
- (7) In the event that the situation referred to in paragraph 6 above should occur on a shift when time study personnel are not available, and it is deemed desirable that the operation continue, the employee would go on Code 4 (to protect earlier incentive earnings) and as soon as time study was available a deviation would be established and the employee would be paid accordingly for the time spent under Code 4.

23.01(d) Except in the case of a group operation in which case the operator or operators shall be paid the incentive earnings of the group.

Letter #16 Letter of Understanding

Incentive Pay Plan

After today's negotiations, the company has agreed to provide a computer for all employees to access. This would allow each employee to view current routings and any deviations that would be currently available for any part number.

The company has also agreed to provide training for deviation	procedures following ratification
of the Collective Labour Agreement.	

right to be continued as an Employee of the Company. All Members shall be subject to discharge to the same extent as if this Plan had never been adopted, and the Company expressly reserves the right to discharge any Employee without any liability on the part of the Company, or the Funding Agency except as provided herein.

- 12.02 The Company shall provide each Member with a written explanation of the terms and conditions of the Plan and amendments thereto applicable to him, together with an explanation of the rights and duties of the Member with reference to the benefits available to him under the terms of the Plan, and such other information as may be prescribed by the regulations made pursuant to the Pension Benefits Act.
- 12.03 If the Company receives evidence that (a) a person entitled to receive any payments under the Plan is physically or mentally incompetent to receive such payment and to give a valid release therefor and (b) another person or an institution is then maintaining or has custody of such person and no guardian, committee or other representative of such person has been duly appointed by a court of competent jurisdiction, the payments may be made to such other person or institution and shall be a valid and complete discharge of all liability for the payment.
- **12.04** No payment of pension benefits shall commence until the Member has filed satisfactory proof of age with the Company. A Member who has named ajoint annuitant shall also be required to provide satisfactory proof of age for such joint annuitant.
- 12.05 If the amount of the retirement income or deferred retirement income payable to the Member is less than \$25 a month, or such other amount as may be permitted from time to time in accordance with the Pension Benefits Act and the rules and regulations of the Department of National Revenue, the Member may receive the Actuarial Equivalent thereof in quarterly, semi-annual or annual payments, or the commuted value thereof in a lump sum, at the sole discretion of the Company.
- 12.06 Wherever the records of the Company are used for the purposes of this Plan, such records shall be conclusive of the facts with which they are concerned.
- 12.07 No benefit which shall be payable under the Plan to any person shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge whether voluntary or involuntary, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void; and no such benefit shall in any manner be liable for or subject to the debts, contracts, liabilities, or engagements of any such person nor shall such benefit be subject to attachment or legal process for, or against, such person, and the same shall not be recognized under the Plan, except to such an extent as may be required by law.
- **12.08** The provisions of this Plan shall be construed, regulated and administered according to the laws of the Province of Ontario.
- **12.09** The Union to receive an actuarial evaluation of the Pension Plan annually.
- 12.10 Employees to receive an annual statement on their Pension entitlement.

SECTION 13 - CONTINUANCE, AMENDMENT TO, OR TERMINATION OF THE PLAN

- **13.01** Amendments to the Plan must be adopted in writing by the mutual consent of the Company and the Union.
- 13.02 It is the intent of the Company and the Union that the Plan shall be and remain an approved plan so as to qualify under the appropriate provisions of the Income Tax Act. The Company shall promptly submit the Plan and any subsequent amendments thereto for approval. The Company will make modifications, alterations or amendments to this Plan necessary to obtain and retain such approval of the Minister of National Revenue as are required in order to establish the qualified status of the Plan and the deductibility for income tax purposes of Company contributions to the Fund.
- 13.03 The Company shall promptly submit the Plan, and any subsequent amendments thereto, for

56	Teaching & Repairs		19.85	
60	Leader of Groups #49, #66		20.54	
66	Shipper/Receiver		20.16	
69	Auditor		19.85	
	SKILLED TRADES			
44 .	Tool & Die (Certified)		26.44	
46	Certified Industrial Millwright	24.84	25.04	
48	Leader of Groups # 44 and #55		26.64	
57	Leader of Groups #45, #46		26.14	

Employees assigned to work on Shift 2 (Afternoon Shift) and Shift 3 (Midnight Shift) shall receive a bonus per hour on hours worked on follows:

Shift 2 - 0.35 Shift 3 - 0.40

Any 8 hour shift that terminates later than 6:00pm carries afternoon shift premium.

Effective May 1, 1994, a new "Probationary Rate" will become effective. All new hires will be hired at eighty (80%) of the start rate set forth in Schedule "A": for the first 12 months; 85% for the next 9 months; 90% for the next 6 months and then 95% for the next 3 months; and the 100% of the start rate for the classification in which he/she was hired. Progressive Hiring Rates shall not apply to the groups listed under the Skilled Trades Wage Rate section.