

This agreement, made at Chatham, Ontario

This 22nd day of August, 2002

Between

SIEMENS VDO
A u t o m o t i v e

Siemens VDO Automotive Inc.
Automotive Systems
Engine Actuators and Emissions Management
(hereinafter called the "Company")

and

CAW  TCA
CANADA

National Automobile,
Aerospace, Transportation
and General Workers Union
of Canada (C.A.W. - Canada)
and its Local Union 127
(hereinafter called the "Union")

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ARTICLE 1 - PURPOSE

It is the intention of this agreement to maintain a harmonious **rela-**tionship between the Company and its employees, to provide an amicable and prompt method of settling any difference which may arise between the Company and the employees concerning the interpretation and application of this contract.

ARTICLE II - RECOGNITION AND EXCLUSION

The Company recognizes that the Union is the sole and exclusive bargaining agent of the employees of the Company at its Chatham plants, save and except supervisors, all those above the rank of supervisors, engineering department employees and office staff.

ARTICLE III - RIGHTS OF MANAGEMENT - UNION CO-OPERATION

1. The management of the plants and business except as otherwise limited by the terms of this agreement are vested exclusively in the Company including the right to determine the location of plants, machines, tool equipment, the method of manufacturing, the scheduling of production, the processing of manufacturing and assembly. The control of raw materials, semi-manufactured and finished parts and to maintain order and efficiency in its plants and operation. To hire, discharge, discipline, promote, demote, and transfer any employee subject to the provisions of the Agreement.

2. The Company, Union and employees agree to co-operate in a total effort to obtain better quality and quantity of production.

3. Employees not in the bargaining unit shall not perform duties normally performed by those employees in the unit except for the purpose of inspection, experimentation, instruction, or as otherwise may be necessary in the discharge of their duties.

Employees performing work as identified above, shall when requested communicate the purpose and duration of such work to the appropriate union representative.

While excluded employees try out new dies, bargaining unit

employees will operate and/or observe the presses.

When a piece of equipment has been approved to run production pieces, and PPAP, a bargaining unit employee will operate the equipment or observe its operation.

The purpose of this clause is to insure that excluded employees do not perform work which will eliminate the need for hiring new employees or reduce the hours or overtime work or pay of a bargaining unit employee.

The Company will insure that Company visitors and outside contractors abide by the Company safety rules.

4. The Company agrees that it will keep the Union informed as to which employees are Plant Supervision by immediately posting a notice on the Employee's Bulletin Board.

ARTICLE IV - REPRESENTATION

1. The Company acknowledges the right of the Union to elect a Union Representative in the following manner:

- 1 Full-time Unit Chairperson (over all plants)
- 1 Vice-Chairperson in Controls Business Unit
- 1 Skilled trades Steward in Controls Business Unit
- 1 Steward for each zone (as per the current structure)
with changes to be made by mutual agreement.
(Refer to Letter #17)

2. (a) The Company will recognize a bargaining committee of five (5) for contract negotiations and all Union Representatives for the purpose of contract administration.

(b) The bargaining committee shall consist of the following members:

- 1 Chairperson
- 1 Vice-Chairperson
- 1 Representative Skilled Trades (elected by Skilled Trades)
- 1 or 2 Representatives Bargaining Committee (Elected by the Membership dependent on Letter #17)

3. It is understood and agreed that the Vice-Chairperson and union stewards shall have their regular duties to perform. Any steward, with the approval of his supervisor, shall be permitted during his working hours to **leave** his regular duties without **loss** of pay, for a reasonable length of time to adjust and present grievances.

The Vice-Chairperson shall notify his supervisor or designate when leaving his regular duties to attend to Union business. The Vice-Chairperson will notify his supervisor or designate when returning to regular duties.

4. (a) The Company shall provide steady day work for the Chairperson and the Vice-Chairperson(s).

(b) The Company will supply an office for the Chairperson and an office(s) in the Company Plant(s) for the Vice-Chairperson(s).

(c) A vacancy created by an employee accepting the position of Chairperson or Vice-Chairperson(s) will be filled only for the temporary period he is in office.

5. The Union agrees to supply the Company with the names of the Union Representatives and Local Union Officers and to keep such lists up to date at all times.

6. A National Representative of the Union may be present and participate in meetings between the Union Representative and the Company. Additional representation may be present by mutual agreement.

ARTICLE V - UNION SECURITY

The parties agree all employees shall pay initiation fees and there shall be check-off of dues compulsory upon all employees. Initiation fees are to be deducted at the completion of the probationary period. 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. The deductions shall be made only in the conditions and circumstances relating to the payment of dues and

assessments laid down by the constitution and bylaws of the Union. Union dues will be deducted the second pay of each month and the Company shall remit by cheque the total of the deductions to the Union before the end of the current month.

ARTICLE VI - SUBSECTION 1

GRIEVANCE PROCEDURE

The Company and the Union endorse the principle of an orderly grievance procedure and the prompt handling of grievances and to that end will work within the procedure.

Grievances may be initiated by either the Company, the Union, or employee, and shall be dealt with as speedily and effectively as possible, in accordance with the following procedure:

No matter shall be considered a grievance unless complaint is made within ten (10) working days of its occurrence. Any grievance placed in writing must be answered in writing.

The written grievance shall set forth the nature of the complaint, the date of occurrence of the cause of the complaint, the name(s) of the employee(s) involved and the provisions of the Agreement, if any, which are claimed to have been violated.

It is agreed that any employee may discuss any complaint with his immediate salaried supervisor. The supervisor shall have two (2) working days to verbally respond to such complaint.

STEP I

The grievant and Union Representative shall have five (5) working days from the date of the supervisor's response to investigate such complaint and review their positions. If the supervisors decision is not satisfactory to the grievant it may be presented as a written grievance to the supervisor and Human Resources Department within the above stated time period. Within five (5) working days thereafter the Company shall render its disposition in writing, outlining the reasons why the grievance was denied. At the request of either party a grievance meeting will be scheduled to review such

matters. At this step of the procedure and at each subsequent step, the parties agree to furnish each other with all facts and information then available with respect to the grievance.

STEP II

Failing satisfactory adjustment at Step I, the matter may be appealed within eight (8) working days from the date the grievance was answered by the Company. Within five (5) working days of such appeal, the grievant, appropriate Union Representatives, appropriate Management and the Human Resources Representatives shall meet in an attempt to resolve the grievance. The Company representative will answer the grievance within three (3) working days from the date of such meeting.

STEP III

If the grievance is not settled in Step II, the matter shall be placed upon an agenda for consideration at the meeting next following between the appropriate members of management, the Human Resources Department and the appropriate union representatives. A meeting shall be arranged, not less than once per two (2) calendar weeks, between the Human Resources Department and the appropriate union representatives for the consideration of appeals so appearing on the agenda for that meeting, providing there is an agenda. The agenda, shall be supplied by the chairperson to the Human Resources Department at least two (2) regular working days before the day of the meeting. Management's decision on appeals taken up at a meeting, shall be delivered to the chairperson not later than the third (3rd) regular working day following the day of the meeting.

Grievances alleging improper discharge of an employee or suspension of an employee may be lodged directly in writing to the Human Resources Department (Step III) within five (5) working days.

If management's written decision is not satisfactory, written notices of appeal for arbitration may be served to the Human Resources Department within ten (10) regular working days following the date of the Company's Third (3rd) step response.

ARTICLE VI - SUBSECTION II

ARBITRATION

1. An impartial arbitrator shall be selected by the parties or if such parties fail to select an arbitrator within ten (10) regular working days of the receipt by the Human Resources Department or Union Grievance Committee of the notice to appeal to arbitration, then the Minister of Labour for the Province of Ontario shall designate the arbitrator. The decision of the arbitrator shall be final and binding upon both parties.

2. The arbitrator shall not have jurisdiction to alter or change any of the provisions of this agreement, or to substitute any new provisions in lieu thereof, or to give any decision inconsistent with the terms and provisions of this agreement, or to deal with any matter not covered by this agreement. He shall, however, in respect to a grievance involving a suspension or discharge, be entitled to modify or set aside such penalty, if in the opinion of the arbitrator it is just and equitable to do so.

3. A grieving employee and one or more of the Union representatives may appear during working hours before an arbitrator on the hearing of his appeal on a grievance without loss of pay. The same conditions shall apply to employees of the Company who may appear as witnesses. All reasonable arrangements will be made to permit the conferring parties to have access to the plant to view the disputed operations and to confer with the necessary witnesses. The expense of the arbitrator shall be borne in equal shares by the Company and the Union and shall be paid directly to the arbitrator by each.

ARTICLE VI - SUBSECTION III

MEDICAL ARBITRATION

1. Medical Arbitration - Refer To Appendix B, Of The Insurance Program.

ARTICLE VII - SENIORITY

1. (a) An employee will be considered on probation, and will be placed on the appropriate seniority list(s) three (3) calendar months from the date of hire, and providing the employee has completed four hundred (400) working hours in this period. If he has not completed the required hours, the Company may elect to extend his probationary period to allow completion of the hours, at which time he shall be placed on the appropriate seniority list(s) three (3) months prior to such date, but the four hundred (400) hours must be worked within six (6) consecutive months.

When a probationary employee is terminated, the Human Resources Department will notify the Union Plant Chairperson. No grievance may be filed pertaining to such termination.

(b) Students hired for summer employment will not be eligible for seniority status.

(c) The Company may elect to hire students for summer employment within the period of May 1st through September 15th providing there are no seniority employees on layoff, and all permanent vacancies are posted and filled or are in the process of being filled. Students will be assigned work in direct labour job classifications, on a rotating shift basis or steady afternoons or midnights. The wage to be paid to such students is laid-out in Article XXI.

(d) The Company shall maintain the seniority lists and revise them every three (3) months.

(e) There shall be no seniority amongst probationary employees.

(f) For the purpose of this agreement, the word employee means an employee who has seniority unless otherwise stated.

(g) For the purpose of this agreement, seniority means the seniority accumulated by an employee as defined on the respective seniority lists.

2. Any employee assigned to a job outside the bargaining unit shall not return to a job within the bargaining unit and shall forfeit any accumulated seniority.

3. Notwithstanding their seniority status, the Zone Steward, Vice-Chairperson or Chairperson, with one (1) or more years of seniority with the Company shall, in the event of layoff be continued at work as long as work in their respective zone, plant or company, whichever is applicable, is available provided they are qualified, willing and able to satisfactorily perform the work being done at that time.

With respect to scheduled work to be performed on overtime, the Company will schedule the zone steward, who has the ability to perform an overtime job, when five (5) or more people are working in the zone. Should the zone steward refuse the overtime, the Union shall appoint one of the employees scheduled to work overtime as a temporary steward. It is the responsibility of the zone steward to notify the Union of his overtime refusal. In situations where no stewards are representing ten (10) or more workers, within a plant, the Vice-Chairperson will be scheduled to perform one of the available overtime jobs.

4. Seniority rights and employment of an employee shall cease for any of the following reasons:

(a) If the employee quits his employment.

(b) If the employee is discharged.

(c) Failure to return to work from a layoff within five (5) working days after issuance of the Company's notice of recall by registered mail to the last address shown on the Company's records unless a satisfactory reason is given prior to recall or within five (5) days.

(d) If the employee fails to report to work on the first (1st) working day after the expiration of any leave of absence or vacation granted to him, unless a satisfactory reason is given.

- (e) If the employee is laid off for a continuous period of three (3) years or a period equal to the employee's length of seniority, whichever is the greater.
 - (f) If an employee is absent from the Company for three (3) consecutive working days and fails to provide a satisfactory reason for his absence or his failure to notify the Company of his absence.
 - (g) If the employee retires from the Company. (Subject to the provisions of the Pension Plan.)
 - (h) If the employee is absent due to a non-occupational injury or disease for a continuous period of time equal to the seniority he had acquired at the time of such leave. This section applies only to employees with less than 3 years of seniority.
 - (i) The employee gives a false reason in requesting a leave of absence or engages in other employment during such leave of absence.
5. (a) In a case where a Chatham Plant is discontinued and is relocated elsewhere by the Company, the displaced employees may within three (3) months of the date notice is given of such a move, elect to be hired in the new factory with seniority equal to that which he was entitled to under the existing Agreement in the Chatham Plant provided that such an election does not conflict with any contractual relationships that might be binding upon the Company in the new factory and provided the previous experience of the employee shows he can qualify for the job for which he is being considered. It is understood that the affected employees will be given only one opportunity under this paragraph.
- (b) Relocation Allowance.
An employee with seniority who is transferred between the plants of the Company pursuant to this Article will be paid a relocation allowance provided:

- i) The Plant to which the employee is to be relocated is at least eighty (80) kilometers from the plant from which his seniority was transferred, and,
- ii) As a result of such relocation he changes his permanent residence, and,
- iii) He makes application within six (6) months after commencement of employment at the plant to which he was relocated in accordance with the procedure established by the Company.

The amount will be laid-out as follows:

Kms Between Plant Locations	Allowance
80 - 159	\$1,295.00
160 - 479	1,425.00
480 - 799	1,495.00
800 - 1599	1,765.00
1600 or more	2,025.00

In the event an employee is eligible to receive a relocation allowance or its equivalent under any present or future federal or provincial legislation, the amount of relocation allowance provided under this Article when added to the amount of relocation allowance provided by such legislation shall not exceed the maximum amount of the relocation allowance the employee is eligible to receive under the provisions of this paragraph. In the event that specific government funding should be made available for employees of the Company, and is expressed as an addition to the relocation allowance, the offset identified above would not be applicable.

The amount received under the provisions of this section will be deducted from any Separation Payment that the employee subsequently becomes eligible to receive under the Supplemental Unemployment Benefit Plan, if such application for separation payment is made by the employee within twelve (12) months of the date of relocation.

ARTICLE VIII - LAYOFF AND RECALL

1. Extended Layoffs - five (5) days or more.

When the number of employees working in a classification or department must be reduced, it shall be done subject to the employee's ability to perform the available work in the following manner:

Displaced from Classifications

- (a) All probationary employees in the affected classification will be reduced first.
- (b) Junior employees working in the classification who have been assigned to the classification will be reduced from the affected classification. Exceptions will be made with mutual agreement between the Company and the Union.
- (c) If additional employees are to be reduced from the affected classification it shall be the junior posted employees in that classification.
- (d) Employees reduced from the affected classification will be assigned to other classifications within the department.

Recalled to Classification

- (i) Posted employees working in their department will return to their posted classification consistent with their seniority as openings become available.

Displaced from Departments

- (e) All probationary employees in the department will be reduced first.
- (f) Junior employees working in the department who are assigned from other departments will be reduced from the department. Exceptions will be made with mutual agreement between the Company and the Union.
- (g) If additional employees are to be reduced from the department, it shall be the junior employee in the department.

Recall to Department

- (i) Posted employees working in the Company will return to their posted department consistent with their seniority as openings become available, provided they have the ability to perform the available work.

Layoff

- (h) Employees reduced from their department shall then exercise their seniority by replacing a junior employee in the Company who will be laid off.

Recall from Layoff

Employees returning from layoff will retain their seniority rights to be recalled in the following manner, subject to the employee's ability to perform the available work as openings become available:

Step 1

Seniority employees who have been laid-off from the Company in excess of one hundred and eighty (180) consecutive calendar days from the last day worked will not retain classification or departmental recall rights but will return to available work in the Company.

Step 2

Seniority employees who have been laid-off from the Company for less than one hundred and eighty (180) consecutive calendar days from the last day worked will return to the Company as work is available and will retain classification and departmental recall rights.

2. (a) Temporary Layoffs - less than five (5) days

- (i) Layoff for balance of the shift - **No** seniority rights will be exercised, however, the senior employee currently scheduled (posted and/or assigned for the week) may be given the opportunity to be laid off .

In the event that an employee is offered overtime after being laid-off for the balance of the shift, such overtime hours will not be included in determining compensated or available hours in respect to the eligibility requirements for Short Work Week Benefits as defined in the S.U.B. agreement.

- (ii) Layoffs of more than balance of shift - seniority rights will be exercised among those employees currently scheduled (posted and/or assigned for the week) on the shift within the department to cause displacement of probationary and junior seniority employees.
- (iii) Notwithstanding any other provisions of the S.U.B. Plan, if Short Work Week Benefits are not payable during an Unscheduled Short Work Week, as defined in the S.U.B. Agreement, because the Trust Fund Position is not four(4) per cent or more, then employees who meet the eligibility requirements of Article XII of the S.U.B. Agreement will receive Short Work Week Benefits in an amount as prescribed by the said Article XII, Section 3(a), and it is further understood that an amount equal to the total of such payments will be deducted from the weekly contributions paid into the Trust Fund.

(b) Layoff of Five (5) Full Days

- (i) **All Plants -** Departmental Seniority will be exercised.
- (ii) **One Plant -** Departmental Seniority will be exercised. A ten (10) week period must elapse before a new five (5) day shutdown will be scheduled in the same Plant.

The time interval between scheduled shutdowns will be waived if the employees are E.I. eligible or scheduled to work. When employees are eligible for E.I. benefits, they will receive the equivalent of their benefit level, as well as their regular S.U.B. draw, directly from the S.U.B. fund. This amount shall be payable at the normally scheduled time for receipt of S.U.B. payments. The Company will then deduct, on the fifth (5th) week worked from the date of layoff, the equivalent amount to E.I. benefit for that week of

layoff, from the pay of employees so affected. This procedure will not affect S.U.B. funding or credits but is subject to any government legislation expressly prohibiting such payments.

3. In the case of a layoff of more than five (5) days, a list of employee(s) to be laid off will be made available to the Union at least forty-eight (48) hours prior to the layoff becoming effective. The Union Chairperson will be notified of all layoffs.
4. Employees laid off as a result of vacation scheduling shall not be permitted to exercise their seniority rights in the other plants.
5. Notwithstanding their seniority status, the zone steward, vice-chairperson, chairperson with one (1) or more years of seniority with the Company shall, in the event of layoff be continued to work as long as work, in their respective zone, plant or company, whichever is applicable, is available provided they are qualified, willing and able to satisfactorily perform the work being done at that time.
6. In the application of this Article, students hired for summer employment shall be treated as probationary employees.
7. Temporary Daily Transfer Procedure

When the number of employees working in a classification or department must be adjusted during the week, it shall be done in the following manner:

- (A) Between Classifications In A Department
 - (i) Any probationary employees will be transferred first.
 - (ii) The junior employee assigned "out of classification".
 - (iii) The junior employee "off shift" as a result of trading shifts.
 - (iv) The junior posted employee "in the classification".
- (B) Between Departments In A Plant
 - (i) Any probationary employees will be transferred first.
 - (ii) The junior employee assigned "out of department".
 - (iii) The junior employee "off shift" as a result of trading shifts.
 - (iv) The junior posted employee "in the department".

- (C) Recall
Employees reduced in Paragraphs 7 (A) and (B) will be returned in reverse order of seniority to the respective classification/department as openings become available.
 - (D) When it becomes necessary to transfer employees between classifications and/or departments for two (2) hours or less, the Company may transfer employees assigned to the classification and/or department without regard to their seniority. This period may be extended by mutual agreement between the parties.
 - (E) Between Plants
Employees will not be allowed to transfer between plants on daily transfers. Exceptions to this will be in emergency cases only and by mutual agreement with the Union.
8. Successful applicants under the job posting procedure will be transferred to their new posted classification as soon as reasonably possible. This transfer period shall not exceed fifteen (15) working days commencing on the first (1st) Monday after being declared the successful applicant. This time period may be extended by mutual agreement between the Company and the Union. Upon transfer to the successful applicant's new posted classification, employees will immediately lose recall rights to their former classification and department .

ARTICLE IX - SUBSECTION 1 - JOB POSTINGS

1. Job Posting Procedure

(a) All vacancies will be posted Company wide for two (2) working days. Job postings will identify the classification and the current shift to which the successful applicant will initially be assigned. A vacancy exists when additional permanent manpower is required within a classification or new classification above the number of posted employees to the classification.

(i) All job postings referred to in paragraph 1(a) above will be posted no later than 10:00 a.m. on Fridays and shall remain

posted until 10:00 a.m. on the second (2nd) regular working day following the initial date of posting.

- (b) An employee wishing to apply for a posted job will place his name on the job posting form, obtained and completed at a designated area within each plant, duplicate retained by the employee. If the employee applies for more than one job posting at the same time he must identify his order of preference. Only the Chairperson or Vice-Chairperson may enter a posting on behalf of another employee, who is absent, provided the employee has given the Chairperson or Vice-Chairperson his written permission to submit the job posting application. A list of all applicants who bid will be made available to the Union upon request. Employees wishing to withdraw their application to a posting may do so by notifying the Company by 10:00 a.m. the second (2nd) working day following the expiration of the posting.
- (c) The most senior employee will be declared the successful applicant within four (4) regular working days following the expiration of the job posting provided he has the ability to **do** the job.
- (d) Postings by the employee to other vacancies will be cancelled by his successful applicant status as per Section 1(B).
- (e) The Union will be notified in advance when the Company disqualifies a successful applicant within the initial five (5) day working period on the posted job. The employee will return to his previous job, and will not be deemed to have been a successful applicant per his job posting rights. If the employee disqualifies himself within the five (5) day working period, he will take available work.
 - i) An employee who is suffering a major disability from sickness or accident while employed by the Company, will be placed by mutual agreement between the Union and the Company in other work, within the bargaining unit, which he can do without regard to any seniority provisions of this

agreement.

ii) An employee who for any other reason is unable to perform his job, may take available work within the bargaining unit by mutual agreement between the Union and the Company without recall rights to his former job classification and department.

(f) Employees posting to higher rated vacancies will receive the higher rate of pay commencing ten (10) working days following the first (1st) Monday after being declared the successful applicant. Employees will be transferred to their new posted classification as soon as reasonably possible. The transfer period shall not exceed fifteen (15) working days commencing on the first (1st) Monday after being declared the successful applicant. This time period may be extended by mutual agreement between the Company and the Union. Upon transfer to the successful applicant's new posted classification, employees will immediately lose recall rights to their former classification and department.

(g) The Company may fill any new job temporarily for a period of thirty (30) working days after which time it will be posted.

(h) Each employee will be allowed four (4) successful job postings per calendar year. This limitation will not apply to openings in either additional indirect labour or designated steady day work. Temporary postings will be deemed as successful postings in the administration of this Article.

(i) An employee requesting to change his posted shift within his posted classification must exercise his seniority rights through the job posting procedure.

(ii) Postings rights will be extended to employees on lay-off, W.S.I.B., Sickness and Accident and Long Term Disability. Such employees will be declared successful applicants consistent with their seniority and the Job Posting Procedure. However, if such an employee is unable to return to work within one hundred and eighty (180) calendar days following the date he is declared the successful applicant, he shall be

disqualified from the posting and take available work. The one hundred and eighty (180) calendar day period may be extended by Mutual agreement between the Company and the Union.

- (i) A vacancy does not exist when the employee is absent for any reason. Should the Company and the Union establish that the absence has become permanent, the normal posting procedure will apply.
2. When manufacturing processes, machines, fixtures and indirect labour functions are permanently transferred between the Company's departments or plants, the employee(s) so employed may:
 - (i) Move with the process, fixture or function.
 - (ii) Exercise their seniority by classification. The junior employee so affected shall move with the process, machine, fixture or function.
3. The rate for a new classification will be negotiated within fifteen (15) days following the establishment of the new classification. Failing agreement, in order to provide for appeal against a new rate the following procedure will be used:
 - (i) The Union shall lodge the grievance in writing to the Human Resources Department within fifteen (15) days following the fifteen (15) day period.
 - (ii) The grievance shall outline the reason or reasons for disputing the wage rate.
 - (iii) Failing a satisfactory disposition of the grievance, either party may refer the matter to arbitration. The arbitrator shall determine the wage rate.
 - (iv) In the event the arbitrator rules that the rate is higher, the employee shall receive retroactive pay to the date the employee started the new job.

ARTICLE IX - SUBSECTION 2 - TRANSFERS

1. Temporary Assignments

The Company may fill any existing job temporarily for forty (40) working days until logical planning and/or training permits it to be filled on a permanent basis. The time limit may be extended by mutual agreement.

2. Back-up Procedure

In all classifications requiring on the job training, the Company will select employees based on their seniority, availability and ability to assume back-up positions. The employee must be posted and/or assigned to the shift they back-up. These employees will be used when the posted employees are absent due to illness, vacation, etc. Employees reduced from the classification currently assigned within the plant and shift, will be temporarily recalled to the classification prior to the use of back-up personnel.

Notification of these openings and the selected employee's name shall appear on the employee's bulletin board.

(i) Direct labour employees posted to the specific plant and employees without a posted job presently working in the specific plant will be the only employees eligible to fill the back-up role.

(ii) An employee shall hold only one back-up role at any one time. In the case of emergency, and by mutual agreement between the Company and the Union, an employee presently listed as one back-up may be assigned to back-up another employee.

(iii) Back-up roles will be identified by the classification and shift. If additional manpower is required, the next senior employee on the back-up list per shift will be used. (subject to the provisions of Article XI - Overtime). When back-ups have been exhausted as identified by the current shift, back-ups from the opposite shift presently at work will be used in accordance with their seniority.

(iv) Employees once identified as back-up's will be removed from the lists should they:

- (a) be placed on another back-up list.
- (b) be the successful incumbent to a job posting in another plant or to an indirect labour classification or to a leadhand classification or to a lift truck driver classification.
- (c) be placed on layoff or reduced from the plant to which he was assigned for a period of longer than fifteen (15) working days.
- (d) post to another shift.

(v) In the case of a back-up leadhand, the successful candidate shall be posted to the classification(s) being supervised.

(a) Should the back-up leadhand not be available, due to his juniority within the classification, the Company will select employees from the classification consistent with their seniority.

(vi) In the case of a Quality Control Technician, the successful candidate may be an inspector or any qualified direct labour employee within the plant. The back-up quality control technician will be used in accordance with seniority and shift provided he is scheduled to work in the specific plant.

ARTICLE X - HOURS OF WORK AND OVERTIME

The following paragraphs and sections are intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week.

The normal work week shall consist of eight (8) hours work per day, with 20 minute paid lunch, Monday through Friday.

1. The daily hours of work will be as follows:
7:00 a.m. - 3:00 p.m.
3:00 p.m. - 11:00 p.m.
(Monday through Friday) (Rotating)

11:00 p.m. - 7:00 a.m. (third (3rd) shift)
(Sunday through Thursday)

Paid lunch - twenty (20) minutes
Rest Period (before lunch) - ten (10) minutes
Rest Period (after lunch) - ten (10) minutes

The work week shall begin on Monday at the regular starting time or Sunday evening for third (3rd) shift employees. The work day shall be defined as the eight (8) hour period beginning at the regularly scheduled starting time of the shift to which an employee is assigned, with 20 minute paid lunch.

2. In the event an employee is scheduled to work overtime for two (2) hours in excess of the regular eight (8) hour shift the employee working such scheduled overtime will be granted an eight (8) minute paid rest period at the end of eight (8) hours.

3. In the event an employee is scheduled to work overtime for more than two (2) hours in excess of the regular eight (8) hour shift the employee working such scheduled overtime will be granted an additional ten (10) minute paid rest period at the end of ten (10) hours.

4. The Company has the right to change the starting and quitting time of any shift or to change the hours of work for an employee or employees provided the changed starting time is not more than one-half (1/2) hour earlier or one-half (1/2) hour later than the specified starting time established above. When a starting time is to be changed by more than one-half (1/2) hour, the change must be made by mutual agreement of the Company and the Union.

5. (a) Any work performed by an employee in excess of eight (8) hours per day or forty (40) hours in a week, will be paid for at the rate of time and one-half. All hours worked on Saturdays, as established by the employee's work day, shall be paid at the rate of time and one-half.

(b) Double-time will be paid for:

--- all hours worked on Sunday, as established by the employee's work day.

--- all hours, as established by the employee's work day, that are worked on a holiday as recognized by this agreement.

Provided always, however, that the allowance of overtime payment for any hours excludes that hour from consideration for overtime payment on any other basis thus eliminating a premium on a premium.

6. In classifications where it becomes necessary to schedule an uneven complement of employees on two (2) shifts, the Company will provide the senior posted employees in the classification the opportunity to work the day shift. The remaining employees working in the classification will be placed on rotating shifts.

7. Employees who are required by the Company to change shifts during a regularly scheduled work week which results in the employee working two (2) shifts in a twenty-four (24) hour period will be paid at the rate of time and one-half for all hours worked beyond eight (8) hours in this twenty-four (24) hour period.

8. Overtime records specific to hours of overtime worked by employees will be made available to the union upon request.

ARTICLE XI - OVERTIME DISTRIBUTION

1. Overtime will be distributed amongst those employees by order of the lowest overtime hours as identified by the weekly Company overtime records within their respective classification and shift who normally performs the work and who have the ability to perform the work in the following manner:

(a) Posted employees currently assigned for the week on the shift to their posted classification and employees who are absent for reasons of their back-up positions.

(b) Posted employees to the classification, currently assigned to other classifications within the department on the same shift as a result of a reduction from their posted classification.

(c) Employees who have been assigned to the classification and shift for the week.

(d) Employees within the department on the same shift who have identified their availability to work overtime by means of the supplemental overtime pre-registration sheet.

(e) If additional employees are still required the Company may cancel the overtime opportunity or seek volunteers in the most efficient manner to satisfy the manpower requirements. Employees who are unable to perform regular duties within their classification due to physical restriction and have been placed on "modified work" will not be asked for overtime until employees within sections 1(a) to 1(d) above have been requested to work.

(f) Should an employee selectively trade shifts, any overtime opportunity for the traded period only will not be made available to such employee until volunteers as identified in Section 1(e) above have been requested to work.

2. In departments where a supplemental overtime pre-registration sheet is not applicable, posted employees from other shifts who have not been scheduled to work overtime on their shift, will be requested to work overtime for Saturday, Sunday, and Holidays prior to requesting back-up personnel previously identified to the classification and shift.

3. Exceptions to the above mentioned procedure will be the requesting of Union Representatives to work overtime as per the collective agreement (Article VII - Seniority).

4. Copies of records containing the employees accumulative overtime hours data will be forwarded to the Union Chairperson on a weekly basis.

5. The Company shall assume no liability for the improper distribution of overtime due to clerical errors. In circumstances where weekend overtime has been scheduled and such overtime is cancelled with less than twenty-four (24) hours notice of being worked, the Company liability will be limited to the provisions of Article XIII, Section 1 (3), and the affected employee(s) will be charged for such hours paid/or worked.

6. (a) Should the employees as identified through steps 1(a) to 1(d) not be requested to work overtime in order of lowest overtime, the Company shall assume the liability.

Minimal daily overtime for certain jobs which support a standard eight (8) hours shift (i.e. test stand operators, leadhands etc.) while paid at the appropriate overtime rates and added to the employee(s) accumulative overtime hours will be defined to constitute part of the regular work and not overtime for purposes of the administration of this article.

7. An employee who refuses or fails to report for overtime shall be considered as having worked his turn insofar as distribution of such overtime is concerned. All available overtime hours shall be accumulated for purposes of overtime distribution from the end of the week in which June 1st appears and again on the end of the week in which December 1st appears.

8. Employees, by reason of their attainment of seniority, shall assume the same hours as the highest accumulative hours in the department to which he/she is assigned (excluding Union Representatives.)

9. Employees who are absent from work for any reason at the time of overtime selection will not be charged for such overtime, nor will there be any overtime liability on the Company for that overtime opportunity.

10. To support the Company's peak customer requirements, it may be necessary to schedule employees to work up to forty-eight (48) hours per week. If additional employees are required, the junior

employees in the department and current shift will be required to perform the work. The Company will continue the present practice of posting the affected department prior to forty (40) hours of the scheduled overtime. Failing such notice scheduled overtime will be voluntary on the part of employees.

11. An employee volunteering or scheduled for an overtime opportunity will work the full overtime scheduled for that day.

12. In circumstances where an attempt must be made to contact an employee by telephone, contact must be made with the employee before a charge is made for his overtime. No further liability will be placed on the Company for that overtime opportunity.

13. In the event that an employee is not requested for overtime due to employee's inability to perform the task, the employee and the union will be so advised at that time. Such overtime will not be charged against the employee.

14. In the event that more than one overtime opportunity is made available to an employee, the Company may offer such opportunities at one time, however, the employee may decline one or more of the opportunities and work the remaining overtime during the week (Monday to Sunday).

In the event that it is necessary to have the same employee(s) perform consecutive overtime assignments and the employee is not available for the full period required, the Union shall be so advised of the circumstances. The employee will be charged for the hours that he/she was not available and not charged for the hours that he/she would have been available.

15. In the event that a holiday *is* observed on a Monday, any overtime opportunities on that day will be given to employees scheduled to work in the classification and shift for the balance of the week following the holiday.

Overtime opportunities prior to the commencement of a shift and overtime opportunities resulting in an extension of a shift, will be

treated as separate opportunities in the administration of this article.

ARTICLE XII - HOLIDAY PAY

1. For the purposes of this Agreement, the following days are holidays:

1st Year

September 2, 2002	Labour Day
October 14, 2002	Thanksgiving Day
November 11, 2002	Remembrance Day
December 1, 2002 *	-- Christmas Holidays
December 23, 2002	
December 24, 2002	
December 25, 2002	
December 26, 2002	
December 27, 2002	
December 30, 2002	
December 31, 2002	
January 1, 2003	
January 2, 2003	
January 3, 2003	
February 17, 2003	Heritage Day or as proclaimed
April 18, 2003	Good Friday
April 21, 2003	Easter Monday
May 19, 2003	Victoria Day
June 30, 2003	Canada Day

2nd Year

September 1, 2003	Labour Day
October 13, 2003	Thanksgiving Day
November 11, 2003	Remembrance Day
December 7, 2003 *	
December 22, 2003	
December 23, 2003	
December 24, 2003	
December 25, 2003	
December 26, 2003	-- Christmas Holidays
December 29, 2003	
December 30, 2003	
December 31, 2003	
January 1, 2004	
January 2, 2004	
February 16, 2004	Heritage Day or as proclaimed
April 9, 2004	Good Friday
April 12, 2004	Easter Monday
May 24, 2004	Victoria Day
July 2, 2004	Canada Day

3rd Year

September 6, 2004	labour Day
October 11, 2004	Thanksgiving Day
November 11, 2004	Remembrance Day
December 5, 2004 *	
December 27, 2004	-- Christmas Holidays
December 28, 2004	
December 29, 2004	
December 30, 2004	
December 31, 2004	
February 21, 2005	Heritage Day or as proclaimed
March 25, 2005	Good Friday
March 28, 2005	Easter Monday
May 23, 2005	Victoria Day
July 1, 2005	Canada Day

* Identifies Paid Sundays

2. An employee will be paid for eight (8) hours at his fixed hourly rate plus C.O.L.A. for the designated holidays.

The above applies provided the employee meets all of the following eligibility requirements:

(a) Employee has completed his probationary period or qualified under existing law.

(b) The employee must have worked his last scheduled work day prior to and his first scheduled work day after each specified holiday and each Christmas holiday period except, if the absence is due to illness or excused by the Company.

(c) Failure to work either his last scheduled work day prior to or the next scheduled work day after each Christmas holiday period will disqualify the employee for the two (2) holidays in the Christmas holiday period which follow or precede such scheduled work day.

(d) Minor tardiness will not disqualify an employee for holiday pay.

(e) No holiday pay shall be paid to employees who are on leave-of-absence exceeding ninety (90) days.

(f) Employees who are eligible for the Holiday(s) and are on Layoff (S.U.B.-E.I.), Sick and Accident, W.S.I.B. will be paid any difference between such benefits and pay for such designated holiday(s) providing such absence commenced within thirty (30) calendar days immediately prior to the specified holiday or the first holiday in a Christmas holiday period.

(g) When a holiday falls within an eligible employee's approved vacation period, he shall be paid for such holiday. The employee may select to receive an additional day of vacation which will be granted as defined below:

(A) Either the day immediately preceding or immediately following the employee's approved scheduled vacation period and such day will be mutually agreed upon.

- (B) A day as mutually agreed upon by the employee and his supervisor within the calendar year.
- (C) Payment only.

Such selection must be made at the time the employee's vacation period(s) is determined.

(h) When an eligible employee(s) is on lay-off or on approved leave of absence and returns to work following the holiday but during the pay week in which the holiday fell, the employee(s) will be eligible for pay at the applicable rate of pay plus C.O.L.A. for that holiday.

3. An employee who retires as of January 1st and who is otherwise eligible for holiday pay for those holidays falling in *the* Christmas holiday period up to and including December 31st, will receive holiday pay for such holidays.

4. Employees who are requested to work on any such paid Statutory Holiday shall receive double the regular straight time hourly rate plus the Statutory Holiday pay for all time worked on such holiday regardless of the day of the week on which the holiday falls.

5. When a designated holiday is observed on a Friday, all Saturday overtime shall be paid at double time.

ARTICLE XIII -WAGES: SECTION 1

1.(a) A Lead Hand shall be considered as a working leader in the Department or shift, and shall receive an occupational rate of thirty-eight (\$.38) cents per hour above the top-rated employee in the group under his jurisdiction.

2. Call in Pay

If an employee is called back to work or is scheduled back to work after he has left the plant at the completion of his regular shift he shall be credited with a minimum of three (3) hours worked at the

applicable overtime rate.

3. Report In Pay

If a regular employee reports for work on his regular shift and/or overtime shift without being informed the day before that his services are not required, he shall receive at least four (4) hours pay for the shift in question, unless the reason for his services not being required is beyond the Company's control.

In the event the employee is not required to remain on the premises and is excused by the Company prior to working four (4) hours into the shift, the difference in the hours will be paid at the appropriate fixed hourly rate plus C.O.L.A.

ARTICLE XIII

SUBSECTION 2 - CLASSIFICATION, DEPARTMENT AND LABOUR GRADES

<u>LABOUR GRADE</u>	<u>AUGUST 26</u> <u>2002</u>	<u>AUGUST 25</u> <u>2003</u>	<u>AUGUST 23</u> <u>2004</u>
<u>DIRECT</u>			
1	22.81	23.11	23.41
1A	23.19	23.49	23.79
2	23.41	23.71	24.01
2A	23.79	24.09	24.39
3	23.53	23.83	24.13
3A	23.91	24.21	24.51
3C	24.11	24.41	24.71
<u>INDIRECT</u>			
1	22.00	22.30	22.60
2	22.47	22.77	23.07
3	22.67	22.97	23.27
4	22.84	23.14	23.44
5	28.11	28.61	29.11
5A	28.49	28.99	29.49

ARTICLE XIII - SUBSECTION 2 - CLASSIFICATION, DEPARTMENT AND LABOUR GRADES
ENGINE ACTUATORS AND EMISSIONS MANAGEMENT

DEPT.	CLASSIFICATION	LABOUR GRADE
Assembly (Direct Labour)	<div style="border: 1px solid black; padding: 2px;"> B.V.T., By-Pass, By-Pass Hose Assy., C.P. Solenoid, Decel, E.G.C., H.C.V., Non- Linear, Q.V.R., Regulated C.P.S., 2.3 Litre, Switch Relief, T.I.D., T. P. Solenoid, W.O.T. </div>	1 - 1B
	3rd Shift Assembly	1 - 1B
	Aluminum EGR	1 - 1B
	ASOV	1 - 1B
	Chrysler EGR	1 - 1B
	ETC	1 - 1B
	EVMV	1 - 1B
	External Transducer/EET	1 - 1B
	Ford EGR	1 - 1B
	Ford EVR/Buick EVR/Redesign EVR/ACV	1 - 1B
	Honda EGR	1 - 1B
	Lift Truck Driver	1 - 1B
	Lot Controller/Lift Truck Driver 3rd shift	1 - 1B
	PPS	1 - 1B
	L/Hand	1A - 1B
	L/Hand - 3rd shift	1A - 1B
	High Speed Press/Valve Seat Grinder	2 - 1B

ARTICLE XIII - SUBSECTION 2 - CLASSIFICATION, DEPARTMENT AND LABOUR GRADES
ENGINE ACTUATORS AND EMISSIONS MANAGEMENT

DEPT.	CLASSIFICATION	LABOUR GRADE
As Indicated By Classification (Indirect Labour)	Janitor	1 - 1B
	Q. C. inspector	2 - 1B
	Q. C. Inspector- 3rd Shift	2 - 1B
	Stock Controller	2 - 1B
	Truck Driver/Asst. Shipper/Receiver	2 - 1B
	Q. C. Technician	3 - 1B
	Receiver	3 - 1B
	Shipper	3 - 1B
	Stockman/Receiver	3 - 1B
	Skilled Trades (Indirect Labour)	Journeyman - Electrician
Journeyman - Machine Repair		5
Lead Hand - Electrician		5A
Lead Hand - Machine Repair		5A

ARTICLE XIII - SUBSECTION 3
PRODUCTION REQUIREMENTS
A) PRODUCTION REQUIREMENTS

The Company will establish production levels on all operations on the basis of fairness and equity in that they shall be based on reasonable working capacities of normal experienced employees working at a normal pace, producing quality work using the prescribed methods. The establishment of production levels and the methods and means of establishing such production levels are the exclusive function of Management.

When operations are being time studied for the purposes of establishing production levels , the following conditions must prevail:

1. The operator and the union steward must be informed that his operation is to be studied.
2. The operator must be completely familiar with the prescribed method.
3. The operator shall not be serviced or assisted by anyone, except those whose job it is to service and assist.
4. The study shall be taken under normal working conditions, using stock and material which the operator can normally expect to receive.
5. Employees being time studied shall give an honest effort when the time study is being made.
6. No deliberate attempt will be made to slow down, stretch out or other means used to obtain a loose standard during the course of study.
7. The Company will ensure that adequate time in the plant is spent by qualified time study personnel to establish equitable line speeds and machine feeds.

8. Operations will be performed in the specified manner.
9. When a study is to be made for the purpose of establishing a production level, the employee on such job shall be notified at the time the study is to be made. A copy of the study data and summary of the study will be forwarded to the Union. When a study is made for purposes other than establishing a production level, the purpose of the study will be made known to a union steward.

When new or revised production levels are established, notice shall be given to the Union and a twenty (20) work day trial period shall be given prior to it being challenged. In the event a dispute arises between the parties involving a production level, a grievance may be lodged under the Grievance Procedure referred to in Article VI. If a satisfactory resolution is not achieved through the Grievance Procedure, prior to arbitration, the Company, upon request of the Union, will permit a Time Study Engineer of the Union's choice to enter the plant for the purpose of studying the line speed or machine feed rate in dispute. In the event the grievance is still not resolved, the matter may be referred to arbitration.

ARTICLE XIII - SUBSECTION 3

B) WORKPLACE IMPROVEMENT COMMITTEE

A Workplace Improvement Committee consisting of representatives of the Union and the Company will be established to discuss productivity trends and to provide a meaningful way to jointly participate in the decision about the job, job security, the work place and the health and safety of the employees. New technology, and the need for continued training of necessary employees, including the skilled trades, is of a growing concern to both parties. Contemplated changes, and the impact on the Company and its employees should be dealt with in ample time to reduce or eliminate anticipated problems. Both parties should participate equally and should approach meetings with a positive and constructive attitude.

The Committee will meet quarterly at mutually agreeable times. Either party may submit in advance an agenda of matters to be discussed at such meeting.

The Committee shall consist of no more than three (3) members from each party. The Union representatives shall include the Unit Chairperson, who will appoint two (2) designates. The Company representatives should include the Director of Manufacturing and Human Resources personnel.

The Chairperson will appoint a recording secretary to take down the minutes of the meeting. Copies of the minutes will be distributed to all committee members within two days of the meeting.

All recommendations of the Committee are subject to scrutiny and approval by the Union Shop Committee or the general Union membership on one hand and the Company executive on the other.

The Committee is free to draw on outside knowledge and advice from independent and/or C.A.W. sources.

ARTICLE XIII - SUBSECTION 4 COST OF LIVING ALLOWANCE

All employees shall receive a Cost of Living Allowance as set forth in this Article.

The basis for determining the amount of the Cost of Living Allowance shall be the Consumer Price Index published by Statistics Canada - (1986=100) and herein referred to as the Consumer Price Index.

Effective August 26, 2002, One Dollar and seven cents (\$1.07) shall be deducted from the Cost-of-Living Allowance in effect immediately prior to that date. One Dollar and seven cents (\$1.07) will be added to the fixed rates of pay to all classifications.

The amount of Cost-of-Living Allowance for all employees for the period from August 23, 2002 to the adjustment in September, 2002, shall be the amount of C.O.L.A. paid from the June, 2002 adjustment.

During the period of this Agreement, the quarterly adjustment in the Cost of Living Allowance shall be made effective at the beginning of

the first pay period in each quarterly adjustment period.

Adjustments during the period of this Agreement shall be made at the following time: (Adjustment Dates - September, 2002, December, 2002, March, 2003 and at three (3) calendar month intervals thereafter to June, 2005.

The Index of June 1, 2002, shall constitute the new base from which the new Cost of Living Allowance will be calculated, the first such calculation being September, 2002 and quarterly thereafter.

No adjustments retroactive or otherwise shall be made in the amount of the Cost of Living Allowance due to any revision which later may be made in the published figures used in the calculation of the Consumer Price Index for any month on the basis of which the allowance shall have been determined.

The amount of any Cost of Living Allowance in effect at any time shall not be incorporated in wage rates but shall be paid to each employee on all hours worked. The Cost of Living Allowance shall not be used in computing premium rates of pay or other earnings.

A one cent (\$.01) per hour adjustment shall be made for each .096 rise in the Canadian Consumer Price Index (1986=100) to the June 2002 base.

ARTICLE XIV SHIFT PREMIUM

An off shift premium of forty-five (\$.45) cents per hour in addition to his regular hourly rate for working the afternoon shift and fifty-five (\$.55) cents per hour in addition to his regular hourly rate for working the midnight shift. Overtime will not be paid on the shift premium.

ARTICLE XV INJURY ALLOWANCE

An employee who is injured on the job so seriously that an attending physician or medical officer of the Company determines the employee cannot return to work that same day to perform existing, modified, or less demanding work, shall receive pay for the balance of his regular shift at the same rate of pay as if the employee had not been injured.

ARTICLE XVI ANNUAL VACATION

1. Years of Service	No. of Vac. Weeks	Vacation Pay
Seniority but less than 1 year	1 week	4% of gross wages
1 year but less than 3 years	2 weeks	4% of gross wages
3 years but less than 5 years	2 weeks	5% of gross wages
5 years but less than 10 years	3½ weeks	7% of gross wages
10 years but less than 15 years	4 weeks	8% of gross wages
15 years but less than 20 years	4 weeks	10% of gross wages
20 years and over	5 weeks	12% of gross wages

For purposes of calculating years of service, the vacation year shall be from July 1 to June 30 each year.

2. The gross wages shall be the amount indicated on the previous year's T4 slip and not to include premiums for benefits paid on the employee's behalf.

3. Time off for compensable injury and time off for sickness and accident shall be considered as time worked for the purpose of this clause (calculated at the appropriate fixed hourly rate plus COLA) providing the employee works one hundred and seventy (170) hours in the vacation year. Allowance for time off in the case of non-occupational sickness or accident will be limited by the duration of the benefits payable under the benefit plan. Employees who work less than one hundred and seventy (170) hours may select to waive some or all of their vacation time.

4. Any employee whose service is terminated shall receive vacation pay on a pro-rated basis of the above schedule.

5. If an employee is ill or suffering from a non-industrial injury during his vacation, that would, but for this provision, be covered under the Sickness and Accident Insurance, he shall not be eligible to receive any benefits under such Insurance so long as he continues on his vacation; however, he may elect to postpone taking the remainder of such vacation, whereupon he shall be entitled to receive such insurance benefits.

6. It is intended that employees take all vacation as per (Section 1) of this Article, however, the Company will determine the vacation period. Should an employee be on layoff for an accumulation of twenty-six (26) weeks or more in the prior calendar year or current calendar year, the employee, at his option may select to waive some or all of his vacation time.

7. The Company will give notification by April 10th of each year of the date of plant vacation period(s). Each eligible employee will receive two (2) continuous weeks of vacation during the months of July and/or August. A concerted effort will be made by the Company to advise employees of their approved vacation period by May 1st.

8. For the purposes of vacation only, a week shall be considered to start on Monday and conclude on the following Sunday.

ARTICLE XVII LEAVE OF ABSENCE

GENERAL

An employee desiring a leave of absence must make written application to the Human Resources Department stating the reason for such leave. It is understood that leaves will not be granted to take up employment with another Company. All employees on leave of absence shall assume the cost of the Company social benefits program if they wish such benefits continued. Seniority will accumulate during such leaves.

1. Personal Leave

An employee desiring a leave for legitimate personal reasons must make proper application. No leave of absence will be granted if such absence will seriously interfere with the operation of the Company. The maximum leave, if granted, will not exceed ninety (90) days.

2. Pregnancy Leave

A leave of absence for pregnancy will be granted to a female employee with seniority provided she has thirteen (13) weeks or more of company seniority.

(a) The employee will furnish a certificate of a qualified medical

practitioner stating that she is pregnant and giving the estimated date of delivery.

(b) The time period of such leave shall not exceed nine (9) months, during which time seniority shall continue to accumulate or any time period determined by Government Legislation. This nine (9) month leave includes the seventeen (17) week pregnancy leave and the eighteen (18) week parental leave provided for in The Employment Standards Act.

(c) The pregnancy leave of an employee shall end on an earlier day if the employee gives the Human Resources Department at least four (4) weeks written notice of that day.

(d) Subject to Article VIII (Layoff and Recall) the employee, upon her return, shall be assigned to her former position or equivalent.

3. Union Leaves

The Company agrees to grant reasonable leave of absence to employees not exceeding ten (10) in number for legitimate union business such as Conventions and Delegations. The Company desires to be reasonable in its policy in regard to allowing more than ten (10) leaves and expects the members of the Union to be reasonable in their request. The Company will grant an indefinite leave of absence to a maximum of five (5) employees who are members of the Local or National Union staff. This section will not be used in the application of the Paid Education Leave Program.

All Union Leaves of Absence must be requested by the Plant Chairperson in writing to the Human Resources Department with as much notice as possible.

The Company agrees to supplement employees for lost earnings who are absent from the plant on authorized Local Union business for intermittent absences of less than eight (8) consecutive working days.

The Union Chairperson shall forward to the Company a list of names and amounts of monies to be paid by the Company. The Company will be reimbursed by the Union upon the Company's

submission of its invoice/statement.

4. Imprisonment

A leave of absence not exceeding one hundred and twenty (120) days shall be granted to an employee for time during which he is serving a sentence of imprisonment imposed from a conviction arising from the operation or use of a motor vehicle. The Company may consider other minor offences also under this clause.

5. Political Leave

Upon written request of an employee who is or seeks to be a candidate for election to any government office, the Company will grant him a leave or leaves of absence not in excess of a total of forty-five (45) days in the period prior to the election date for government office for the purpose of campaigning on his own behalf.

For the purpose of enabling an employee to participate in the affairs of government, the Company shall grant, upon written notice from the employee, a leave of absence to such employee who is elected to municipal, county, aboriginal, provincial and national government positions for the first term or who is appointed to serve unexpired terms of such elective positions or is appointed to fulltime provincial or federal non-civil service governmental office where such appointment requires legislative approval. Such leaves of absence will be renewed upon written request, for successive terms within the period of this Agreement.

6. National Service

In the event of any national mobilization programme enacted by the Federal Government pursuant to the Emergency Act, the Company will recognize for employees who volunteer or are ordered into such national service, such service as service with the Company for pensions and seniority purposes. Such commitment on the part of the Company shall cease with the termination of such service or of the emergency period, whichever occurs first, and in no event shall there be any duplication of benefits provided by the Federal Government.

It is agreed that an employee shall have thirty (30) days (or any

longer period of time permitted by the legislation) from date of discharge in which to report back to work.

7. Education Leave

A leave of absence for a period not to exceed one (1) year without loss of seniority will be granted an employee who has at least one (1) year of seniority in order that the employee may attend a recognized college, university, trade or technical school full time, provided that the course of instruction is related to the employee's employment opportunities with the Company. A request for a leave of absence to attend primary or high school will be regarded as being within the intent of this section and the schooling will be regarded as being related to the employee's employment opportunities with the Company. Before receiving the leave, or an extension thereof, the employee shall submit to the Company satisfactory evidence that the college, university or school has accepted him as a student and, on the expiration of each semester or other school term, shall submit proof of attendance during such term. Such leaves may be extended for additional period not to exceed one (1) year each.

Such employee shall give notice in writing to the Human Resources Department at least three (3) weeks prior to the date he plans to return to work.

ARTICLE XVIII BEREAVEMENT PAY

1. (a) The Company agrees to compensate seniority employees for five consecutive (5) regular working days (excluding Holidays, Saturdays and Sundays) at their fixed rate of pay plus C.O.L.A. in the case of the death of an employee's:

Current Spouse	Parent
Child	Step-parent
Step-Child	

(b) The Company agrees to compensate seniority employees for three consecutive (3) regular working days (excluding Holidays, Saturdays and Sundays) at their fixed rate of pay plus C.O.L.A. in the case of the death of an employee's:

Brother	Half-sister
Step-Brother	Grandfather
Current Spouse's Parent	Grandmother
Half-Brother	Grandchild
Sister	Current Spouse's Step-parent
Step-Sister	

(c) The Company agrees to compensate seniority employees for one (1) regular working day (excluding Holidays, Saturdays and Sundays) at their fixed rate of pay plus C.O.L.A. in the case of the death of the employee's:

Current Spouse's Brother	Son-In-Law
Current Spouse's Sister	Daughter-In-Law
Brother's Current Spouse	Current Spouse's Grandparent
Sister's Current Spouse	

2. There will be no pyramiding of benefits under this clause.

3. This benefit can only be exercised between the date of death and up to and including seven (7) calendar days after the date of death. In cases of extenuating circumstances surrounding the death, the administration of Article XVIII will be mutually addressed.

ARTICLE XIX JURY DUTY

1. An employee who has been summoned to serve as a juror or subpoenaed to appear as a witness in any court of law, shall be paid the difference, if any, between the daily jury duty or witness fee for his services and his classification fixed hourly rate plus C.O.L.A. for time lost while serving as a juror or subpoenaed witness.

2. (a) For the purposes of this Article "daily jury duty or witness fee" shall be defined as not including travel allowances or reimbursement of expenses, which the employee shall retain.

(b) For the purposes of this Article "fixed hourly rate" shall be defined as the straight time rate of the job classification exclusive of any premium.

3. (a) Employees shall be paid as above, only for the part of their

shift which they are unable to work as a direct result of Jury or subpoenaed witness duty.

(b) When the employee *is* dismissed from duty (as defined above) by the Courts, he shall adhere to the following:

FIRST SHIFT EMPLOYEES

If dismissed before 11:30 a.m., he shall report for work following the lunch period.

If dismissed at or after 11:30 a.m., he will not be required to report for the remainder of his shift.

SECOND SHIFT EMPLOYEES

If dismissed before 11:30 a.m., he shall report for the full shift.

If dismissed at or after 11:30 a.m., he will not be required to report for his shift.

THIRD SHIFT EMPLOYEES

If he is scheduled to appear in Court the same day as the expiration of his shift, he will not be expected to work that shift.

4. The employee will present proof that he did serve or report as a juror or was subpoenaed and reported as a witness, and the amount of pay, if any, received therefore, should the Company demand such information.

5. If a first shift employee is subpoenaed to appear in court after 12:00 noon, he shall be excused from work at 11:00 a.m.

**ARTICLE XX - SKILLED TRADES
SUPPLEMENTARY AGREEMENT**

This Agreement entered into this 22nd day of August, 2002
between:

SIEMENS VDO AUTOMOTIVE INC.
ENGINE ACTUATORS AND EMISSIONS MANAGEMENT

and

NATIONALAUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA
(C.A.W. - CANADA)
AND ITS LOCAL 127

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

Journeyman - Electrician
Journeyman - Machine Repair

2. The term "Journeyman" as used in this agreement shall mean
any person:

- (a) who presently holds a journeyman's classification in a skilled
trades occupation as listed in one above, or
- (b) who has served a bona fide apprenticeship of four (4) years
8000 hours and holds a certificate which substantiates his claim
of such service, or
- (c) who has eight (8) years of practical experience in the skilled
trade or classification in which he claims Journeyman's
designation and can prove same. A CAW Journeyman's Card
will be accepted as proof.
- (d) Any further employment in the Skilled Trades occupations as
listed in one above, after signing of this agreement, shall be
limited to journeymen and apprentices.

3. (a) Seniority in the skilled trades shall be by non-interchangeable occupations or trades within the Company. Seniority lists shall be by basic trades or classifications.

(b) Future employees entering a trade shall have date of entry seniority in the skilled trades as listed in number one (1) above.

(c) Production workers will not carry their Company seniority into the skilled trades nor will the skilled trades workers exercise their Company seniority into the general production or non-production groups except where a classification or trade listed in number one above is discontinued or eliminated.

Such employee will then exercise his total company seniority for the purpose of displacing the junior employee in the classification or trade for which he is qualified, or shall exercise all of his company seniority in the general production, or non-production groups under the agreement.

4. Vacancies in the skilled trades classification(s) shall be filled by employees currently employed in the trade. If no applicants are available, new employees may be hired. In the event that a current employee within the bargaining unit is the successful applicant, he will be placed on the seniority list thirty (30) days after being placed on the job and will be deemed to be on probation for purposes of job evaluation during the thirty (30) day period. Should the successful applicant be disqualified during the above probationary period, the employee will take available work within the Company.

New hires to the bargaining unit shall attain seniority after completion of a probationary period as defined by Article VII - Seniority.

5. (a) In the event of a decrease in force in any skilled trade or classification the following procedure shall apply:

(i) FIRST, apprentices will be laid-off from their classification in the reverse order of their entry into their apprenticeship.

(ii) SECOND, probationary employees will be laid-off from their classification.

(iii) If further employees are to be laid-off, such employees will be laid-off in order of their seniority within their classification.

(iv) Employees laid-off from their classification shall exercise their seniority to displace the most junior employee within the trade.

(b) Should a skilled trades employee become permanently medically unfit and unable to follow his skilled trade both the Company and the Union will co-operate in endeavouring to place such an employee on a job he is capable of performing taking his total seniority with him. However, if placed in a non-skilled classification he shall then forfeit all rights within the skilled trades.

(c) When there are no skilled trades employees posted to the 11:00 p.m. to 7:00 a.m. shift, employees will be assigned from the required classification(s) in the following manner:

- (i) probationary employees
- (ii) the junior employee assigned
- (iii) the junior posted employee
- (iv) reductions from the shift shall be made in reverse order

6. Recalls shall be made in reverse order of layoffs.

7. (a) A lead hand of skilled trades employees shall be defined as one who is a skilled trades employee, who while engaged in his regular skilled trades occupation leads or processes the work of two (2) or more employees.

(b) Only a Journeyman shall be considered as a lead hand in his respective trade, on the understanding that this does not prohibit such lead hand from leading other skilled trades groups.

(c) A lead hand shall be considered as a leader of a group where

supervisory duties are not full time. A lead hand will be expected to perform regular work in the department.

(d) The rates for lead hands are detailed in the schedule of wages attached to this agreement.

8. (a) Apprentices will be selected by the job postings procedure (Article IX -Job Postings, Labour Grade 3.)

(b) The minimum qualifications for selection shall be a Grade 12 diploma and the successful completion of an aptitude test as approved by the Skilled Trades Committee.

(c) Apprentices selected from the production department will continue to accumulate seniority in the production department. However, upon completion of apprenticeship the apprentice will be credited with the time accumulated in the skilled trades classification to a maximum of four (4) years (Electrician - five (5) years).

Journeyman, who by means of their total Company service, are successful under the job posting procedure, for an apprenticeship, shall forfeit their skilled trades seniority at the time of entry into the apprenticeship. In the event the employee is removed from the apprenticeship for any reason, he shall return to the skilled trades group as a new hire, providing there is a vacancy in the trade for which he is qualified.

(d) The Company will schedule the required school room instruction of apprentices.

(e) An apprentice who fails the school room instruction shall return to available work in the Company.

(f) Upon completion of the apprenticeship programme, the employee will exercise his skilled trades seniority to fill any vacancy in his trade. In the event that two (2) or more employees have completed their apprenticeship, the first graduate will be assigned to his trade before the other(s) will be transferred out of the production department. Should a vacancy not exist at the time of his attainment of Journeyman status, the

employee will return to a production department with full Company seniority until a vacancy occurs within his trade.

9. All work performed in the skilled trades shall be done by employees who are covered by classification and rate as outlined in this agreement between the Company and the Union.

10. The Company will extend advanced training to the extent required to cover technological advances that have taken place within the skilled trades.

11. Nothing in this agreement shall be construed so as to deprive any employee of skilled trades of any rights, privileges - such as insurance, pensions, SUB, holiday or vacation pay, etc., that are covered in the body of the general agreement.

12. There shall be no numerical or alphabetical classification within the skilled trades and all employees within a given classification or trade shall be paid the same rate.

13. The Company agrees to deduct dues in the amount as approved by the National Skilled Trades Council from employees hired, re-hired, reinstated or transferred to a skilled trades classification or trade as listed upon receipt of individual authorization cards signed by such employee. Such deductions shall be made at the same time as regular union dues and thereafter on an annual basis in the month of January. These deductions along with the names of the employees shall be remitted to the financial secretary of the local union.

14. In the event the Company establishes a new classification or trade and it is mutually agreed that such classification or trade is a bona fide apprenticeship trade (National Union C.A.W.) that classification or trade shall be included in this section of the agreement.

15. The Company may choose to continue apprenticeship programs and will use C.A.W. programs if the Company resources so qualify these programs.

16. (a) Overtime will be evenly distributed among those employees

who normally perform the work to be done within their respective classification and plant, provided also in the event an employee voluntarily misses his turn at such overtime he shall be considered as having worked his turn insofar as distribution of such overtime is concerned.

An employee absent from work for any reason, when the overtime lists are prepared, will be charged for his eligible overtime as if he had worked.

When the employee accepts the overtime opportunity and fails to report to work or leaves during the shift for any reason he/she will be charged three (3) times the overtime hours that were not worked.

In circumstances where an attempt must be made to contact an employee by telephone, contact must be made with the employee before a charge is made for his overtime. No further liability will be placed on the Company for that overtime opportunity.

(b) Even distribution of overtime as stated in (a) above will be as follows:

(i) Union representatives are excluded from overtime equalization.

(ii) Overtime opportunity shall be equalized within thirty-two (32) hours at year end for hours worked within the classification per plant (for each year, year end shall be the end of the week in which June 1 appears). When an employee's accredited amount of overtime is more than thirty-two (32) hours behind the classification leader, he shall be paid at his regular hourly rate the difference between his total hours plus thirty-two (32) hours subtracted from the total hours of the classification leader. The Company liability is limited to one (1) employee for each eight (8) hour increment of differential beyond thirty-two (32) hours.

(iii) Overtime hours for the leadhands shall be equalized

within their respective trades consistent with (b)(ii) above.

(iv) New employees to the classification or plant will assume the same hours (excluding Union representatives) as the employee who has the most hours within the classification.

(v) A concerted effort will be made where possible to have employees work overtime on their scheduled shift, however, employees may from time to time be requested to work overtime on opposite shifts on weekends and holidays in order to minimize the overtime liability as noted above and to support the Company's work requirements.

(c) Requests to work overtime during the regular work week will be made in the following sequence within the trade on the same shift and plant

- (i) any journeyman
- (ii) any probationary journeyman
- (iii) any apprentice

If additional employees are still required, employees from the other plant will be requested to work per the above sequence. All offered overtime in either plant will be chargeable.

(d) To support the Company's peak customer requirements, it may be necessary at times to schedule employees to work up to forty-eight (48) hours per week. For this purpose, the Company will continue the present practice of requesting volunteers to meet overtime schedule requirements beyond eight (8) hours per day and forty (40) hours per week. If additional employees are required, the junior employees in the trade, within the plant, will be required to perform the work.

The Company will continue the present practice of giving forty (40) hours notice for scheduled overtime requirements per shift. Failing such notice, scheduled overtime will be voluntary on the part of employees.

17. An employee volunteering or scheduled for an overtime

opportunity will work the full overtime scheduled for that day.

18. In the event that two (2) or more employees are requesting vacation entitlement during the same vacation period and restrictions must be imposed on the number of employees that may be excused at the particular time, the employee's skilled trades seniority shall be used to determine which employee(s) may be granted vacation. Preference, however, must first be given to allow eligible employees two (2) continuous weeks of vacation during the months of July and/or August.

ARTICLE XXI - ASSEMBLY OPERATOR 1B/INDIRECT 1B SUPPLEMENTARY AGREEMENT

This agreement entered into this 22nd day of August, 2002
between:

SIEMENS VDO AUTOMOTIVE INC.
POWERTRAIN GROUP
ENGINE ACTUATORS AND EMISSIONS MANAGEMENT

- and -

NATIONALAUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA
(C.A.W. - CANADA) AND ITS LOCAL 127

Preamble:

This agreement and its related appendix's shall apply to all employees hired into the bargaining unit on or after August 22, 1996.

All articles to the main body of the Collective Agreement shall apply save and except Article XVI, "Appendix A .

Any changes noted below will also apply and supersede the actual article in the **body** of this agreement.

1.(a) Wages & Classifications

	<u>Entry</u>	<u>12 Months</u>	<u>24 Months</u>	<u>36 Months</u>
Assembly Operator 1B	\$12.75	\$13.50	\$14.75	\$15.75
Indirect 1B	\$13.50	\$14.25	\$15.50	\$16.50

(b) Student Employees-- \$12.00/hr

2. Holiday Pay

For the purposes of this Agreement, the following days are holidays:

1st Year

September 2, 2002	Labour Day
October 14, 2002	Thanksgiving Day
November 11, 2002	Remembrance Day
December 23, 2002	-- Christmas Holidays
December 24, 2002	
December 25, 2002	
December 26, 2002	
December 27, 2002	
December 30, 2002	
December 31, 2002	
January 1, 2003	
January 2, 2003	
January 3, 2003	
February 17, 2003	Heritage Day or as proclaimed

April 18, 2003	Good Friday
April 21, 2003	Easter Monday
May 19, 2003	Victoria Day
June 30, 2003	Canada Day

2nd Year

September 1, 2003	Labour Day
October 13, 2003	Thanksgiving Day
November 11, 2003	Remembrance Day
December 22, 2003	-- Christmas Holidays
December 23, 2003	
December 24, 2003	
December 25, 2003	
December 26, 2003	
December 29, 2003	
December 30, 2003	
December 31, 2003	
January 1, 2004	
January 2, 2004	
February 16, 2004	Heritage Day or as proclaimed
April 9, 2004	Good Friday
April 12, 2004	Easter Monday
May 24, 2004	Victoria Day

July 2, 2004

Canada Day

3rd Year

September 6, 2004

Labour Day

October 11, 2004

Thanksgiving Day

November 11, 2004

Remembrance Day

December 20, 2004

December 21, 2004

December 22, 2004

December 23, 2004

December 24, 2004

December 27, 2004

-- Christmas Holidays

December 28, 2004

December 29, 2004

December 30, 2004

December 31, 2004

February 21, 2005

Heritage Day or as proclaimed

March 25, 2005

Good Friday

March 28, 2005

Easter Monday

May 23, 2005

Victoria Day

July 1, 2005

Canada Day

3. Annual Vacation	Number of Weeks	Vacation Pay
Seniority but less than 1 year	1 week	4%
1 year to 5 year	2 weeks	4%
5 years to 10 years	3 weeks	6%
10 years and over	4 weeks	8%

For purposes of calculating years of service, the vacation year shall be from July 1 to June 30 each year.

Refer to Article XVI #2 through #8, to administer the above annual vacation.

4. The parties to this agreement have provided for a Pension Plan program, "Appendix F" which is hereby made a part of the Collective Agreement.

ARTICLE XXII - MISCELLANEOUS

1. Discharge and Discipline - The Company will not discharge or **discipline an employee without just cause**. **Any employee who** is called before a representative of Management for a disciplinary interview or discharge shall have a Union Representative present.

In the event the employee desires to challenge the disciplinary action, a Union Representative within five (5) working days of said disciplinary action, may file a written grievance with the Company at Step III. Such grievance must be signed by the disciplined employee and a Union Representative.

In applying discipline for repeated infractions of Company rules, the Company does not consider infractions which occurred more than twelve (12) calendar months prior to the infraction being considered. In the event an employee is absent for a period of thirty (30) or more consecutive calendar days, such twelve (12) calendar month period shall be extended by the number of calendar days such employee is absent.

2. No Strike Clause - The Company and the Union agree to abide by the Ontario Labour Relations Act in regards to strikes and lockouts.
3. Employee Record - Employees must keep such accurate and complete records as required by the Company. It will be the responsibility of the employee to keep the Company informed of his/her correct address and telephone number and the Company only assumes responsibility for contacting an employee at his/her last address and telephone number with the Company.
4. Bulletin Board - The Company extends to the Union the privilege of using its bulletin board. All Union notices posted on the bulletin board must be signed by the proper officer of the Union.
5. Non-Discrimination - The provisions of this agreement shall apply to all employees covered by this agreement without

discrimination on account of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, marital status, family status or handicap.

6. Gender - Whenever the male gender is used in this agreement, it shall apply equally to the female gender.
7. Plant Rules - Any new rule or regulation will be discussed with the Union before it will be put into effect.
8. Any reference to Siemens Canada Limited shall hereby be known as Siemens VDO Automotive Inc.
9. The Parties to this Agreement have provided for a Retirement Pension Plan "Appendix A" which is hereby made a part of the Collective Agreement.
10. The Parties to this Agreement have provided for an Insurance Program, "Appendix B" which is hereby made a part of the Collective Agreement. The current insurance contract providing for such benefits outlined in "Appendix B", will be made available to the Chairperson.
11. The Parties to this Agreement have provided for an Agreement covering Supplemental Unemployment Benefits, "Appendix C", which is hereby made a part of the Collective Agreement.
12. The Parties to this Agreement have exchanged letters which have become part of this Agreement as "Appendix D".
 1. Production Standards and Time Study Training
 2. Chairperson and Vice-Chairperson
 3. Seniority
 4. Overtime Distribution
 5. Initiation Fees
 6. Discipline
 7. Leadhands
 - a. Outside Contracting
 9. Skilled Trades Committee
 10. Paid Education

11. Safety Shoes
12. Ontario Health Insurance Plan
13. Job Vacancies
14. A Plant/Partial Plant Relocation
B Plant/Partial Plant Relocation
C Plant Closure
15. Safety Glasses
16. W.S.I.B. Claim Dispute
17. Vice-Chairperson - Plant One
18. Job Selection
19. Employees Working While On Vacation
20. Basic Education Skills Training (B.E.S.T.)
21. Supplemental Overtime Pre-Registration
21. -B Supplemental Overtime Pre-Registration for Back-up(s)
22. Wage Incentive Plan
23. Fair Day's Work
24. Deleted Classifications - Plant One
25. Health & Safety Certification
26. Harassment in the Workplace
27. WSIB Waiting Period
28. Minimum Legislation
29. Occupational Health and Safety
30. Outside Contracting
31. Payroll Errors
32. Production Commitment
33. Skilled Trades Tool Allowance and Uniforms
34. Union Meetings
35. Voluntary Third Shift Registration
36. Appendix B
37. Pension through Payroll

Letter # 1

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive

Dear Mr. Formosa:

This will confirm our undertaking to you in the area of production levels.

1. As the steward is the first contact between the employee and the Company in the area of time study application or interpretation, the Company will provide once every three (3) years after the main union election, a two (2) day M.O.S.T. - Time Study course for stewards to achieve a higher level of understanding and improve communications on this topic.

2.(a) The Chairperson or one of the Vice-Chairpersons, shall be designated as the Union Time Study Representative to assist in resolving any disputes regarding production levels. Further training for the Union Time Study Representative will be arranged in order that he may understand more fully all areas of production levels including allowances.

(b) In addition to the responsibilities inherent in the positions occupied by the Chairperson and Vice-Chairpersons, the Company will provide once every three (3) years for newly elected officials a one-time only ten (10) day M.O.S.T. - Time Study program to more ably participate in achieving equity in operator workload. Any Re-elected Chairperson and Vice-Chairpersons will be offered the two (2) day M.O.S.T. - Time Study course.

3. The costs of the above mentioned training will be absorbed by the Company.

4. During the absence of the Chairperson for the training mentioned above, the senior Vice-Chairperson shall assume the duties of the Unit Chairperson.

Yours truly,

T. R. Bested
Manager - Industrial Relations
TRB/sa

Mr. Bob McCready,
Unit Chairperson,
Local 127, C.A.W.,
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Chairperson and Vice-Chairpersons

It is agreed between the Company and Union that the following terms and conditions will apply with regard to the positions of Chairperson and Vice-Chairpersons.

1. (a) Company recognizes the office of a full-time Unit Chairperson.

(b) Wages

(i) The full-time Chairperson shall be paid a fixed hourly rate of twenty-five (\$.25) cents above the highest base-rated employee in the bargaining unit.

(ii) In addition to his fixed hourly rate he shall be paid on a fixed basis for five (5) overtime hours per week at time and a half.

(c) Hours of Work

The hours of work of the Chairperson shall be from 7:00 a.m. to 3:30 p.m. on a daily basis.

(d) Departure from Plant

The Company recognizes the privilege of the Chairperson to leave the plant in the course of the performance of his functions or such, but he shall notify the designated Company representative, if he is available, when leaving and returning to the plant during working hours.

2. The following terms and conditions shall apply to the positions of Vice-Chairperson:

(a) Within each plant a position within a classification will be designated as the Vice-Chairperson's job. The Company reserves the right to designate another position should the requirements of the position be significantly altered so that it could not accommodate the performance of the Vice-Chairperson's duties. Such designations will be mutually agreed upon by the Company and the Union prior to the change.

(i) The positions of Shipper and Truck Driver/Asst. Shipper/Receiver are the designated positions for the Plant One and Controls Vice-Chairpersons respectively.

(b) Vice-Chairperson will receive the Indirect Labour Grade 3 rate plus twenty-five (\$.25) cents per hour.

(c) In the case of the election of an employee from a skilled trades classification, that employee shall remain in his classification and receive the rate of that classification while performing the duties of Vice-Chairperson. The designated position of Vice-Chairperson in that plant would be temporarily posted during the period it is not occupied.

3. In the event that the Chairperson or a Vice-Chairperson should resign, or lose their position with the Union for any reason, they will return to their last posted job. During their term in the position of Chairperson or Vice-Chairperson, their posted position will be posted temporarily.

Yours truly,

Helen Van Dyke
Team Leader - Labour Relations
HV/sa

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

Re: Attainment Of Seniority Status

It is agreed between the Company and Union that the following terms and conditions will apply for the attainment of seniority status for a probationary employee should he work four hundred (400) hours with the Company in the bargaining unit and be absent from work due to: layoff, illness, injury, leave of absence, bereavement, jury duty, vacation or holidays before completing three (3) months of service from his date of hire.

- (a) His seniority date will be his hire date, should the employee return to work within three (3) months from his date of hire.
- (b) If the employee returns to work between three (3) months and six (6) months from his date of hire, his seniority date will be three (3) months prior to the date of his return to work.
- (c) If an employee does not return to work within six (6) months from his date of hire, his seniority date will be determined by the date he works four hundred (400) hours within six (6) consecutive months.
- (d) If an employee does not return to work within six (6) months, the employee shall be considered a new probationary employee.

Yours truly,

K. R. Banting
Manager Industrial Relations
KRB:cr

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

Re: Overtime Distribution

This will confirm the understanding between the Company and the Union with reference to the administration of Article XI - Overtime for the Leadhand classification.

NOTE: For the purpose of this section, the word "Group(s)" shall mean a group of people working in an area or job classification normally supervised by one or more Leadhand(s).

1. There will be no equalization of overtime within the job classifications of Leadhand except where more than one Leadhand is working in the same designated work area.

2. The Leadhand will always be scheduled to work when overtime is made available within the group he normally supervises.

If the regular Leadhand should refuse the overtime, the regular Back-Up Leadhand from that group will be asked subject to Article VIII - Layoff and Recall.

If both refuse the overtime, all other qualified Leadhands within the department presently working that shift will be asked to work.

Exceptions to number 2 will be made when it becomes necessary to work small portions of different groups in the same department at the same time on non-production work.

3. Lead Hands - Skilled Trades

This procedure does not apply to lead hands within Skilled Trades.

Yours truly

T. R. Bested
Manager - Industrial Relations
TRB:sa

Mr. Rene Albert.
Director - Employee Relations,
Siemens Automotive Limited
540 Park Avenue East,
Chatham, Ontario.

Re: Initiation Fee - Article V

Dear Mr. Albert:

Notwithstanding the provisions of Article V, Union Security, the Union has agreed to waive the payment of the initiation fee for students hired during the period of May 1st to September 15th.

The above mentioned students will, however, pay the Union dues outlined in the C.A.W. Constitution. In the event a student accepts permanent employment with the Corporation, the initiation fee will be deducted in the same manner as outlined in Article V of the collective agreement.

Yours truly,

Bill Zilio
National Representative
C.A.W.

Letter #6

Mr. Charlie Formosa,
Unit Chairperson,
C.A.W. Local 127,
Siemens Automotive Limited.

Re: Discipline

Dear Mr. Formosa:

During the 1990 negotiations the Union expressed great concern over disciplinary disposition being issued in a timely manner.

This letter will confirm the Company's intentions to render such disposition on disciplinary matters within seven (7) regular working days following the date of the disciplinary interview.

Yours truly,

T. R. Bested
Manager - Industrial Relations.

TRB/sa

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

Re: Leadhands

During negotiations considerable discussions has been held on the subject of Leadhands, their method of supervision over production workers and assigned duties.

Both parties recognize the level of experience and expertise these individuals add to the daily operation of the plant. Thus the issue is not whether these individuals should be union or management employees but to how best utilize their talents.

The Company is prepared to jointly discuss a formal method of evaluating the Leadhands' performance including their leadership abilities and/or the proper selection or deselection.

A Leadhand is responsible for the direction of the group under his jurisdiction, including job instruction for employees, set up of equipment, and assist in the general efficiency of the group.

Although a Leadhand does not have direct disciplinary authority, he shall report to his immediate supervisor if any disputes arise in his group in the areas of safety, production standards, quality, housekeeping and the general attitude of the group.

A Leadhand shall not discriminate against any employee under his jurisdiction. In job assignments within his group, he shall work with his supervisor in an attempt to train all posted employees to perform all tasks within the employees classification.

Yours truly,

T. R. Bested
Manager - Industrial Relations
TRB:sa

Letter # 8

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

Re: Outside Contracting

This letter is written to confirm the Company's policy regarding the performance of maintenance or trades work with our own employees and equipment.

It is recognized that at times and for varying reasons, it is not considered practical or advisable for certain work to be performed by our own Company. The Company must, therefore, reserve the right to decide how and by whom any work is to be performed and this letter is not to be regarded as affecting that right; however, provided we have the necessary facilities and equipment and can perform the work required with our own work force in a manner that is competitive in terms of cost, quality and within projected time limits, it is our intention and desire to keep such work within the Company. The Company will provide the appropriate Skilled Trade steward with advance notice of outside contracting relating to work which is normally performed by the Skilled Trade work force.

No bargaining unit employee with the present skill and ability shall be laid-off while work belonging to the Company is being performed by outside contractors provided that the Company has the necessary facilities and equipment and the work can be performed by such employees in a competitive manner.

Yours truly,
SIEMENS AUTOMOTIVE LIMITED

T. R. Bested
Manager - Human Resources
TRB/sam

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.
Siemens Automotive Limited.

Dear Mr. Formosa:

Re: Skilled Trades Committee

The company agrees that a committee composed of Skilled Trades Representatives, the Unit Chairperson and Vice-Chairpersons, along with an equal number of Company representation be established to deal with problems arising in the Skilled Trades job classifications.

This committee will meet once per month or as required to discuss issues including: lines of demarcation, outside contracting, training on present/new technology, selection and training of apprentices.

It is further agreed that the Company will continue to hire sufficient tradesmen to cover the requirements of the specific trade. To provide a full eight (8) hours of employment, it has been, and will continue to be necessary to assign work in other classifications.

It is further agreed that specific issues pertaining to one plant should be resolved within the specific group prior to being presented to the committee. An agenda will be distributed to committee members prior to the meeting by the Human Resources Department.

Yours truly,

B. K. Bonner
Sr. Administrator - Human Resources
BKB/sa

Mr. Bob Jenner
C.A.W. National Representative,

Dear Mr. Jenner:

Re: Union Paid Education Fund

In the negotiations resulting in this Agreement, the Company agreed to pay into a special fund two (\$.02) cent per hour per employee for all hours worked during the life of this Agreement for the purpose of providing paid education leave for members of the Bargaining Unit, selected by the Union, to attend courses to upgrade skills in all aspects of Trade Union functions. Such monies will be paid on a quarterly basis commencing September 2, 2002 into a trust fund established by the National Union, C.A.W., and sent by the Company to the CAW Leadership Training Fund, 205 Placer Court, Willowdale, Ontario, M2H 3H9. It was further agreed that selectees will be granted a leave of absence without pay for twenty (20) days of class time, plus travel time where necessary, said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Employees will continue to accrue seniority and benefits while on leave.

The parties further agreed that this program, including the funding, will cease on August 22, 2005 unless the Company agrees to the continuance. Before making this determination, the Company and Union will jointly review the progress and results of the program with the National Union, C.A.W. six (6) months prior to expiration of this Agreement, and evaluate such progress and results in an objective manner.

Yours truly,

H. Van Dyke
Labour Relations Advisor
HV/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Safety Shoes

This is to confirm the understanding between the Company and the Union, that eligible employees will be reimbursed for the actual cost of safety shoes to a maximum of three hundred (\$300.00) dollars during the term of the Collective Agreement.

Yours truly,

R. McClymont
Director - Human Resources & Organization Development
RM/sa

Letter # 12

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

When an employee is billed by a doctor who is a non-participating member of the Ontario Health Insurance Plan, the Company will assist the employee to submit his claim to the Ontario Health Insurance Plan for assessment and reimbursement.

Yours truly,

B. K. Bonner
Sr. Administrator - Human Resources
BKB/sa

Letter # 13

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

This will confirm the agreement between the Company and the Union in regards to filling of job vacancies within the classifications of lift truck operators and lead hands.

All job postings will designate the physical areas of responsibility presently assigned to the new vacancy. Employees presently in the same classification must exercise their seniority through the job posting procedure in order to be the successful incumbent for the vacancy should they desire.

The Company reserves the right to modify the physical areas involved, and when doing so, any employees that are affected will exercise their seniority within the classification.

Yours truly,

T. R. Bested
Manager - Industrial Relations.
TRB:sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Plant /Partial Plant Relocation

This will confirm the understanding between the Company and the Union, that should the Company in the future decide to relocate its existing Chatham operations or an existing product line within its operations to another company owned facility prior to August 22, 2005, it shall advise the Union of the Company's intentions in writing six (6) months in advance or as required by the Employment Standards Act, whichever is greater, and shall discuss with the Union the consequences of such move for the employees involved.

In the event of such relocation of existing operations or an existing product line within its operations prior to August 22, 2005, the Company and the Union will meet as far in advance as possible to negotiate a Severance Agreement. The Severance Agreement will provide employees who will be permanently laid-off as a direct result of a relocation of existing operations or an existing product line within its operations, with two (2) weeks of severance pay per year of service inclusive of the requirements under the Employment Standards Act.

Yours truly,

R. M. McClymont
Director - Human Resources & Organization Development

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Plant/Partial Plant Relocation

Letter #14 Re: Plant Closure/Partial Plant Closure, (effectively retitled during the 1993 negotiations "Letter #14A - Plant/Partial Plant Relocation"), is amended such that it does not apply to the relocation of any Chatham operations or any product line(s) which have been set up in the Chatham Plant(s) after the date of the 2002 ratification of the Collective Agreement between the parties.

R. M. McClymont
Director - Human Resources &
Organization Development
Siemens VDO Automotive Inc.

B. McCready
Unit Chairperson
Local 127, C.A.W.

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Plant Closure

This will confirm the understanding between the Company and the Union, that effective August 22, 2002, should the Company close its Chatham operations prior to August 22, 2005, it shall advise the Union of the Company's intentions in writing six **(6)** months in advance or as required by The Employment Standards Act, whichever is greater, and shall discuss with the Union the consequences of such closure for those employees effected.

In the event of a closure of its Chatham operations prior to August 22, 2005, the Company and the Union will meet as indicated above to negotiate a Severance Agreement. The Severance Agreement will provide employees, with at least five (5) years of service with two (2) weeks of severance pay per year of service inclusive of the requirements under The Employment Standards Act. Letter #14A - Plant/Partial Plant Relocation will be rendered null and void by the implementation of this Letter and there will be no pyramiding of benefit.

Yours truly,

R. M. McClymont
Director - Human Resources & Organization Development

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Safety Glasses

This is to confirm the Company's position in supplying employees with non-prescription safety glasses within the workplace.

The Company will also supply Company approved prescription safety glasses. The choice is between plastic or wire frames as approved during the 2002 contract negotiations.

Bingham Optical Reference Chart:

On Guard#:	017
	018
	022
	042
	043
	046
	053

The employee is liable for additional costs above what the Company provides, should they choose from the following list:

Bingham Optical Reference Chart:

On Guard#:	048
	049
	058
	059
	060
	076
	077

The Company shall maintain a procedure whereby employees will be fitted with the proper safety glasses.

The Company Provider will approve frame replacements.

Yours truly,

Helen Van Dyke
Team Leader - Labour Relations

HV/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens Canada Limited

Dear Mr. McCready:

Re: W.S.I.B. Claim Dispute

During the 1996 Negotiations, the Company and Union discussed the procedure for disputing a W.S.I.B. Claim.

If a claim is to be disputed by the Company at the time of the submission of the Form 7, the Company will continue to so indicate on the claim form. If an original claim is subsequently disputed by the Company or if a denial of a claim is appealed by the Union, each party agrees to immediately advise the other of its' actions within a twenty-four (24) hour time period.

The Employer further agrees to supply the Union with a copy of the Workplace Safety and Insurance Board Form 7 (Employer's Report of Accidental Injury or Industrial Disease) and any correspondence attached to such form at least twenty-four (24) hours prior to it being sent to the Board. The Union shall reciprocate any such correspondence to the Company concerning the claim in question.

The above paragraph shall apply only when a joint waiver which is initiated by the Union, is signed by the affected employee.

Yours truly,

H. Van Dyke
Labour Relations Advisor

HV/sa

Letter #17

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Re: Vice-Chairperson - Plant One

It is mutually agreed that when Bargaining Unit work ceases in Plant One, the Union duties of the appropriate Vice-Chairperson shall cease.

Conversely, if Bargaining Unit work continues or resumes in Plant One, the Company will acknowledge the right of the Union to elect a Vice-Chairperson or recall the appropriate Vice-Chairperson from layoff.

It is further understood by both parties that in the event that Bargaining Unit work continues or resumes in Plant One, the composition of the Union Bargaining Committee for contract negotiations will be as follows:

- 1 Chairperson
- 2 Vice Chairpersons
- 1 Representative Skilled Trades (elected by Skilled Trades)
- 1 Representative Bargaining Unit (elected by Membership)

Yours truly,

B.K. Bonner
Sr. Administrator - Human Resources

BKB/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Job Selection

During the 2002 negotiations, the Company and the Union mutually agreed that the concept of Job Selection be continued under the following general guidelines.

A. In the direct labour classifications the Leadhand And Steward will co-ordinate this program, in other classificationsthe Supervisor.

B. The job selection process will be repeated and completed before Oct. 1 and Apr. 1, in the applicable classifications, by shift.

C. Eligibility of this process is limited to the employees posted to the particular classification. All employees will select a job. If the employee(s) choose not to select a job during this process the appropriate Leadhand and/or Union Steward will select a job on behalf of the employee(s) which will stand until the next job selection.

D. Work assignments may be waived for training purposes, employee replacement due to employee absenteeism or overtime situations.

E. In situations where specific skills are required, the Company shall move an employee off his selected job and subsequently obtain the mutual agreement of the Union.

F. In situations where a job is identified as an ergonomic concern by either the Company or the Union, the Company will attempt to correct the ergonomic issue(s). If it is found that the ergonomic concern cannot be corrected, a job rotation system consisting of complimentary ergonomic jobs and time of rotation may be mutually agreed upon between the Union and the Company prior to the change taking place. An independent Ergonomist or Human Kinetics Specialist may assist the Company and/or the Union.

The results of this process must lead to increased employee satisfaction, and enhanced productivity, thus helping to assure our competitive position and job security.

Yours truly,

H. Van Dyke
Labour Relations Team Leader

HV/sa

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

Re: Employees Working While On Vacation

During negotiations the topic of employees working while on a full week vacation was discussed.

The parties agree that in principle such a practice will be discouraged, however, it is also recognized that occasionally due to emergencies, lack of trained personnel and in the skilled trades department, such scheduling may be necessary.

In the event that such an employee be required to work, while scheduled for vacation the Unit Chairperson will be so advised.

Yours truly,

SIEMENS AUTOMOTIVE LIMITED

K. R. Banting
Manager - Industrial Relations.

KRB:cr

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens Canada Limited

Dear Mr. McCready:

Re: Basic Educational Skills Training (B.E.S.T.)

The Company has agreed to participate jointly with the Union in offering educational upgrade programs for employees through the B.E.S.T. program. The following conditions relating to the administration of this program are mutually agreed as follows:

- 1) It is understood that sessions will be two (2) hours in duration, to be scheduled contiguous to a regularly scheduled shift. Non laid-off employees will be provided with one (1) hour of Company-paid time per session during their regular working hours and must provide one (1) hour of their own time per session to participate in this program.
- 2) Employees who have expressed interest in the program will be assessed for inclusion in the program on the basis of individual need. Assessments will be completed by the Union facilitator and final confirmation of an employee's participation in the program will rest with the Company.
- 3) The program, exclusion and scheduling of employees, etc., are not subject to the grievance procedure.
- 4) The Company reserves the right to schedule the employees into these sessions.
- 5) Laid-off employees may participate in the program but the Company will not make payment for their time. If scheduled in the program these employees are not considered to be recalled. Collective Agreement provisions with respect to posting rights on

layoff will be maintained.

- 6) Participants will be required to attend regularly for the full two (2) hours of the session. The Company reserves the right to discontinue an employee's participation in the program should the employee not fully meet his/her obligations as a participant.
- 7) Overtime opportunities which occur on a session day will be forfeited by the participant and will be considered a refusal.
- 8) The Company will supply the facilities to conduct these sessions.
- 9) No additional payments will be made to employees participating in the program who are on S&A, W.S.I.B. or L.T.D.

Yours truly,

H. Van Dyke
Labour Relations Advisor

HV/sa

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

Re: Supplemental Overtime Pre-Registration

This memo is being written to confirm the procedure of maintaining a supplemental overtime pre-registration sheets within the assembly departments.

- (1) The Company will make available each Wednesday and Thursday, a supplemental overtime pre-registration sheet for employees to sign, which indicates their desire to work overtime outside their assigned classification for the following week.
- (2) Employees who flagrantly abuse the overtime pre-registration procedure by not working overtime without a logical excuse will be reprimanded by the Company.

If an employee is removed from the pre-registration sheets because of repeated offences for the balance of the six (6) month interval, he will again be eligible to register at the start of the new six (6) month overtime period.

- (3) Each Friday, supplemental overtime pre-registration sheets will be generated to determine the order of employee selection for overtime opportunities available from Monday to the following Sunday of the following week. Employees who have the ability to perform the required task will be selected from those having the least total overtime hours as identified by the weekly overtime reports.

Yours truly,
SIEMENS AUTOMOTIVE LIMITED
B. K. Bonner
Sr. Administrator • Human Resources
BKB/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc

Dear Mr. McCready:

Re: Supplemental Overtime Pre-Registration for Back-up(s)

This memo is being written to confirm the procedure of maintaining a supplemental overtime pre-registration sheet, for the purpose of scheduling overtime relating to the use of other back-up(s) as required from the following classifications listed below:

Janitor
Lift Truck Driver
Receiver
Shipper
Stock Controller
Stockman/Receiver
Truck Driver/Asst. Shipper/Receiver

- (1) The Company will make available each Wednesday and Thursday, a supplemental overtime pre-registration sheet for employees to sign, which indicates their desire to work overtime outside their assigned classification for the following week.
- (2) Employees who flagrantly abuse the overtime pre-registration procedure by not working overtime without a logical excuse will be reprimanded by the Company.

If an employee is removed from the pre-registration sheets because of repeated offences for the balance of the six (6) month interval, he will again be eligible to register at the start of the new six (6) month overtime period.

The Company will continue the practice of asking for overtime in the following manner (subject to the provisions of Article XI - Overtime)

1. Employees, who have the ability to perform the work pursuant to Article IX - Subsection 2 - Transfers 2.(iii), and have signed a supplemental overtime pre-registration sheet.
2. When there are no volunteers, or the scheduled employee does not report for the agreed upon overtime opportunity, the Company will assign the work.

Yours truly,

M. Tuck
Operations Manager

MT/sa

Letter Of Understanding

During the 1990 negotiations the Company and the Union agreed to alter the method of payment of the Direct Labour Incentive Employees by removing the Wage Incentive Plan and replacing it with a "Fixed Hourly Rate"

It is understood by the parties that the rates established during the 1990 negotiations are paid for the full production day. These rates reflect the level of payment employees were formally paid incorporating the incentive bonus earned under the former incentive system. In turn, the employees must minimally provide the Company with the same levels of production.

In an attempt to inform and clarify the Company's expectations of its' employees, the concept of a "Fair Day's Work" for a "Fair Day's Pay" was introduced as outlined in Letter #23.

Both the Company and the Union recognize the importance of a joint commitment to the ongoing improvement in productivity in order to ensure the future viability of the Chatham operations.

The Union committed to the Company that it was not their intention to take advantage of the new system by encouraging their members to perform at less than what could be considered a fair day's work.

The Company committed to the Union that it was not their intention to take advantage of the new system by demanding their employees to perform at more than what could be considered a fair day's work.

It was agreed that either party to the collective agreement may request a special meeting to discuss problems that might arise as a result of the changed system and the other party to the collective agreement will grant such request without undue delay.

T. R. Bested
Manager Industrial Relations

C. Formosa
Unit Chairperson

Mr. Charlie Formosa,
Unit Chairperson,
C.A.W. Local 127,
Siemens Automotive Limited.

Dear Mr. Formosa:

During the 1990 negotiations the Company and the Union agreed to alter the method of payment of the Direct Labour Incentive employees by removing the Wage Incentive Plan and replacing it with a "Fixed Hourly Rate". In an attempt to inform and clarify the Company's expectations of its' employees, the concept of a "Fair Day's Work" for a "Fair Day's Pay" was introduced.

This concept is outlined as follows:

FAIR DAY'S WORK

A Fair Day's Work at Siemens Automotive Limited is intended to ensure a safe, efficient and productive day's work on a basis that is fair and equitable to the employee. A Fair Day's Work is the output of an employee who is following the prescribed method and using the tools provided in the proper manner and performing at a normal pace.

This definition contains the following elements that are all part of a Fair Day's Work:

- * Safe procedures are observed.
- * Proper methods are utilized.
- * Appropriate tools are provided and used properly.
- * A normal pace is maintained.
- * Employees will remain on the job except for designated time off.
- * Quality products are produced.

If these elements are utilized by an employee, a Fair Day's Work will result for pay received.

An employee is paid for the time invested at the work place and, in return, it is not unreasonable to expect a normal work effort while on the job.

It is vital that all employees, regardless of their position within the organization, carefully control all aspects of the job to ensure that employee and Company objectives are met.

Producing a quality product at a competitive price, utilizing safe, efficient and effective procedures, is not only the responsibility of all of us, but a vital necessity if we expect to continue to receive the pay and benefits that Siemens Automotive Limited provides.

We can all help to ensure the future viability of our company by contributing a fair day's work.

Yours truly,

T. R. Bested
Manager - Industrial Relations

TRB/sa

Letter #24

Mr. Charlie Formosa,
Unit Chairperson,
Local 127, C.A.W.,
Siemens Automotive Limited

Dear Mr. Formosa:

Re: Deleted Classifications - Plant One

It is mutually agreed that if Bargaining Unit work continues or resumes in Plant One the classification(s) and Labour Grade(s) applicable from the 1990 to 1993 Agreement will again be utilized.

Yours truly,

B. K. Bonner
Sr. Administrator - Human Resources

BKB/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Health & Safety Certification

During the 2002 contract negotiations, the Company agreed to the certification and training of the Health and Safety Co-Chairperson as specified by the provisions of Bill 208.

Yours truly,

M. Tuck
Operations Manager

MT/sa

Mr. Bob Jenner,
C.A.W. National Representative,

Dear Mr. Jenner:

Re: Harassment in the Workplace

During the 1999 contract negotiations, the Company and the Union discussed the seriousness of Human Rights. Both parties recognize and support the importance and intent of the Human Rights legislation.

Our mutual posture on commitments not to discriminate because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex (including pregnancy), sexual orientation, age, record of offenses, marital status, family status or handicap, as stated in the Provincial Human Rights Code, were discussed and reaffirmed.

The objective of our joint human rights work is that there shall be "zero tolerance" for any form of discrimination or harassment on the basis of prohibited grounds covered by Human Rights legislation.

Further in this regard, recognition was given to the importance of increased communication and co-operative effort to encourage the Company, Employees and Union Representatives to achieve prompt resolution of claims in regard to denial of Human Rights.

The parties recognize to increase understanding of the issues, seek solutions to mutual problems, avoid external involvement in areas of mutual concern and to exchange information, expertise and advise, while complying with the intent of the Company and National CAW policy regarding discrimination and harassment in the workplace.

The intent of these understandings is to maximize adherence to the concept of Human Rights in all aspects of employment.

Unresolved complaints will be handled through Article VI - Subsection 1 Grievance Procedure, Step III. The parties agree that this process is an alternate complaint procedure and as such, should not be pursued through both the Grievance and the Human Rights Complaint procedures. All employees have the right to file a complaint with the provincial Human Rights Commission and to seek redress under the Human Rights Code.

Both the Company and the Union agree to educate the workforce regarding harassment in the workplace.

It shall be a violation for any union representative, Human Resources or other member of management to avoid enforcement of this policy while employed at Siemens.

The Company and the Union will abide by the Company Policy as revised in July, 1999, for the life of this agreement.

Yours truly,

R. M. McClymont

Director - Human Resources & Organization Development

RMM/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: W.S.I.B. Waiting Period

During the 2002 negotiations, the Union expressed concern about employees who were in need of financial assistance while awaiting the disposition of the Workplace Safety and Insurance Board's decision to allow or deny a claim regarding a work related injury.

Upon completion of a waiver to reimburse the carrier the amount of advance received, the carrier will provide an advance equivalent of eligible S&A benefits. The carrier will provide the advance on a weekly basis only until the W.S.I.B. has issued an initial decision as to the employee's eligibility for benefits, at which time, the employee agrees to reimburse the carrier the amount of advance received upon the W.S.I.B. benefits being granted. In the event W.S.I.B. denies entitlement to the above-noted claim, S&A benefits shall continue as long as the employee satisfies the eligibility requirements and provisions of S&A benefits.

Yours truly,

Helen Van Dyke
Team Leader Labour Relations

HV/sa

Mr. Bob Jenner,
C.A.W. National Representative,

Dear Mr. Jenner:

Re: Minimum Legislation

During the course of the 1999 negotiations, the Union expressed the concern that the provincial government may amend the current Employment Standards Act and the Occupational Health and Safety Act in a manner adverse to the interests of the Union.

For the life of the Collective Agreement, the Company agrees to abide by:

- (a) Part eleven (11) "Pregnancy and Parental Leave" of the Employment Standards Act, R.S.O. 1990;
- (b) Part fourteen (14) "Termination of Employment" of the Employment Standards Act, R.S.O. 1990;
- (c) Part five (5) "Right to Refuse or Stop Work Where Health and Safety in Danger" of the Occupational Health and Safety Act, R.S.O. 1990;
- (d) Part six (6) "Reprisals by Employer Prohibited" of the Occupational Health and Safety Act, R.S.O. 1990.

It is further agreed that should any other parts of either the Employment Standards Act or Occupational Health and Safety Act be re-written or amended in an adverse manner to the interests of the Union, the parties shall meet within thirty (30) days after the introduction of a bill amending the above stated Acts to discuss potential adverse effects on our employees and to negotiate a mechanism of resolve satisfactory to both parties.

If any part of the Collective Agreement provides a greater right, benefit, term or condition of employment than an amendment or change in Employment Standards or Occupational Health and Safety legislation, then the Collective Agreement shall prevail and apply.

Yours truly,

R. M. McClymont
Director - Human Resources & Organization Development
RMM/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Occupational Health and Safety

The Company and the Union agree to actively promote measures and make adequate provisions to assure the health and safety of all employees. The Company shall comply in a timely manner with all legislation to occupational health and safety.

In addition to the duties imposed under Health and Safety legislation, the Committee shall be responsible for the following:

- a) Scheduling and attendance of regular or emergency meetings, once a month or whenever necessary, called by the Committee. The Joint Health and Safety Member shall notify his supervisor or designate when leaving his regular duties to attend the scheduled meeting;
- b) In addition to regular meetings, the Committee shall tour and inspect the premises once a month for health and safety concerns and make recommendations for changes and corrections for the elimination of health and safety hazards;
- c) Receive, investigate and address complaints in a timely manner and prepare necessary reports;
- d) Every industrial injury must be reported immediately to the Supervisor along with the completion of a Company "Accident/ Incident Report". The Occupational Health & Safety Advisor will retain a copy of the Accident/ Incident Report and supply a copy to the employee. The Company Occupational Health & Safety Advisor will log and provide copies to the Union Health and Safety Co-Chairperson. In case of an accident or injury, the Health and Safety Committee may also investigate and prepare a report.

e) Any accident where an employee requires hospital attention, is critically injured, or there is a fatality, will be investigated jointly by the Co-Chairpersons. All other personal injury may be investigated by the Supervisor and the Union Health and Safety Representative on shift.

The Company will provide the Health and Safety Committee with complete hazard information on all hazardous substance in the workplace.

Yours truly,

H. Van Dyke
Team Leader - Labour Relations

HV/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens Canada Limited

Dear Mr. McCready:

Re: Outside Contracting

During the 1999 negotiations the Company and the Union discussed concerns regarding Outside Contracting.

This letter is written to reaffirm the Company's policy that bargaining unit employees will be used to rework and inspect the Company's finished goods.

It is recognized that vendors who supply our facility with components will be responsible from time to time to inspect or rework their defective components.

Yours truly,

M. Tuck
Operations Manager

MT/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens Canada Limited

Dear Mr. McCready:

Re: Payroll Errors

During the 1999 negotiations the Company agreed that if there were payroll errors on an employee's weekly paycheque of (\$100.00) one hundred dollars or more, the monies owing would be paid within a (24) twenty-four hour period, to the affected employe~~e~~(s), after notification of the mistake to the appropriate supervisor.

Failure to follow proper badging procedures does not constitute a payroll error.

Yours truly,

H. Van Dyke
Labour Relations Advisor

HV/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Production Commitment

During the 1999 negotiations, the Company and the Union agreed to Hours of Work change. The normal work hours will be:

7:00 a.m. - 3:00 p.m.

3:00 p.m. - 11:00 p.m.

(Monday through Friday) (Rotating)

11:00 p.m. - 7:00 a.m. (third (3rd) shift)

(Sunday through Thursday)

Paid lunch - twenty (20) minutes

Rest Period (before lunch) - ten (10) minutes

Rest Period (after lunch) -ten (10) minutes

The Union has given a commitment that Production will continue at established production levels.

The Company recognizes that downtime and vendor issues may affect those established production levels from time to time.

Production levels will be addressed in each Workplace Improvement Committee meeting on a quarterly basis.

Yours truly,

M. Tuck
Operations Manager

MT/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Skilled Trades Tool Allowance and Uniforms

The Company will continue the current practice of supplying uniforms, and tools for general use by Skilled Trades employees. These tools will be kept in the Stock Room/Tool Crib.

During the 2002 negotiations the Company and the Union agreed that the Company will provide a maximum annual allowance as stated below, to each active Skilled Trade employee for personally owned tools.

Year 1: \$550.00

Year 2: \$550.00

Year 3: \$600.00

New hires will be eligible after one thousand (1,000) regular hours of employment.

This allowance is for the purchase of tools required in the performance of Company duties.

Tools may be purchased either through an approved Company Vendor, or by the employee, with submission of a valid receipt to the Maintenance Services Co-ordinator.

For purchases and reimbursements incurred, the year will commence on October 1 of each year of the agreement, and will be processed through the weekly payroll in accordance with the provisions of the Income Tax Act.

Yours truly,

M. Tuck
Operations Manager
/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Union Meetings

During the 1999 negotiations the Company agreed to allow the Chairperson, Vice Chairperson and Union Stewards to meet once every two (2) months: (January, March, May, September and November).

Meetings will take place in-house from 2:30 p.m. to 3:30 p.m., on dates supplied by the Union each December for the upcoming year.

Union Stewards attending the above-mentioned meetings will be paid at their applicable rate of pay.

Yours truly,

H. Van Dyke
Team Leader Labour Relations

HV/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens Canada Limited

Dear Mr. McCready:

Re: Voluntary Third Shift Registration

This will confirm the understanding between the Company and Union during the 1999 negotiations with reference to the administration of Article VIII - Layoff and Recall.

1. All third shift opportunities will be made available through pre-registration as volunteers are needed. The pre-registration list will go up Wednesday at 10:00 a.m., and come down Friday at 10:00 a.m.
2. Selection will be based on seniority.
3. The successful volunteering employee must sign off his/her current posting or be on available work.
4. If no/insufficient volunteers are obtained, Article VIII - Layoff and Recall language will apply.

Yours truly,

H. Van Dyke
Labour Relations Advisor

HV/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Appendix B

During the 2002 negotiations, the Union raised concerns regarding the change in insurance carriers.

It is agreed that any eligible benefit covered by Manulife under Policy 84078 - Medical (excluding S&A) and 84079 - Dental, during the period of the 1999 Collective Agreement will be reimbursed by Greenshield.

Should Greenshield not reimburse an employee the eligible coverage, the employee will be reimbursed such cost.

Yours truly,

Helen Van Dyke
Team Leader Labour Relations

HV/sa

Mr. Bob McCready,
Unit Chairperson,
C.A.W. Local 127
Siemens VDO Automotive Inc.

Dear Mr. McCready:

Re: Pension Through Payroll

During the 2002 negotiations, the Company agreed that employees reaching their 27th anniversary date and retire in 2003, 2004, and 2005 with less than 30 years of service, and participating in the "Pension through Payroll" program, upon attaining their 30th year will be paid through the Pension Trust at the applicable Pension rate negotiated for that particular 30 year Benefit Level.

Employees obtaining their 30th anniversary year during 2006, 2007, 2008 are guaranteed a minimum of all Benefit Levels defined in Appendix "A - Retirement Pension Plan effective July 01, 1996 - December 31, 2005.

In addition, employees retiring under the above-noted situation will receive a lump sum payment, retroactive to their retirement date, equal to any differential between their salary continuation monthly rate and the applicable rate negotiated in 2005, for their applicable 30 + Out Benefit Level.

Yours truly,

M. Tuck
Operations Manager

HV/sa

ARTICLE XXIII - DURATION

This Agreement shall remain in effect for three (3) years from August 22, 2002 and unless either party gives to the other party written notice of termination, or of a desire to amend the agreement within ninety (90) days prior to the termination of the contract or subsequent anniversaries thereof, then it shall continue in effect for a further one (1) year period without change, and so on from year to year thereafter. If notice of amendment or of termination is given by either party, the other party agrees to meet for the purpose of negotiations. During any period of negotiations for the renewal of a collective agreement, the terms and conditions of this agreement shall remain in full force and effect.

FOR THE COMPANY

Rose McClymont
Mark Tuck
Helen Van Dyke
Graham Williams

FOR THE UNION

Frank Harwood
Bob McCready
Paul Melhuish
Dave Street
Rob Trahan
Bob Jenner (National Rep)

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JANUARY							FEBRUARY							MARCH						
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