
COLLECTIVE AGREEMENT

BETWEEN

WALKER EXHAUSTS
CAMBRIDGE, ONTARIO FACILITY

A N D

UNITED STEELWORKERS
OF AMERICA

AND ITS LOCAL NO. 2894

February 7, 2000

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AGREEMENT

THIS AGREEMENT made as of the 7th day of
February, 2000

BETWEEN:

**WALKER EXHAUSTS,
CAMBRIDGE, ONTARIO FACILITY**

Hereinafter referred to as “the Company”

OF THE FIRST PART

(A division of Tenneco Canada Inc.)

- and -

**UNITED STEELWORKERS OF AMERICA,
Local 2894**

Hereinafter referred to as “the Union”

OF THE SECOND PART

FOR and in consideration of the mutual benefits likely to be obtained by way of a more harmonious relationship between the Company and the Union, and the greater productive efficiency resulting therefrom, the parties hereto covenant and agree with each other **as** follows:

NOW THEREFORE THIS AGREEMENT
WITNESSETH:

ARTICLE 1

Union Recognition and Union Responsibility

Section 1.01 The Company recognizes the Union as the sole and exclusive bargaining agent for negotiating working conditions, hours of work and wages on behalf of the Bargaining Unit defined as “all employees of the Company excluding supervisors, guards, persons above the rank of supervisors, engineers, and office staff” (which personnel comprised in the said Bargaining Unit are hereinafter referred to as “employees” where referred to as a group or as “employee” as the case may be when an individual in such group is referred to, and reference herein to “employees” and “employee” shall be construed to refer only to such personnel).

Section 1.02 The Union shall not call or authorize an unlawful strike and no officer, official or agent of a trade union or council of trade unions shall, procure, support or encourage an unlawful strike or threaten an unlawful strike.

The Company shall not call or authorize an unlawful lock out and no officer, or agent of an employer or employer’s organization shall not counsel, procure, support or encourage an unlawful strike or threaten an unlawful lock out.

ARTICLE 2

Management

Section 2.01 The management and operation of the Company's plant, the efficiency, direction, supervision and control of all operations and all working forces including the right to discipline, hire, suspend and discharge employees for just cause and to make and enforce reasonable rules to promote safety, efficiency, order, discipline and protection of the Company's materials, tools and machinery and to promote or demote employees or to transfer employees temporarily or permanently to new duties or to decide as to the relative skill, ability and efficiency of employees in the performance of their duties, or to relieve employees from duty because of lack of work or for other legitimate reasons, or to schedule its operations or to extend, limit, curtail or reschedule its operations when in its sole discretion it may deem it advisable to do so shall remain vested solely in the Company, subject to the provisions of Article 9 hereof and to the right of an employee to lodge a grievance under the provisions of Article 10 in the manner and to the extent therein provided.

Section 2.02 The Company agrees that the exercise of its functions under Section 2.01 will not be inconsistent with any of the terms of this Agreement.

ARTICLE 3

Union Security

Section 3.01 It is agreed that all employees shall become members and remain members of the union as a condition of employment. The Union shall be fully responsible, and the Company shall not be liable, in the event that a person is denied employment or continuing employment because s/he was denied membership in the Union or has s/he membership suspended or revoked.

Section 3.02 The Company agrees to deduct the regular monthly dues in accordance with the Constitution of the Union and the by-laws of the Local from all wages of all employees covered by this Agreement and remit by cheque each month the full amount of money so collected to the International Secretary-Treasurer.

Section 3.03 Upon the execution of the Agreement the Local shall supply the Company with the direction to deduct the dues in the manner provided, which direction shall be signed by the President and the Financial Secretary of the Local and shall set forth the amount to be deducted for each employee.

ARTICLE 4

Hours of Work and Overtime

Section 4.01 The normal hours of work are as follows:

1ST Shift

7:00 A.M. - 11:45 A.M.
12:15 P.M. - 3.30 P.M.

2ND Shift

3:30 P.M. - 8:00 P.M.
8:30 P.M. - MIDNIGHT

3RD Shift

11:00 P.M. - 3:00 A.M.
(Partial) 3:20 A.M. - 7:00 A.M.

If the plant operates on a full three-shift operation, the hours will be as follows:

7:00 A.M. - 3:00 P.M. (20 minute paid lunch)
3:00 P.M. - 11:00 P.M. (20 minute paid lunch)
11:00 P.M. - 7:00 A.M. (20 minute paid lunch)

Lunch breaks, shift starting and quitting other than those listed above may be scheduled by mutual agreement between the parties.

Where there is a department scheduled on a three (3) shift rotation the employees working in that department and rotating on a three (3) shift basis will receive a paid lunch. If a class of employees within a department are on a three (3) shift rotation, and then those employees will receive a paid lunch.

Section 4.02 A shift starting on or after 6:00 a.m. but before 10:00 a.m. is a first (or day) shift.

Section 4.03 A shift starting on or after 10:00 a.m. but before 6:00 p.m. is a second (or afternoon) shift.

Section 4.04 A shift starting on or after 6:00 p.m. but before 6:00 a.m. is a third (or night) shift.

Section 4.05 A shift will be considered worked on the day it begins.

Section 4.06 A shift that begins at 12:00 midnight shall be considered as a third or night shift of the day before.

Section 4.07 SHIFT PREMIUM

All second shift workers shall receive a bonus of \$0.55 per hour. All third shift workers shall receive a bonus of \$.60 per hour. Off shifts to which each bonus shall apply are complete afternoon and night shifts.

Section 4.08

(a) The standard working week shall **consist** of forty (40) hours, eight (8) hours daily Monday to Friday inclusive. All employees working as such, shall be paid overtime for all hours worked over eight (8) hours per day on Monday to Friday inclusive or any hours worked on Saturdays at the overtime rate of one and one-half times the hourly rate.

All employees shall be paid double time for hours worked on Sunday or holidays as recognized in this agreement.

Section 4.09 Overtime - Overtime shall be voluntary and subject to the following conditions:

(a) Overtime Distribution

The following procedure will be uniformly followed throughout the plant:

Employee(s) who prove errors in overtime distribution shall be entitled to pay at the applicable overtime rate for any lost opportunity.

Each classification within a department will establish an overtime list of all employees by shift. When overtime becomes necessary, it will be first offered by seniority in rotation to those employees who normally perform the work on the shift where the work is required (first time through by seniority) in rotation by hours equalization.

The Company will notify employees of the need for overtime work prior to lunch period of each shift on Thursday of that week. Employees who refuse a weekend overtime opportunity will be deemed to have worked for tracking purposes, if notified by Thursday shift lunch break.

All Saturday and Sunday overtime scheduled will be posted prior to the last regular day shift worked in the week. The anus will be on the employee to promptly advise the Company of any errors or omissions, in advance of the overtime work in question. In the event there are no timely complaints about the schedules, then the schedules will be deemed to be correct.

Employees who refuse a weekday overtime opportunity will be deemed to have worked for tracking purposes, if notified by shift lunch break.

A shop steward or alternate must be present when overtime telephone calls are made by supervisors.

Employee movement for any reason into a classification or group will have their overtime hours-recalculated equal to the highest number of overtime hours within the classification or group on the shift that the employee works. For purposes of this clause, group will be found in departments 03 and 15. For overtime purposes only, 03 operators will be considered one (1) group.

(b) Shift Rotation

Employees who change shifts outside of their regular rotation voluntarily or at the Company's request will be deemed to have forfeited their entitlement to overtime only for the period of time they are out of rotation, except as follows:

(i) Daily overtime: such an employee will only be asked to work overtime after employees who are not out of rotation on that shift are asked first.

(ii) Weekend overtime: such an employee will be asked only if his regular shift is scheduled to work, and it is his turn to be asked to work.

(c) Employees Absent from Work

Employees absent from work for any reason will be charged with all overtime hours that they could have worked had they been at work at the time of the overtime opportunity, and the

subsequent employee in rotation did **work** the overtime assignment.

Employees absent from work on Company or Union business will be required to contact the Company about any overtime opportunities. If no contact is made, the overtime entitlement missed will be calculated against the employee affected.

Employees who have elected to be at work in lieu of vacation will not be given any overtime option for that defined period. Further, for that defined period, they will be deemed to have worked any overtime opportunity for tracking purposes.

(d) Overtime Distribution Outside the List

If the Company is unable to get sufficient volunteers for an overtime opportunity from the relevant overtime list, then the Company shall offer the overtime to employees from other shifts who normally perform the work, in the order of shifts 1, 2 and 3.

If the Company still needs further volunteers, then it shall offer the overtime to any other qualified employees, first in the department and then in the plant.

If the Company experiences difficulty in obtaining sufficient volunteers in accordance with this section 4.09, the Union will attempt to resolve the problem.

An employee who works overtime in accordance with this provision shall have his overtime tracked.

(e) Overtime Records

The Company will update the overtime lists on a daily basis. The lists will be posted for viewing by all employees. If an employee works overtime he will initial a sheet provided by the supervisor. If an employee is deemed to work overtime as described in this Article, the steward or designate shall initial a sheet provided by the supervisor.

Overtime hours shall be recorded as straight time hours paid. For example, eight (8) hours of overtime worked at time and one-half shall be recorded as twelve (12) hours. (8) hours of overtime worked at double time shall be recorded as sixteen (**16**) hours. The Company shall equalize overtime hours as equally as possible.

For the purposes of calculations yearly, the Company and Union agree the Year 1 calculations will be December 4, 2000 to December 2, 2001. Year 2 will be December 3, 2001 to December 1, 2002. Year 3 will be December 2, 2002 to December 7, 2003.

Section 4.10 PAID HOLIDAYS

The following days shall be recognized as holidays, namely:

New Year's Day, Heritage Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, November 11, Christmas Day, One Day in the Christmas season, normally Boxing Day, and two additional "floating" holidays.

Also, any day declared by statute or order-in-council of the Government of Canada to be observed as one of the holidays listed above because such holiday falls on Saturday or Sunday.

**Section 4.11 HOLIDAY PAY
QUALIFICATION**

The Company shall pay for the holidays listed in Section 4.10 to each employee who has been employed by the Company for a full thirty (30) day period, an amount equal to such employee's hourly rate of pay multiplied by the number of regular working hours in his work day, provided, however, that in order to be eligible for such holiday pay an employee must have worked the full last scheduled work day preceding the holiday and the full next scheduled work day following the holiday unless;

(i) absent because of a death in the immediate family;

(ii) absent with the written permission of the Company. In emergency situations, oral permission may be given. Such oral permission shall be obtained from the Personnel Department by first shift employees and by all other employees, if the emergency arises during the hours the Personnel office is open. If a second or third shift employee must seek such permission outside of the hours of the Personnel office, it shall be obtained from the employee's supervisor, or in the absence of his supervisor, from a member of management. In each case it shall be the employee's obligation to obtain from the

person who gave the oral permission a written confirmation of it (which confirmation shall be given).

(iii) absence due to injury or bona fide illness, if the employee has worked any of the five (5) work days preceding the holiday or any of the five (5) work days succeeding the holidays.

(iv) absence because of a layoff if the employee has worked any of the five (5) work days preceding or any of the five (5) work days succeeding the holiday.

In the event that one or more of the holidays recognized herein occurs during the employee's vacation, he shall be paid for such holiday in addition to his vacation pay.

Tardiness on the workday before or the workday after a holiday shall be considered as "tardiness" up to one hour after the employee's scheduled starting time. Tardiness in excess of one hour shall be governed by the "absence" rules set forth above in this section. Tardiness shall be treated as follows:

(a) On the day before the holiday tardiness (up to one hour) for any reason shall not disqualify an employee from holiday pay.

(b) On the day following the holiday, tardiness (up to one hour) shall be judged by the Company on a case by case basis; if the reason for the tardiness is beyond the reasonable control of the employee he shall not be disqualified from holiday pay; provided, however, the employee

shall state in writing the reason for the tardiness.

(c) ~~For~~ the purpose of the ~~Xmas~~ Holidays” if an employee fails to qualify for the Christmas Holidays the maximum penalty to be imposed shall be the loss of one of the paid days.

Section 4.12 LATE STARTS / EARLY QUILTS

Late starting and early quitting shall be dealt with as follows (without affecting the Company’s right to discipline):

(a) For the purpose of starting work, time shall be considered only in periods of 1/10 of an hour, and if an employee starts working after the starting time to occasion a broken period of less than 6 minutes, he shall be penalized for the full period of the 1/10 of an hour concerned.

(b) For the purpose of quitting time, time shall be considered only in periods of fifteen (15) minutes, and if ~~an~~ employee shall quit work before quitting time ~~so~~ as to occasion a broken period of less than fifteen (15) minutes, then he shall be penalized for a full period of fifteen (15) minutes, save as otherwise in this Article provided.

Section 4.13 BREAK PERIODS

There shall be two (2) ten (10) minute rest periods, one (1) in the forenoon and one (1) in the afternoon. Rest Periods shall be scheduled as follows:

Day Shift

9:30 A.M. - 9:40 A.M.
2:00 P.M. - 2:10 P.M.

Afternoon Shift

5:50 P.M. - 6:00 P.M.
10:30 P.M. - 10:40 P.M.

10 Hour Shift

12:00 A.M. - 12:10 A.M.

Midnight - Night Shift

1:00 A.M. - 1:10 A.M.
5:00 A.M. - 5:10 A.M.

(a) Where it becomes necessary to stagger breaks in 03 and 08 the breaks will immediately precede the breaks listed above. Each employee shall be allowed a five (5) minute wash-up period immediately preceding the fixed quitting hours at noon and evening as posted from time to time in the work schedules. The rest periods and wash-up periods shall apply to all off-shifts.

(b) When employees are required to start a shift early or stay late they shall be entitled to an additional paid break. The break for employees starting early will be just prior to the start of their regular shift and at the end of their regular shift for employees working late. Plus one (1) additional break **on** a twelve (12) hour shift to be taken after two (2) hours of overtime.

ARTICLE 5
Performance of Work

Section 5.01 Those employees excluded from the Bargaining Unit shall act in a supervisory capacity only and they shall not perform any work or operation performed by regular employees at any time whatsoever except in cases of emergency or for the purpose of instructing employees.

ARTICLE 6
Leaves of Absence

Section 6.01 EMPLOYEE LEAVES

(a) Leaves of absence shall not be granted, except in cases of exceptional circumstances. Permission to be absent for part of a workday is not considered a leave of absence.

(b) An application for a leave of absence must be in writing stating the reason for the leave and its duration and signed by the employee. It shall be submitted initially (by the employee requesting it) to his supervisor, and the supervisor shall immediately pass it on to the Plant Superintendent or the Personnel Manager for approval or disapproval.

(c) If an employee has not received a response to his written request for a leave of absence by the end of five (5) working days from the day of his request (or sooner in the case of an emergency leave), or if he has received a negative

response, he shall be permitted to make inquiry concerning it to the Personnel Manager. Except as provided below, no employee shall absent himself on leave without the written approval of his request for a leave of absence. In emergency situations, oral permission shall be obtained from the Personnel Department by first shift employees and by all other employees if the emergency arises during the hours the Personnel Office is open.

If a second or third shift employee must seek such permission outside of the hours of the Personnel Office it shall be obtained from the employee's supervisor, or in the absence of his supervisor, from a member of management. In each case it shall be the employee's obligation to obtain from the person who gave the oral permission a written confirmation of it (which confirmation shall be given). In order to obtain the written confirmation, a written request for the leave (which had been granted orally) shall be made together with the request for a confirmation.

Section 6.02 UNION LEAVES

The Company recognizes the need for United Steelworkers conventions, meetings, and the education of its representatives for the orderly administration of the Union. Accordingly, the following United Steelworker functions shall be deemed proper reasons for the application for leave of absence, which must be applied for and approved in writing as provided in Section 6.01

above: International U.S.W.A. convention, Canadian and Local U.S.W.A. conventions and conferences, and U.S.W.A., and/or O.F.L., and/or C.L.C. Conventions. Provided the Union gives a 30 day advance notice (where possible), the Company will permit a reasonable number of employees to attend union schools and seminars recommended by committee. Such activities will be limited to four (4) times per year.

The company will grant an employee a leave of absence without pay for up to one (1) year to work in an official capacity for the international union limited to one employee at any one time. The company agrees to maintain such employee's benefits provided costs are reimbursed.

Section 6.03 BEREAVEMENT

When a death occurs in the immediate family of an employee, that employee will be granted (for the purpose of arranging or attending the funeral) three (3) days leave of absence with pay, based on his regular hourly rate. The immediate family shall include only **Grandparents, Mother, Father, Wife, Husband, Son, Daughter, Sister, Brother, Grandchildren, Mother-In-Law, Father-In-Law, Brother-In-Law, Sister-In-Law, Daughter in Law, Son In Law, Step Mother, Step Father, Step Children.** In the event of the death of a family member as covered by the collective agreement, an employee who is on vacation will have this bereavement leave added to the end of the vacation leave.

ARTICLE 7
Vacation With Pay

Section 7.01 An employee shall be entitled to a vacation with pay based upon his continuous employment with the Company as of July 1 in each year, in accordance with the following table:

Effective February 7, 1991

Continuous Employment As of July 1	Amount of Vacation Time	Amount of Vacation Pay
Less than 1 year	One Week	4%
1 Year but less than 5 Years	Two Weeks	4%
5 Years but less than 10 Years	Three Weeks	6%
10 Years but less than 20 Years	Four Weeks	8%
20 Years or more	Five Weeks	10%

Section 7.02 The vacation pay percentage shall be applied to the employees earnings for the following 12 (twelve) month periods:

2000 Vacation June 27, 1999 – June 24, 2000

2001 Vacation June 25, 2000 – June 30, 2001

2002 Vacation July 1, 2001 – June 29, 2002

Section 7.03 VACATION SHUTDOWN

(a) The Company, unless emergency production circumstances prevent it, shall schedule a shutdown vacation. It shall be for a

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minimum of one week's vacation; two weeks, if customer commitments can reasonably accommodate it. Notice of a shutdown vacation shall be given to employees at least ninety (90) days in advance of the time or times the shutdown is to take place. The Company may elect to schedule such shutdown vacation by shifts; that is, one shift go off on vacation while the other shift works and vice versa; and may thus schedule second shift employees at first shift hours to accommodate such scheduling. Such a shutdown will be scheduled within the months of July and August; and in such event, individual vacations which may have been previously scheduled shall be changed, to the extent necessary, to conform to the vacation shutdown time or times. Exceptions to the shutdown may be made due to operational requirements. Any employee affected by any exception shall be subject to subsections (b) and (c) below.

(b) In the event of a shutdown vacation, that portion of an employee's vacation in excess of the shutdown shall be scheduled and taken in accordance with subsection (c), below; if there is no vacation shutdown, vacations shall be scheduled and taken in accordance with subsection (c) below.

(c) Where individual vacations are to be scheduled each employee will be required to designate his first, second, and third choices for his vacation period. The Company, in scheduling vacations, will attempt to schedule an employee

in accordance with his choices (with preference in cases of conflict accorded to more senior employees), taking into consideration the operational requirements of the plant.

(d) Employees will be notified of vacation approvals by May 15th of each year.

Section 7.04 VACATION PAY IN LIEU

Employees must take a minimum of two (2) weeks vacation with time off. If the plant has a lay off, employees must take their vacation entitlement rather than pay in lieu of.

ARTICLE 8

Minimum Call Pay

Section 8.01 Any employee who reports for work as usual (unless advised on behalf of the Company not to report for work) and is sent home because no work is available shall be paid the equivalent of four (4) hours' work at such employee's hourly rate provided that such employee is not prevented from working for reasons beyond the control of the Company. If any employee is called in for work, after regular hours he shall be paid a minimum of four (4) hours pay.

ARTICLE 9

Seniority

Section 9.01 Seniority is determined on a plant wide basis. Seniority lists will be prepared and kept up to date for each department. In the

practical application of seniority rights for the purpose of lay off, or any temporary separation from the payroll or transfers in lieu of lay off or recall, the Company will give preference to seniority plant wide subject to the following:

(a) Employees in the following classifications and departments must have previously performed the job available or must have the skill, ability and aptitude to perform the job available in a satisfactory manner: Big Press Operator, Skilled Trades, Manual Welders, Inspector Layout, Die Setters and Tube Mill Operators.

(b) All other employees must be qualified to perform the job available within a reasonable familiarization period.

The President, Vice President, Recording Secretary, Financial Secretary, Treasurer, Chief Steward of the Local Union, and other members of the Executive Committee of the Local Union to a total of six (6), shall have top seniority plant-wide and departmental, and the Shop Stewards shall have top seniority within their department (so long as they remain in their respective departments), each while holding their respective offices in the Local Union. Such seniority rights shall be exercised in accordance with the requirements of this section as outlined in (a) and (b) as above. A list of their names shall be given to Human Resources Manager forthwith after the date of this Agreement and if any of the foregoing ceases to be an appointee in the Union or there

are any new appointees the change shall be notified to the Human Resources Manager within one week of such change.

An employee transferred from one department to another shall carry with him his accumulated seniority and continue to accumulate seniority in the department to which he is transferred.

In any reduction in force within a department, the employee(s) within the department with the least plant-wide seniority may be laid off from the plant for the remainder of his shift, before the foregoing provisions of this section shall apply; providing, this sentence shall not apply to cause the layoff of the same employee(s) for a loss of more than twenty-four (24) hours pay in any twelve (12) month period.

Section 9.02 PROBATIONARY PERIOD

(a) **An** employee shall be on probation during his first forty-five (45) calendar days of employment. During this period he shall not acquire seniority. The employee may be laid off or terminated by the Company without a grievance, provided that such lay off or termination is not arbitrary, discriminatory, unreasonable or made in bad faith. After successfully completing his/her probationary period he shall acquire seniority counting from his date of hire.

(b) If, during his probationary period, an employee is laid off, discharged, or is off from work due to illness and is recalled, rehired, or returned to work within seventy (70) calendar

days of the last day he worked prior to his layoff, termination, or illness, the period of his employment prior to his being recalled, rehired or returned to work from illness, shall count toward his forty-five (45) calendar days probationary period.

Section 9.03 An employee who has been discharged for just cause and who subsequently establishes that he should not have been so discharged and is accordingly reinstated shall be reinstated with his former seniority standing.

Section 9.04 LOSS OF SENIORITY

An employee shall lose seniority status:

(a) If he quits his employment voluntarily or is discharged for just cause;

(b) If he fails to report for **work** after a layoff within four (4) days after recall unless he furnishes to the Personnel Manager an adequate reason for the failure to return to work within that time. The Company may notify such employee of his recall by notice sent by registered mail addressed to him at his last address as shown on the Company records in which event he shall be deemed to have been recalled for the purposes of this Agreement the day following the mailing of the notice;

(c) If he is absent for three (3) consecutive working days without notifying the Company and providing an adequate and reasonable excuse for his absence:

(d) On the expiration of the twelve (12) months following a layoff during which period the employee has not been recalled applies to those employees with less than one (1) year of seniority.

On the expiration of the twenty-four (24) months following a layoff during which period the employee has not been recalled applies to those employees with more than one (1) year of seniority.

Once an employee has achieved ten (10) years of service, he shall have forty-eight (48) months of recall rights.

Section 9.05 Job Posting

(a) All vacancies (with the exception of skilled trades) in excess of four (4) pay periods will be posted throughout the plant for three (3) working days on boards provided for such purpose. Employees desiring the posted job shall make written application to the Personnel Department on the forms provided by the Company. The Union shall receive the names of the applicants and subsequently the name of the successful applicant who applied for the job. The name of the successful applicant shall be posted within seven (7) calendar days from the date the job was removed from the job posting board.

(b) The selection of Job Posting applicants will be conducted on the basis of seniority where it can be reasonably expected that the employee will be able to perform the normal requirements of the job within a reasonable period of time. The

following selection procedure shall apply to ail classifications and departments covered under section 9.01 (b)

(i) The successful applicant shall be paid the rate of the new job if greater that the applicant's current job within fourteen (14) calendar days from the date the job was removed from the Job Posting Board or the date the employee was assigned to the position whichever is earlier.

(ii) The successful applicant shall be moved into the posted position within twenty-one (21) calendar days from the date the job was removed from the Job Posting Board. In the application of Section 9.05 (c), (d), (e) and (f) the above procedure shall be repeated for each department.

For classifications and departments covered under section 9.01 (a) successful applicants shall be moved into the posted position as soon as practical and no later than eight (8) pay periods from the date the job was removed from the Job Posting Board.

Nothing in this section 9.05 (b) shall prevent the Company from specifying a start date in the job posting itself for positions created by new launch programs, which shall be the date that the successful applicant is entitled to be moved into the job and to be paid the appropriate rate.

(c) The successful applicant will be given a ten (10) day trial and training period on the new job.

(d) During this period of time, the employee may return to his previous job, however,

employees that post for a job vacancy and subsequently decline the job offer will not be allowed to post for any subsequent position for six (6) months from the time of declining the original job offer.

(e) If this should occur, then any employee that may have been transferred as a result of the posting will also be returned to their former job.

(f) The job will not be reposted. The Company will then make the next selection from amongst the original applicants.

(g) If there were no other applicants, then the Company may fill the job from other sources. This would be (1) senior ineligible (including ineligible due to on probation), (2) senior laid off employees, and (3) new hires.

(h) Any employee who **is** the successful applicant in posting and subsequently accepts the job shall not be considered for another job posting within a period of six (6) months except for the application of 9,05 (g). Newly hired employees are not eligible for Job Postings for **six (6) months** from date of hire.

(i) New employees may be hired to fill immediate job requirements while employees are being selected through Job Posting.

(j) Vacancies for temporary absence due to illness or injury will be posted as temporary postings. The successful applicant may only fill the position during the absence of such ill employee.

(k) A list of those applying for a job posting will be posted in the plant within three (3) working days of the posting closure date.

(l) The name (s) of the successful applicant (s) will be posted within fifteen (15) days of the trial and training date.

Section 9.06 Seniority in employment with the Company shall be the governing factor in layoff, re-hiring and demotion within the scope of this Agreement.

Lay-Off Notice

(a) In the event of a lay-off or a reduction of employees, they shall receive notice of lay-off as follows:

(i) Where the lay-off is expected to be less than five (5) working days, two (2) full working days notice;

(ii) Where the lay-off is expected to be more than five (5) working days, individual notice of five (5) full working days.

(iii) Where an employee with more than three (3) months of employment is to be laid off indefinitely or for more than thirteen (13) weeks, he shall be given prior notice of such layoff as follows:

Period of Employment	Amount of Notice
Less than 1 year	one week
Less than 3 years	two weeks
Less than 4 years	three weeks
Less than 5 years	four weeks
Less than 6 years	five weeks
Less than 7 years	six weeks
Less than 8 years	seven weeks
8 years or more	eight weeks

The foregoing shall not apply in the case of disciplinary suspension; discharge which is not reversed in the grievance procedure; nor to an employee who is not able or not available to work; nor in the event that employment has become impossible or frustrated by a fortuitous or unforeseeable event or circumstance.

**Section 9.07 TEMPORARY
 ASSIGNMENTS**

(a) For temporary assignments of two (2) pay periods or less, the Company shall first offer the assignment to the most senior qualified employee in the affected department. If that employee refuses the assignment, the Company will assign the most junior qualified employee in the affected department. If there are no qualified employees available in the effected department, the Company shall offer the assignment *to* the most senior qualified employee in the plant. If that employee refuses the assignment, the Company will assign the most junior qualified employee in the plant.

(b) For temporary assignments of more than two (2) pay periods and of no more than four (4) pay periods, the Company shall offer the assignment to qualified employees in the affected department, by order of seniority. If all senior qualified employees refuse the assignment, the Company will assign the most junior qualified employee in the affected department. If there are no qualified employees available in the affected department the Company shall offer the

assignment to the most senior qualified employee in the plant. If that employee refuses assignment the Company will assign the most junior qualified employee in the plant.

(c) An employee assigned under the provisions of Section 9.07 (a) and (b) above will receive the rate of his regular job classification when the assignment is to a job classification paying a lower hourly rate of pay.

(d) An employee assigned under the provisions of Section 9.07(a) and (b) above, to a job classification paying a higher hourly rate of pay shall receive the rate of pay of the higher job classification for the period of time he works on such job.

(e) An employee assigned to a job by the Modified Work Committee shall be paid the rate of the job assignment, or their current rate of pay which ever is greater, to a maximum of four (4) pay periods.

Section 9.08 The rules of seniority provisions for layoff and recalls are as follows:

(a) **Rules for Layoff** An affected employee must choose one of two (2) options:

(i) **Departmental** In this option an employee will exercise his seniority against the employee with the lowest seniority within his department in any classification available to him through the provisions of Section 9.01. Failing this the affected employee must exercise his seniority against the employee with the lowest seniority in

the plant in any classification available to him through the provisions of Section 9.01.

(ii) **Plant-Wide** In this option, the affected employee must exercise his seniority against the employee with the lowest seniority in the plant, in any classification available to him through the provisions of Section 9.01.

Any employee displaced by an affected employee will be provided the same two (2) options to displace lowest seniority employees working in classifications available to the employee through the provisions of Section 9.01.

An employee who does not possess sufficient seniority to displace some other employee in any classification available to him through the provisions of Section 9.01 will be laid off from the plant.

(b) Rules of Recall

(i) Employees on lay-off will be recalled to work in the inverse order of seniority with the most senior employee being the first to be recalled. If an employee refuses recall to a position with the Company, he shall then lose his rights to any further recall and his seniority is terminated.

If an employee refused recall to a position with the Company because of a physical or medical condition, he shall continue to accumulate seniority and will be reinstated once he is physically able.

(ii) No new employees save and except

skilled tradesman, will be hired until all laid-off employees are offered the opportunity to return to work.

(iii) **Skilled Tradesman**

The Company maintains the right to hire, if necessary, new skilled tradesman while senior employees remain on layoff unless a person on lay-off is immediately capable of performing the work of a skilled tradesman.

Prior to the layoff from the plant in the case of tool and die journeyman, electrician, and maintenance journeyman, the company will make every effort to retain the employee where subcontracted work with outside vendors (not to include Walker Companies or their affiliates) can be returned to the plant.

The Company and the Union agree to meet on a quarterly basis or as required to review any subcontracting issues that arise in the plant.

(iv) Employees that are displaced from their job as a result of a lay-off must be returned to their original job and work area once work becomes available before any such job is posted.

(v) **An** employee who has not returned to his former department may exercise his option to return where an employee with lesser seniority has been recalled.

(vi) If an employee who has been displaced from his original job as a result of lay-off and subsequently posted for a new job and is successful, he then gives up his original job that

he was laid-off from.

(vii) Where an employee with seniority who can perform the work in an efficient manner is laid off from the plant and a junior employee is retained, such senior employee may request an opportunity to demonstrate his ability on the job and such opportunity will be afforded within ten (10) working days of his request.

Section 9.09 Under the provisions of Article 9 above, the reference to department and its application to an employee, or any of the terms of Article 9, the seniority department structure of Appendix C of the Agreement applies.

Section 9.10 Notwithstanding any of the preceding provisions, the parties, where necessary and practicable for them to do so, may mutually agree to provisions other than those referred to in the provisions of Article 9.

ARTICLE 10

Grievance Procedure

Section 10.01 GRIEVANCE COMMITTEE

The Union shall constitute a Grievance Committee which shall be comprised of three (3) persons selected by the Union who shall be employees of the Company and such Committee shall hereafter be referred to as "the Grievance Committee". The Union shall notify the Company in writing from time to time of the names of the persons constituting the Grievance

Committee.

Section 10.02 SHOP STEWARDS

The Union may appoint one (1) Shop Steward for each department (per shift) who shall be an employee of the Company. The Union shall notify the Company in writing from time to time of the names of such Shop Stewards. If a shift is eliminated in a department, a Steward shall be eliminated.

**Section 10.03 GRIEVANCE
PROCEDURE**

All grievances, raised by an employee (or employees) over the application of this Agreement, shall be raised promptly by the employee(s) concerned (within five (5) working days of the event giving rise to the grievance - two (2) days after written notification to the Union, in the case of a disciplinary suspension or discharge) and settlement attempted in accordance with the following procedure:

Step 1: The aggrieved employee, accompanied by the Shop Steward if he desires, shall discuss the grievance with his supervisor. The supervisor shall give his answer or decision by the end of the shift on the next working day after the discussion.

Step 2: The Step 1 answer shall settle the grievance, unless the grievance is placed in writing (on grievance forms supplied by the Union), stating the facts, and dated and signed by the aggrieved employee and the Chairman of the Grievance Committee and presented to the Plant Superintendent within three (3) full working days

of the delivery of the Step 1 answer. The Plant Superintendent or designate, Production Manager or designate and Human Resources Manager or designate, the Supervisor, the Chairman of the Grievance Committee and the Grievance Committee shall meet in an attempt to resolve the grievance. He shall then give his Step 2 answer within two (2) full working days after such meeting.

Step 3: The Step 2 answer shall settle the grievance unless it is appealed in writing by the Grievance Committee to the Plant Manager within three (3) full working days of the delivery of the Step 2 answer. A meeting will be held within ten (10) working days between the Grievance Committee, an International Union representative and the Plant Manager or his designee (and any of his staff) to discuss the grievance. His Step 3 answer shall be given within five (5) full working days after such meeting.

Notwithstanding, the time limits stated above any grievance dealing with a suspension or discharge will be answered at the 3rd stage within 30 calendar days of its filing with the Company. Any grievance dealing with any other issue will be answered at the 3rd stage within 60 calendar days of its filing with the Company. If a grievance is not answered within the 30 or 60 day time limit such grievance will be settled in favour of the party filing the grievance.

Section 10.04

(a) The Step 3 answer in the grievance procedure shall resolve the grievance, unless the grievance is one that involves the interpretation or alleged violation of this Agreement by the Company, and it is appealed to arbitration by a notice in writing by the Union submitted to the Personnel Manager within seven (7) full working days of the delivery of the Step 3 written answer.

(b) Within thirty (30) days of receipt of a letter referring a matter to arbitration, the Union will submit a list of three (3) impartial arbitrators to the Company. The Company will within ten (10) days agree to send an additional list of three (3) impartial arbitrators to the Union for their agreement. If the parties are unable to reach an agreement they will jointly apply to the Ministry of Labour to make an appointment for an impartial arbitrator to hear the case.

(c) The arbitrator shall hold a fair hearing on the grievance in the general location of Cambridge, Ontario. His authority shall be limited to interpreting and applying the express language of this Agreement without altering, varying, adding to it or making a decision inconsistent with its terms. His duly rendered decision shall be binding upon the Company, the Union and the employee(s) concerned.

(d) The expenses and fees of the arbitrator shall be shared equally by the Company and the Union, and any other costs and expenses of or in connection with such arbitration shall be borne by the party, which incurs the same. Either party

may be represented by Legal counsel, and either party may file a post-hearing brief with the arbitrator.

Section 10.05 Any employee or employees submitting a grievance may, upon request, appear when such grievance is being considered or reviewed.

Section 10.06

(a) In the event that any grievance or matter involves employees in more than one department or where there are unusual circumstances existing, the Grievance Committee may initiate any matter, which requires settlement commencing with Step 2 of the grievance procedure.

(b) In the event there is a grievance which involves the membership as a whole (as distinguished from an individual or individuals), and which involves the interpretation or alleged violation of this Agreement by the Company, it may be submitted by the Grievance Committee directly at Step 3 as a "policy grievance".

Section 10.07

(a) Should any employee be dismissed for cause he may have recourse to the grievance procedure set forth in this Article 10 notwithstanding that upon dismissal he may cease to be an employee of the Company, provided that such grievance shall be submitted in writing directly at Step 3 (signed by the grievor and a Grievance Committeeman) within two (2)

working days of written notification of the action to the Union.

(b) **If** the arbitrator deems that there was not sufficient cause, under all the circumstances, to support the extent of the discipline, he may modify the discipline and withhold or award make-up pay as he may deem equitable under the circumstances, including in such consideration the disciplined employee's interim income, if any, and efforts to mitigate damages.

(c) All verbal, written or disciplinary suspensions shall be cleared from an employee's record twelve (12) months from its occurrence. It is further understood and agreed that once removed, they shall not be used or referred to in any future situation.

Section 10.08 Time or pay will not be allowed for time spent by any employee of the Company, in respect of the matters provided for in Article 10 except that the members of the Grievance Committee may make application to the Personnel Manager in respect of any working hours necessarily lost in the performance of their duties as members of the Grievance Committee and in respect of such application the decision of the Personnel Manager shall be final.

Section 10.09 Shop Stewards, Committeemen, and any Union members who are required to attend meetings relating to the labour relations of the Company must first have permission of their immediate supervisor. The Company agrees that such permission will not be unreasonably withheld.

Section 10.10 The Company and union will meet at least two times per month where sufficient grievances are outstanding to warrant such meetings.

ARTICLE 11 WAGE RATES

Section 11.01 During the term of this agreement, the Company and the Union agree that all payments of wages will be made in accordance with the wage rates set forth in Appendix A, which is hereby made a part of this agreement.

Section 11.02 If new jobs are added or existing jobs significantly change during the life of this agreement, the Parties shall first meet to discuss the changes and the rate of pay for the new or changed job. If agreement is not reached, the Company shall have the right to make the change and the Union shall have the right to grieve.

Section 11.03 Automation Technological Change. In the event of installation of new mechanical, electronic or automated equipment that will affect the job status of any employee(s) in the Bargaining Unit, the Company will endeavour to:

(a) Give as a minimum, six (6) months advance notice where possible before the installation of such equipment, meet with the Union Negotiating Committee and provide the

Committee with data regarding proposed date of installation, number and classification of employees likely to be affected by it and then affected employees will be notified.

(b) Place affected employees in other jobs or classifications in accordance with the terms of the collective agreement. Where training is to be provided on a job impacted by technological change, the Company agrees to provide the training opportunity first to the senior employee(s) affected where it can be reasonably expected such employee(s) can learn to perform the job(s).

ARTICLE 12

Union Notices

Section 12.01 The Union shall have the exclusive use of a notice board for posting notices of interest to employees and notices advertising meetings of the Union, provided that such notices bear the signature of the proper Union officer and shall first be approved by the Personnel Manager of the Company or someone appointed by him to act on his behalf, such approval to be **not** unreasonably withheld.

ARTICLE 13

SAFETY AND HEALTH

Section 13.01 The Union will appoint four (4) members to a Safety and Health Committee (at least one of which shall be from Manufacturing and one from the Warehouse) to work with Management in the promotion of safety and health of the employees of the Company during their hours of employment. The Company will appoint the same number of representatives to the Committee. The Company will supply reasonably sufficient first aid equipment, which shall be kept so that it is reasonably accessible to the employees.

Section 13.02 The function of the Safety and Health Committee will be to promote safety and industrial hygiene in the plant. It shall make monthly inspections of the plant and equipment and hold regular monthly meetings. A report of any recommendations of the Safety and Health Committee to the Management shall be made; a copy of which shall be furnished to the Local Union President by the end of each calendar month. The Company shall furnish to the Safety and Health Committee (in duplicate - one copy for Union members, one copy for Management members), by the time of the next monthly inspection by the Committee, a report of action taken with respect to health and safety (or in response to Committee recommendation) since the last such report.

Section 13.03 If any member of the Safety and Health Committee at any time **during** his hours of employment considers any condition dangerous to the safety and health of any employee, such member of the Committee shall notify (in writing) the supervisor most directly concerned that such condition exists.

Section 13.04 SAFETY SHOES Not more often than once a year the Company will reimburse an employee up to the amount of \$100.00, toward the purchase of a pair of safety shoes for himself. Such reimbursement shall be made upon the presentation to the Company of a receipt showing the current purchase of a pair of safety shoes.

Section 13.05 In the event of any accident causing death or critical injury, the Company will notify the Union Safety and Health representative for that area; and the representative will be afforded the opportunity to take part in the inspection of the accident location and investigation of possible causes. The results of these investigations will be reviewed at the monthly Safety and Health Committee meetings.

The Union will designate one of its members on the Safety and Health Committee to be notified of less serious accidents. Such notification shall be made as soon as possible, but no later than four (4) days from the date of the accident. Notification shall include the results of the accident investigation and subsequent findings.

Section 13.06

The parties agree to abide by the terms of the Occupational Health and Safety Act as it exists on February 7th, 2000 (hereinafter “the Current OHSA”)

In the event that the Current OHSA is amended by the Ontario Legislature during the terms of this agreement, and insofar as the amendments to the Current Act (hereinafter the OHSA Amendments) provide employees with rights and/or protection which are inferior to rights and/or protections under the Current OHSA, the parties shall meet as soon as practical to incorporate into the collective agreement such language as may be necessary to preserve the greater rights and/or protections. It is understood that such greater rights and /or protections may be procedural or substantive.

In the event there is a dispute, either:

(a) regarding whether the Current OHSA or the OHSA Amendments provide employees with the greater rights/or protection, or

(b) about the language necessary to preserve the greater rights / or protections (hereinafter “a dispute”)

The dispute may be filed at Step 3 of the grievance procedure. The parties shall make all reasonable efforts to resolve the Dispute.

If the parties are unable to resolve the Dispute at Step 3 of the grievance procedure, either party may refer the Dispute to arbitration on an expedited basis to one of the following

arbitrators: Rob Herman, Morton Mitchnick, or William Kaplan. The arbitrator **with** the earliest availability shall be selected. The arbitrator will hear the Dispute, if necessary and available, on a weeknight or Saturday.

If the Dispute is of type (a) above, then the arbitrator shall provide a bottom line answer, with reasons to follow if that **is** considered to be appropriate. If the dispute is of type (b) above, then the parties shall proceed by way **of** final offer selection or by such other procedure **as** the parties may agree or the arbitrator may direct.

ARTICLE 14

Jury Duty

Section 14.01 The Company will pay an employee who is required to serve on a Jury or appear **as** a Witness, the difference between his hourly rate for the time he was absent and the payment received for Jury Duty or appearing as a Witness. The employee will present proof of attendance and the amount of pay received.

ARTICLE 15

GENERAL

Section 15.01 GENDER CLAUSE

Wherever in this Agreement any word **is** used respectively denoting the masculine gender or the plural, the same shall be read as extending and applying also respectively to the feminine gender and the singular as the case may be.

Section 15.02 PENSION PLAN

The parties have negotiated a Pension Agreement providing a program of retirement benefits for the employees covered by this Agreement. The eligibility of such employees for retirement benefits, the amount of such benefits and all other matters pertaining to such benefits shall be governed by the terms of said Pension Agreement.

On February 7, 2000 all Pensions bases shall increase from \$29.00 for each year of credited service to \$31.00 for each year of credited service.

On February 7, 2001 all Pension bases shall increase from \$31.00 for each year of credited service to \$33.50 for each year of credited service.

On February 7, 2002 all Pension bases shall increase from \$33.50 for each year of credited service to \$36.50 for each year of credited service.

Effective February 6, 2003 employee's who's combined years of service and age are equal to ninety (90) points or more shall be entitled to retire with an unreduced pension.

Total and Permanent Disability Pension Process

The adjudication process would be as follows:

1. The employee applies for Canada Pension Plan disability benefits and submits this adjudication information to the Company

2. To change the pension plan to be tied to the CPP adjudication completely. This **would** make it arms length to the parties and independent. It would require a change slightly to the pension plan definition, the current definition is more restrictive then CPP's test for qualification. It would also require that the Company receive copies of the yearly updates of the CPP medical information, as this is also required to maintain CPP benefits. The possible downside is that this could slow down the process considerably as CPP adjudication is outside of the Company's control.

Section 15.03 GROUP WELFARE PLANS

The Company will, at no cost to the employees, improve the present Group Welfare Plan as set forth in the Settlement Memorandum between the Company and the Union on the dates set forth in the agreement.

Section 15.04 TOOL PURCHASE SKILLED TRADES

The Company will allow Maintenance and Tool Room Personnel to purchase tools necessary to work in the Company's plant through the Company at the Company's price, and the Company will annually provide \$200.00 to help with the purchase of these tools.

Section 15.05 The Company may provide any group welfare (insurance) benefit to which it commits itself on behalf of employees through contract(s) with insurance carrier(s) or the Company may provide such benefit(s) directly

(by so-called “self insurance”), or it may provide any such benefit(s) by a combination of these means, provided that benefit levels and terms or requirements **for** benefits are not changed from those in effect with the carrier(s).

Section 15.06 LUNCH BOX INSPECTION

An employee’s lunch box, toolbox, other package is subject to inspection by the Company when leaving the plant. When any such inspection is made, the Local Union President, or his designee, will be given the opportunity to be present.

ARTICLE 16 WORKING CONDITIONS

Section 16.01 Where unusual working conditions exist as a result of extreme weather conditions, the Parties will meet and attempt to alleviate the problem. Extended or more frequent breaks may be implemented prior to a decision to shorten the shifts.

ARTICLE 17 HUMANITY FUND

Section 17.01 The Company agrees to deduct on a weekly basis, the amount of \$.40 cents per pay from the **wages** of all employees in the bargaining unit and, prior to the 15th day of the month following, to pay the amount so deducted to the “Humanity Fund” and to forward such

payment to the United Steelworkers of America, National Office, 234 Eglinton Avenue, East, Toronto, Ontario M4P 1K7, and to advise in writing, both the “Humanity Fund” at the aforementioned address and the Local Union that such payment has been made, the amount of such payment and the names of all employees in the bargaining unit on whose behalf such payment has been made.

It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions set forth above may be discontinued by any employee in the bargaining unit after receipt by the company and the local union of that employee’s written statement of his/her desire to discontinue such deductions from his/her pay.

APPENDIX A
HOURLY RATE STRUCTURE
Effective Beginning of Pay Period
On or After

<u>CLASSIFICATION</u>	<u>01/23/00</u>	<u>02/07/01</u>	<u>02/07/02</u>
Tool & Die Journeyman	22.04	23.09	24.19
Electrician & Maintenance Journeyman	21.89	22.93	24.03
Maintenance Journeyman	21.62	22.65	23.73
Oiler/Maintenance	18.74	19.63	20.56
Tube Mill Operator	18.61	19.12	19.65
Welder A	18.36	18.86	19.38
Cami	18.36	18.86	19.38
Manufacturing Operator	18.36	18.86	19.38
Experimental-Sample Development	18.17	18.67	19.18
Inspector Layout	18.17	18.67	19.18
Die Setter	18.12	18.62	19.13

Machine Operator A	17.87	18.36	18.86
Cut-off M/C Op.& Setup	17.62	18.10	18.60
Bender Operator-Pines	17.49	17.97	18.46
Press Operator-Dials	17.49	17.97	18.46
Machine Operator B	17.60	18.08	18.58
Inspector	17.21	17.68	18.17
Shipper/Receiver	17.21	17.68	18.17
Salvage & Repair	17.46	17.94	18.43
Crib Attendant	17.18	17.65	18.14
Stockkeeper	17.18	17.65	18.14
Order Assembly, Warehouse	17.18	17.65	18.14
Janitor	16.12	16.56	17.02
General Labour	16.12	16.56	17.02
Honda Operator	18.36	18.86	19.38
Trunion Welders (all departments)	18.86	19.38	19.91
Big Press Operators	18.12	18.62	19.13

LEAD HANDS: Lead Hand premium of fifty (50) cents above the employee's classification rate shall be paid in addition to the employees classification rate of pay while he is responsible for:

(a) leading, training and directing a group of employees (this also includes employees acting as a working lead hand) and/or

(b) acting on behalf of supervision in assigning work, accumulating records and/or accounting for the activity of a shift; and/or

(c) overseeing a small area of responsibility with respect to a specific product line

(d) and perform the duties of his classification. The Company shall have the right to appoint and/or remove lead hands as required with the areas defined above.

For the purposes of lay off, lead hands shall have seniority only within their classification.

For the purposes of overtime distribution, lead hands shall be entitled to overtime only within their classification.

STARTING RATES: The starting rates will not be less than ten cents (.10¢) per hour less than the entry rate for the job classification for which the employee is hired, as set out in the Hourly Rate Structure with a five cents (.05¢) per hour increase after the first thirty (30) calendar days' probation, and an additional increase of five cents (.05¢) per hour after forty-five (45) calendar days probation.

INVENTORY RATE: An **employee**, if assigned to taking of inventory, shall be paid for such work as follows: if he is an employee normally employed in a classified occupation he will be paid his standard hourly straight-time rate.

APPENDIX B MISCELLANEOUS MATTERS

A. Life Insurance The life insurance (death benefit) on employees' lives shall be as follows:

(i) \$29,000 for employees actively at work prior to February 7, 2000.

(ii) \$30,000 for employees actively at work on or after February 7, 2001.

(iii) \$31,000 for employees actively at work on or after February 7, 2002.

(iv) The Company will pay the full cost of providing retirees who retire early after February 7, 2000 with the following amount of life insurance: \$5000.00. This coverage will cease when the employee reaches age 65.

(v) Premiums paid for life insurance on a dismissal grievance, pending grievance resolution.

B. Weekly Sickness and Accident Benefit
The weekly Sickness and Accident Benefit shall be fifty-seven (57) percent (%) of the employee regular weekly wage (gross) to the E.I.C. maximum.

The foregoing maximum benefit level increases apply to new claims established on or after February 1, 1994. The maximum benefit duration remains at twenty-six (26) weeks.

Sick pay will commence on the 1st day of outpatient hospital care where the employee undergoes local or general anaesthetic for a procedure prescribed by a physician.

C. Dental Plan The Dental Plan shall be:

Year 1: February 7, 2000 Plan 7, 90/10 Co-Insurance with a 1999 Ontario Dental Association Schedule of fees. Rider #1 and Rider #2 will also be continued on the basis of no deductible - 50% shared risk - no maximum and Rider #4 will also be continued on the basis of 50/50 co-insurance bridges /crowns.

Year 2: February 7, 2001 Plan 7, 90/10 Co-Insurance with a 2000 Ontario Dental Association Schedule of fees. Rider #1 and Rider #2 will also be continued on the basis of no deductible - 50% shared risk - no maximum and Rider #4 will also be continued on the basis of 50/50 co-insurance bridges / crowns.

Year 3: February 7, 2002 Plan 7, 90/10 Co-Insurance with a 2001 Ontario Dental Association Schedule of fees. Rider #1 and Rider #2 will also be continued on the basis of no deductible - 50% shared risk - no maximum and Rider #4 will also be continued on the basis of 50/50 co-insurance bridges / crowns.

D. Premium Payments The Company will continue to pay the insurance premium payments on the insurance benefits program, which shall include 100% of the premium for the OHIP, Drug Plan and Dental Plan. The parties agree to add:

- 1) Hospital Semi Private Accommodation Plan
- 2) Extended Health Care Plan
- 3) Life Insurance and Accidental Death and Dismemberment Insurance
- 4) Drug Plan for Early Retirees

E. Education and Recreation Fund The Company agrees to continue to contribute 1¢/hour for administration and stewardship by USWA Local 2894 into a fund to be used for the education and recreation of United Steelworkers, Local 2894 members.

F. Vision Care Plan Effective February 7, 2000, a new family vision care plan will cover the employee and their immediate family for prescription glasses. Adults will receive coverage up to \$250.00 in a twenty-four (24) month period. Children 13 years of age and under will receive up to \$250.00 in a twelve (12) month's period.

G. Retiree Drug Plan Effective February 7, 2000 employees retiring early will be covered by a prescription drug card Plan until age 65. The employer will pay eighty (80) percent (%) of the premium and the retired employee will pay twenty (20) percent (%) of the premium. This coverage will include spouse and dependants.

APPENDIX C

Department Structure

Tube Mill Department - 01

- Tube Mill Operator
- Stockkeeper

Pipe Department - 03

- M.O.A
- M.O.B
- Pines Bender
- Stockkeeper
- Die Setter

Final Assembly Department - 08

- Welder A
- Salvage & Repair
- Stockkeeper
- Die Setter
- Manufacturing Operator

Prime Parts Department - 15

- Big Press Operator A161, A147, A114, A95, A108
- M.O.A.
- M.O.B.
- cut off
- Stockkeeper
- Die Setter

Muffler Assembly Department - 17

- M.O.A
- M.O.B.
- Welder A
- Stockkeeper
- Salvage & Repair
- Die Setter

Cami Department – 22

- Cami Operator
- Stockkeeper
- Die Setter

Honda Civic Department – 25

- Honda Operator
- Stockkeeper
- Die Setter

GMT 2000 Department – 26

- Welder A
- Stockkeeper

Honda Mini Van Department – 27

- Welder A
- M.O.A
- Stockkeeper
- Die Setter

LH Down Pipe Department – 28

- Welder A
- M.O.A.
- Stockkeeper
- Die Setter

Warehouse Department – 40

- Order Assembly
- Shipping/Receiving
- Crib Attendant
- Janitors
- Stockkeeper

Service (Maintenance) Department - 52

- Tool & Die Maker
- Electrician
- Maintenance Journeyman
- Oiler/Maintenance
- Janitor

- Sample Development
- Crib Attendant

Quality Assurance Department – 54

- Inspector Lay Out
- Inspector

Material Control Department – 65

- Shipping/Receiving
- Stockkeeper

APPENDIX D

LETTER OF UNDERSTANDING REGARDING THE IMPORTANCE OF PRODUCTIVITY

The enhancement of Productivity, of, and through, the employees of Walker, Cambridge, is deemed desirable by both the Union and the Company. **As** such, it is agreed that the parties will address programs designed to enhance Productivity.

These programs enhancing Productivity would be designed to improve the competitive position of the Company in the world marketplace. **As** a result the mutual best long-term interests of both parties would be improved.

Programs, such as; employee involvement, through the application of Quality Circles; product quality enhancement, through the application of statistics and operator process control techniques; quick die change, as a fundamental ingredient in programs designed to increase equipment run time; and the line flow

concept, are examples of enhancement of Productivity activities.

This challenge is ongoing. Through this letter, the Union and the Company endorse the pursuit of programs of Productivity enhancement, in order *to* meet this challenge.

The Union agrees to support programs it feels it can endorse.

Respectfully submitted:

FOR THE UNION:

Dave Ladd

Bob Harp

FOR THE COMPANY:

M. Rowbottom

J. Sheridan

APPENDIX E
LETTER OF INTENT
10 HOUR DAY EXPERIMENT
BASIC GUIDELINES

(1) This program will apply to the 2nd shift only.

(2) The regular workweek will be Monday through Thursday.

(3) Holidays will be compensated at (8) hours pay. During the weeks in which Statutory Holidays occur, Monday-Thursday, the 2nd shift will be compensated at (8) hours and regular work hours will be 10.6 hours per worked day. During the weeks in which the statutory Holiday occurs on a Friday or the Christmas Period, the plant will revert to the regular (8) hour shift schedule.

(4) Bereavement, Jury Duty or any other compensated time off, will be paid on the basis of a 10 hour schedule as it occurs.

(5) Overtime after 10 hours - Monday through Thursday (except as noted above for those weeks when a Statutory Holiday occurs) will be paid at 1½ times.

OVERTIME WORKED WILL BE PAID AS FOLLOWS:

Friday 1½ times

Saturday. . . . 1½ times

Sunday. 2 times

Where the Company scheduled a shift on a Saturday afternoon as **part of a 10 hour shift schedule, it will compensate these employees at an overtime rate of 2 times the employee's hourly rate.

(6) It is understood that Management will review the possibility of non-traditional work schedules for non-production areas such as the Warehouse.

*****NOTE – THERE IS NO INTENT TO CHANGE THE CURRENT HOURS OF WORK IN THE WAREHOUSE.**

**APPENDIX F
LETTER OF INTENT
CLEANING TUBE MILL**

Provided production requirements permit, the Company will steam clean the tube mill at least quarterly i.e. every 3 months.

**APPENDIX G
LETTER OF INTENT
MONTHLY MEETINGS**

In an effort to enhance communication and to provide notification of upcoming changes the company will endeavour to meet with the union **as** necessary.

APPENDIX H
LETTER OF INTENT
TRAINING

The Company will select three (3) people and the Union will select three (3) people to establish a joint training committee. The purpose of the committee will be to review the plant training requirements and establish appropriate training schedules for employees who post into new positions. In addition the committee will establish a long-term training strategy for senior employees interested in developing and upgrading their skills. It is understood the plant budgetary constraints will determine the extent and frequency of any approved training schedules.

The committee will meet on a quarterly basis or more frequently if required.

APPENDIX I
USWA DISTRICT SAVINGS PLAN

The Company agrees to deduct, through payroll deduction, any employee volunteer contribution made through the USWA District 6 Savings Plan. All monies will be deducted on a weekly basis and forwarded to the administrator of the District 6 Savings Plan.

APPENDIX J
MEMORANDUM OF AGREEMENT
STUDENT EMPLOYMENT

Students can be utilized in the summer for the purposes of assisting as vacation replacement during the period starting the second week of April and including the second week of September, following which their service, seniority, and employment will automatically be terminated.

Students will be considered as temporary employees and will not acquire seniority over permanent employees; however, once they complete their probation period, students will acquire seniority within the temporary student group only. **In** the event of lay off, students will be laid off first before permanent employees. **If** a student becomes a permanent employee his date of hire will be the first day of employment as a permanent employee and he shall acquire seniority after completing a new probationary period.

Students will not be eligible for benefits outlined in Section 9.05, 15.02, 15.03, 15.05 and Appendix B Sections A, B, C & D of the collective agreement.

For the purpose of overtime sharing, students will be allowed to share in overtime after permanent employees in the same department and shift have been asked to work. For the purposes of weekend overtime, students within a department

will be eligible to work after the permanent employees of that department have been asked. Students will be credited with the highest overtime hours of the shift in the department, which he enters.

The Company and the Union as witnessed by their signatures below, hereby mutually agree to the above contract amendment dated the 26th day of April, 1994.

FOR THE COMPANY FOR THE UNION

J. Sheridan

D. Ladd

A. Povoledo

T. Myers

R. Harp

E. Stuart

M. O'Brien Sr.

**APPENDIX K
LETTER OF UNDERSTANDING
MODIFIED WORK POLICY**

The parties agree to sign off the modified work policy by February 29, 2000.

**APPENDIX L
LETTER OF UNDERSTANDING
WAREHOUSE**

In the event that an after-market distribution centre ("DC") is established by Tenneco Automotive Inc. anywhere in the province of Ontario, then the Company will extend voluntary

recognition to USWA Local 2894 as bargaining agent for employees employed in the DC, provided that:

(a) the new DC is an operation that is similar in scope to the current after-market DC at the Cambridge plant

(b) the bargaining unit mirrors the Cambridge bargaining unit from the standpoint of included and excluded positions

(c) the collective agreement is negotiated as a first agreement in the normal course; and

(d) this offer will remain in effect for the duration of the current collective agreement (2000 – 2003) and will not be automatically extended for the duration of a subsequent agreement.

This agreement to extend voluntary recognition is intended to protect bargaining unit jobs currently in place in the after-market DC at the Cambridge plant. It is not intended to extend bargaining rights to jobs that may be associated with new and separate operation or an operation acquired through a share or asset purchase in the normal course of business.

APPENDIX M

DISCIPLINARY SUSPENSIONS

During 1999 negotiations, the parties discussed at length the process, by which employees are suspended without pay pending investigation. The Company agrees that we will either keep

someone in the plant and still working while investigating matters or it will “suspend with pay pending further investigation”.

This obligation does not apply to matters, where there are reasonable issues of potential violence, theft or where an investigation would be impeded by the individual’s presence in the workplace. The Company’s willingness to improve this process in no way forfeits it’s disciplinary rights prior to or following the investigation.

COMPANY COMMITMENT

During the 1999 negotiations the parties discussed the process for processing of life insurance benefits in a timely fashion. The Company commits to the following process, which will be used by both, the Company and the insurance carrier, for processing life insurance benefits.

The Company will notify employees on extended leave annually for the purposes of ensuring their related information is up to date.

This process will include the Company copying the union, of its notification of the employee’s beneficiary, that we are initiating a claim on behalf of the deceased bargaining unit member.

If the Union, as an employee’s representative, wishes to inquire about the processing of a claim, the Company is willing to give the information,

through inquiry to the human resources manager. Any concerns about delays in the processing should be brought forward immediately and the resolution will be expedited.

ARTICLE 18


DURATION OF AGREEMENT

Section 18.01 This agreement shall be in effect until 11:59 p.m., February 6, 2003 and shall thereafter continue for a further period of one year unless not more than ninety (**90**) days (and not less than thirty (**30**) days) before the expiration date either party shall give written notice to the other party that it desires revision, modification and termination of this Agreement at its expiration date.

Section 18.02 This is the complete agreement between the parties, concluding the negotiations (other than as provided in the grievance procedure of this Agreement) for its term.

IN WITNESS WHEREOF this Agreement has been executed by the Company under its corporate seal and the hands of its proper officers and has been signed for and on behalf of the Union under the respective hands of its proper officers this **14th** day of **January 2000**.

WALKER EXHAUSTS
Cambridge, Ontario
Facility


John Sheridan
Plant Manager


David Hartman
Director, Employee Relations

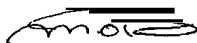
Vince Vlaminck
Manager, Human Resources

Jana Larach
Accounting

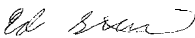

Geoff Clarke
Employee Relations
Coordinator

**UNITED
STEELWORKERS
of AMERICA**


Dave Hilker
Staff Representative


Mike O'Brien
President,
USWA Local 2894


Pat Duggan
committee Person


Ed Stuart
Committee Person


Tom Myers
Committee Person


Lee Correia
Committee Person

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