

AGREEMENT

THIS AGREEMENT made as of the 18th day of January 2009

BETWEEN:

**TENNECO CANADA
CAMBRIDGE, ONTARIO FACILITY**
Hereinafter referred to as "the Company"

OF THE FIRST PART

- and -

UNITED STEELWORKERS, 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:

01990 (10)

**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, robotic technicians 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 will not call or authorize an unlawful lock-out and no officer or agent of an employer or employer's organization will counsel, procure, support or encourage an unlawful strike or threaten an unlawful lock-out.

Section 1.03 The Union's outside representative has the right to attend at the workplace with the permission from the Plant Manager or Human Resources Manager. This request will not be unreasonably denied.

Section 1.04

- a) The Union President, who shall be an employee of the Company, will be an ex-officio member of all committees and will be able to attend all committee meetings that are held with the Company.
- b) The Union Negotiating Committee, who shall be employees of the Company, will consist of the Union President and four (4) other members.
- c) The Union Safety and Health Committee will consist of the Union President and five (5) other members with one (1) alternate member who shall all be employees of the Company.

**ARTICLE 2
Management Rights and Responsibilities**

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.

Section 2.03 Discrimination or Harassment

There shall be no harassment or discrimination of any kind including intimidation, coercion, bullying or threatening by any personnel of Tenneco towards any other personnel of Tenneco, vendor or contractor. The Company agrees to abide by the provisions of the Ontario Human Rights Code and the Labour Relations Act and is committed to providing a workplace free of discrimination and harassment of any kind. Any Tenneco personnel who is found to have violated these provisions will be subject to severe disciplinary measures up to and including termination.

Any claim of alleged harassment or discrimination will result in an investigation by the company and the union within 24 hours of being notified of the situation.

A grievance regarding this matter, including the subject of the grievance shall be subject to the grievance procedure. Such grievances shall be introduced at Step 3 of the Grievance Procedure.

**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 his/her 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 (January 1st to December 31st inclusively)

Normal hours for departments on a **3 shift rotation**:

| | |
|---|--|
| 1 st shift – day shift | <u>6:00 a.m. – 10:00 a.m.</u> <u>10:20 a.m. – 2:00 p.m.</u> |
| 2 nd shift – afternoon shift | <u>2:00 p.m. – 6:00 p.m.</u> <u>6:20 p.m. – 10:00 p.m.</u> |
| 3 rd shift – midnight shift | <u>10:00 p.m. – 2:00 a.m.</u> <u>2:20 a.m. – 6:00 a.m.</u> |

Shift rotation will be as follows:
2 weeks 3rd shift (midnight shift)
2 weeks 2nd shift (afternoon shift)
2 weeks 1st shift (dayshift)

Normal hours for departments with a 2 shift rotation:

| | |
|---|---|
| 1 st shift (day shift) | 6:00 a.m. – 10:00 a.m. 10:20 a.m. – 2:00 p.m. |
| 2 nd shift (afternoon shift) | 4:00 p.m. – 8:00 p.m. 8:20 p.m. – 12:00 midnight |

Shift Rotation will be as follows:

2 weeks 1st shift (dayshift)
2 weeks 2nd shift (afternoon shift)

In addition, all weekend overtime shifts will include paid lunches.

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

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 Shift Premium:

- (a) All second shift workers will receive a bonus of \$0.65 per hour. All third shift workers will receive a bonus of \$0.70 per hour. Off shifts to which each bonus will apply are complete afternoon and night shifts.
- (b) Sections 4.02 to 4.05 inclusive are for the purposes of calculating shift premium only, per Section 4.05(a) above

Section 4.06 A shift will be considered worked on the day it began; however, a regular 3rd shift that begins at its regular time on a Sunday night is considered to be a Monday shift and is not subject to double time as described in Section 4.08 below. There will be an equivalent result for any regular 3rd shift that begins at its regular time on the night of a paid holiday.

Section 4.07 Shift Change:

- a) Any employee requesting a shift change with another employee in the same classification and same department will have their shift change granted providing the employee requesting the shift change is able to perform the same duties as the employee that he is changing with. The request should be made at least 16 hours in advance of the start of the shift.
- b) If an employee's weekly shift schedule is changed by the company, then the Company will advise the employee on Friday of the week prior to the shift scheduled change - by 12:00 noon for the 1st shift, 4:30 p.m. for the 2nd shift, and before the shift ends on Friday morning for 3rd shift.
- c) In situations where a shift assignment needs to be changed after times noted in (b) above, the employees will be given the option of the alternate shift assignment or remain on the originally assigned shift.

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

Section 4.09 Overtime Lists

Overtime shall be voluntary and subject to the following conditions:

(a) Overtime Distribution

The following procedure will be uniformly followed throughout the plant:

- (i) Employee(s) who prove errors in overtime distribution will be entitled to pay at the applicable overtime rate for any lost opportunity.
- (ii) An overtime list will be established for each classification within a department of all employees by shift. When overtime becomes necessary, it will first be 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.
- (iii) The Company will notify the employees of the need for weekend overtime work prior to the lunch period of each shift on Thursday of that week (including the midnight shift deemed by Section 4.04 to start on Wednesday). Employees who refuse a weekend overtime opportunity will be deemed to have worked for tracking purposes, if notified by Thursday shift lunch break.
- (iv) Employees who refuse a weekday overtime opportunity will be deemed to have worked for tracking purposes, if notified by shift lunch break.
- (v) A shop steward or alternate must be present when overtime telephone calls are made by supervisors.
- (vi) Every employee will carry his total overtime hours to whatever job, shift, or department assigned and such overtime hours will be used to determine his rotation and opportunity, except for:
 1. new hires;
 2. when an employee posts into a permanent job through the job posting procedure; and
 3. when an employee returns to work from lay-off. In the excepted cases, their overtime hours will be calculated to equal the average number of overtime hours within the class or group in the plant.

(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.

(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.

(e) Second Opportunity

If there is overtime to be worked on Saturday, Sunday or Paid Holidays on two or more shifts in a classification within a department, then all the overtime that is available will be offered at or about the same time to the employee in a classification within a department on the shift in which the overtime is to be worked. In particular, day shift overtime will be offered to day shift employees and afternoon shift overtime will be offered to afternoon shift employees. Overtime that is not filled on either or any shift will next be offered to the employees in a classification within the department on another shift who have not yet been offered any overtime. Overtime will next be offered to the employees in a classification within a department on another shift who were offered overtime on their home shift, but refused.

For tracking purposes under this Section 4.09(e) only one refusal will be tracked even if the employee who refuses subsequently accepts another offer or has another refusal.

If the Company still needs further volunteers, then the Company will offer the overtime to any other qualified employees, first in the department and then in the plant. Overtime opportunities outside the department will be offered first by hours to employees on dayshift, then to afternoon shift employees by hours, and then to those on midnight shift by hours. An employee who works overtime in accordance with this provision shall have his overtime tracked. An employee who refuses an overtime assignment outside his department will not be charged for the overtime hours refused. When employees are canvassed for and are working a defined period of overtime (such as eight (8) hours for a Saturday or Sunday), and the Company finds that it needs an additional amount of overtime after the eight (8) hours has been worked, they shall canvas by class and then by hours of the employees that are already in the department.

(f) Temporary Transfers

Employees, who are temporarily transferred sometime during the first regular shift of the week and remain there until the last regular shift of the week, will be eligible for the weekend or holiday overtime in the department that they have been temporary transferred to.
Employees, who are temporarily transferred for less than the period of time noted above, will be eligible for overtime in the department they were transferred from.

(g) Union Cooperation

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

(h) Overtime Records

The supervisor will canvass all overtime distribution for his department, and will post an updated overtime list per department for viewing on the boards provided by the Company in each department on a daily basis. If an employee elects or refuses an overtime assignment, he will initial a sheet provided by the supervisor.

All Saturday and Sunday overtime will be posted prior to the employee's last regular shift scheduled to be worked in the week, with the date and time of posting recorded on the schedule; a copy of the posted schedule will be given to the Steward. The onus 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.

All weekday overtime will be posted in a timely fashion prior to shift end.

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

For the purposes of overtime calculations, the Company and the Union agree that all overtime hours will be brought back to zero upon ratification and on January 1st of each year after.

(i) **Bank Time**

Each employee will be allowed to bank up to a total of eighty (80) hours overtime in each calendar year. Banked time can be earned on all overtime hours worked after eight (8) hours per day from Monday to Friday and all hours worked on a Saturday, Sunday and/or statutory holiday. If overtime is banked it will be banked as regular hours.

Examples: _____

Tuesday – employee worked ten (10) hours. The employee will be paid eight (8) hours as per the regular shift requirement and bank the other two (2) at time and a half, resulting in three (3) hours regular time banked.
Sunday (excluding third shift starting on Sunday) – employee worked eight (8) hours double time. The employee can choose to bank up to sixteen (16) hours regular time. Whatever is not banked will be paid through payroll as regular hours. For example, bank eight (8) hours and pay eight (8) hours for a total of sixteen (16) regular hours.

If an employee wishes to bank the overtime worked, he/she must inform their supervisor and sign off on a “banked overtime authorization” sheet as provided by the company prior to working the overtime for that day/shift. The supervisor will submit the authorization sheet to payroll by 8am the next morning. Once this authorization sheet has been submitted to payroll there will be no changes accepted.
Requests to use banked hours for time off can be made in eight (8) hour increments up to forty (40) hour blocks. All requests must be submitted in writing to the Production Supervisor and/or the Operations Manager within five (5) days of the start date for the time off. The approved request must be received by payroll no later than noon on the Wednesday of the week prior to the start date of the time off. No forty (40) hour blocks will be approved for the months of July and August. Vacation request will take precedence over banked time off requests.

If an employee has not scheduled their bank time by November 30th of each calendar year, the money in the bank will be paid out on the first pay in December.

Any employee can also request to have their banked money paid out at any time, but will forfeit the equivalent time off and bank time privileges for the year. Requests for payouts must be in 40 hour blocks.

Section 4.10 PAID HOLIDAYS

The following days shall be recognized as holidays, namely:

New Year's Day, Family Day(formerly Heritage Day), Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, November 11, Christmas Day, Boxing Day, and two additional "floating" holidays which will be taken during the Christmas week.

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

(a) Excused Absences

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 (including any lead hand rate or shift premium) 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 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 Human Resources Department by first shift employees and by all other employees, if the emergency arises during the hours the Human Resources office is open. If a second or third shift employee must seek such permission outside of the hours of the Human Resources 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 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; for the purposes of the Christmas Holidays (Christmas Day, Boxing Day, the two (2) Floating Holidays and New Year's Day) only "five (5) work days preceding" will be read as "one full shift in the month of December preceding".
- (v.) absence because of layoff prior to December 1st for the purpose of the two "Floating Holidays" observed during the Christmas week, employees must have a minimum of 1,000 hours in the calendar year to qualify for one of the floating holidays or 1,500 hours in the calendar year to qualify for both of the floating holidays. "Hours" will include all hours worked – vacation time and plant holidays.

(b) Holidays during Vacation

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.

(c) Tardiness

Tardiness on the workday before or 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:

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

(d) Maximum Penalty

"For the purpose of the Christmas Holidays" (*Christmas Day, Boxing Day, the two (2) Floating Holidays and New Years Day*) if an employee is absent the day before or after the scheduled holidays, and they are eligible under Article 4.11(a)) 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 will be dealt with as follows (without affecting the Company's rights to discipline):

For the purpose of starting and quitting work, time will 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 six (6) minutes, he will be penalized for the full period of the 1/10 of an hour concerned.

Section 4.13 BREAK PERIODS

On the **three shift rotation**, 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:

| | |
|---|--|
| 1 st shift (day shift) | <u>8:00 a.m. – 8:10 a.m.</u> <u>12:00 p.m. – 12:10 p.m.</u> |
| 2 nd shift (afternoon shift) | <u>4:00 p.m. – 4:10 p.m.</u> <u>8:00 p.m. – 8:10 p.m.</u> |
| 3 rd shift (midnight shift) | <u>12:00 a.m. – 12:10 a.m.</u> <u>4:00 a.m. – 4:10 a.m.</u> |

On the **two shift rotation**, 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:

1st shift (day shift) 8:00 a.m. – 8:10 a.m.
 12:00 noon – 12:10 p.m.

2nd shift (afternoon shift) 6:00 p.m. – 6:10 p.m.
 10:00 p.m. – 10:10 p.m.

- (a) 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 only.

ARTICLE 6
Leaves of Absence

Section 6.01 EMPLOYEE LEAVES

Personal Leave

The Company will grant a "leave of absence" without pay, to any employee for a legitimate reason, any such leave will not be unreasonably withheld. To be valid, every application must be submitted in writing and approved in writing by the Operations Manager or the Human Resources Manager. The Company's approval will be given within five (5) working days. An employee on a valid "leave of absence" shall not be considered to have been laid-off and his/her seniority shall continue to accumulate during his/her absence. The Company will not unreasonably deny a written request for an extension to a leave of absence.

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. convention, Canadian and Local U.S.W. conventions and conferences, and U.S.W., 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) four (4) days leave of absence with pay, based on his regular hourly rate. The immediate family shall include only **Spouse, Mother, Father, Son, Daughter, Sister, Brother and Grandchildren.**

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 for the purpose of the three (3) day bereavement shall include only **Great Grandparents, Grandparents (including spouse's grandparents), Mother-In-Law, Father-In-Law, Brother-In-Law, Sister-In-Law, Daughter in Law, Son In Law, Step Mother, Step Father, Step Sister, Step Brother, Step Children and Step Grandchildren.** 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.

In the event of a death of an Aunt or Uncle, an employee will be granted (for the purpose of arranging or attending the funeral) one (1) day leave of absences with pay, based on the regular hourly rate.

**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 each of the following 12 (twelve) month periods:

| | |
|----------------------|--------------------------------------|
| <u>2009 Vacation</u> | <u>June 29, 2008 – June 27, 2009</u> |
| <u>2010 Vacation</u> | <u>June 28, 2009 – June 26, 2010</u> |
| <u>2011 Vacation</u> | <u>June 27, 2010 – June 25, 2011</u> |

Section 7.03 VACATION SHUTDOWN

- (a) The Company, unless emergency production circumstances prevent it, shall schedule a shutdown vacation. It shall be for a 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 April 30th of each year.

Section 7.04 VACATION PAY IN LIEU

Employees must take a minimum of two(2) weeks vacation as time off during each vacation year.

Employees are entitled to pay in lieu of vacation, that balance of their vacation account or part thereof, once the minimum two (2) weeks vacation has been taken or booked.

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: Press Operator, Skilled Trades, Manual Welders, Inspector Layout, Die Setters, Tube Mill Operators and Sample Development.

(b) All other employees must be able 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; the Grievance Committee and other members of the Executive Committee of the Local Union to a total of nine (9), shall have top seniority plant-wide and departmental.

Shop Stewards shall have top seniority within their department (so long as they remain in their respective departments, and their plant-wide seniority is sufficient to retain them in the plant in case of layoff.) When Shop Stewards are recalled from temporary or indefinite layoff, they will be recalled to their respective home departments (when these departments are operating) 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 the 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 ninety (90) 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, and 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 ninety (90) 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 six (6) working days after recall unless he furnishes to the Human Resources Manager an adequate reason for the failure to return to work within that time. The Company will 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 will 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;

On the expiration of the forty-eight (48) months following a layoff during which period the employee has not been recalled

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 five (5) working days on boards provided for such purpose. Employees desiring the posted job will make written application to the Human Resources Department on the forms provided by the Company. The Union will 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 will 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 will apply to all classifications and departments covered under section 9.01(b):

(i) The successful applicant will be paid the rate of the new job if greater than 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 will 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) and (d), the above procedure will be repeated for each department. For classifications and departments covered under section 9.01(a) successful applicants will 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) will prevent the Company from specifying a start date in the job posting itself for positions created by new launch programs, which will 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. During this period of time, the employee may return to his previous job; if so, the employee will be considered to have declined the job and will be limited in applying for another job posting for a period of six (6) months from the time of declining the job per 9.05(f) below. An employee who chooses not to try a job will not have declined the job, but will be considered to have withdrawn the application. If an employee returns to his previous job, then any employee who may have transferred as a result of the posting will also be returned to his former job.
- (d) The job will not be reposted. The Company will then make the next selection from amongst the original applicants.
- (e) If there were no other applicants, then the Company may fill the job from other sources. This would be, in order:
 - (1) the most senior of employees who are limited in applying for posted jobs per 9.05(c) above or (f) or (g) below if they want the job
 - (2) employees with no home department or classification
 - (3) hire new employees
- (f) The successful applicant in a job posting who does not decline, including employees who fill a job per 9.05(e) above, will be limited in applying for another job posting for a period of six (6) months from the time of accepting the original job, such that s/he will not be considered for another job posting except for 9.05(e) above.
- (g) Newly hired employees will be limited in applying for a job posting per 9.05(e) above for the first six (6) months from date of hire.
- (h) New employees may be hired to fill immediate job requirements while employees are being selected through Job Posting.
- (i) 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. The successful applicant is in no way limited from making job applications for permanent jobs.
- (j) 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.
- (k) The name(s) of the successful applicant(s) will be posted within fifteen (15) days of the trial and training date.

Section 9.06 LAY - OFF NOTICE

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 five (5) working days or more, 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) shifts or less, the Company will first offer the assignment to the two (2) most senior qualified employees in the affected department by order of seniority. If those 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 will 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. For the purposes of this Section 9.07, the affected department will be the department where the assignment is being performed.
- (b) For temporary assignment of more than two (2) shifts but not more than four (4) pay periods, the Company will 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 will 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.
- (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.
- (f) Employees will be advised of temporary assignments that are expected to last for a complete pay period or longer by noon on the Friday of the week prior to the temporary assignment.
- (g) Employees who refuse a temporary assignment as per Section 9.07 (a) & (b) will not be subject to any disciplinary action.

Section 9.08 RULES OF LAY-OFF AND RECALL

The rules of seniority provisions for layoffs, or reductions of employees within a department 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 any classification, in any department 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 tradesmen , 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 tradesmen 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 discuss any subcontracting issues that arise in the plant during the monthly scheduled management/union meeting or as required.

- (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.

(viii.) An employee who is recalled to his home department for a period of five (5) working days or less, shall be afforded the option to return to the department and class that he last worked in providing they have the seniority to do so.

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.

Section 9.11 REDUNDANCY

When the parties mutually agree that there has been a redundancy due to the elimination of an identifiable part of the plant, redundant employees who bump or are laid off have one opportunity to choose as their new home department any department into which they bump or are subsequently recalled (if laid off from the plant because of redundancy), or they will attain a new home department through the job posting process, except that they will not be subject to 9.05 (e)(2). If a redundancy takes place in stages, all redundant employees will be given the above opportunity to choose a bump (if the bump is available) at the same time. Any references in this section 9.11 to bumps, layoffs or recalls will be interpreted per the other provisions in this Article 9.

Section 9.12 SEVERANCE PAY

In the event of an indefinite layoff, all employees who are permanently laid off and who have at least...

- three (3) years of service at the time of lay-off will receive two (2) weeks severance pay per completed year of service to a maximum of twenty six (26) weeks.
- Employees with fourteen (14) to twenty four (24) years of service will be capped at thirty (30) weeks
- and employees with twenty five (25) years of service or more will be capped at thirty two (32) weeks.

This severance pay will be in lieu of any statutory entitlement to severance pay. An employee may elect to retain recall rights, in which case the severance pay will be held in trust; once an employee elects to have the severance pay paid out, all recall rights are lost. The severance pay will be paid out once seniority rights are lost per Section 9.04 or if an employee makes no election either two (2) weeks before or two (2) weeks after the last day worked.

ARTICLE 10
Grievance Procedure

Section 10.01 GRIEVANCE COMMITTEE The Union shall constitute a Grievance Committee which shall be comprised of the Union President and 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(s) over the application of this Agreement will be raised promptly by the employee(s) concerned within five (5) working days of the event giving rise to the grievance (in the case of a disciplinary suspension or discharge, this means five (5) working days after written notification is received by the employee, with a copy to the Union at the same time). A settlement of the grievance will be attempted in accordance with the following procedure:

Step 1: The aggrieved employee, accompanied by the Shop Steward, will discuss the grievance with his supervisor. If there is no agreement, the **Shop Steward** will request the Supervisor to provide his answer in writing. The supervisor will give his answer or decision in writing with a brief explanation by the end of the shift on the next working day after the discussion. If no answer is received within this time, the grievance will be moved to the Second Step.

Step 2: The Step 1 answer will 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 a member of the Grievance Committee and presented to the Human Resources Manager or designee within five (5) full working days of the delivery of the Step 1 answer. The Plant Superintendent or designate, the Supervisor, the Chairman of the Grievance Committee and the Grievance Committee will meet in an attempt to resolve the grievance. A Plant Superintendent or designate will then give his Step 2 answer in writing within two (2) full working days after such meeting.

Step 3: The Step 2 answer will settle the grievance unless it is appealed in writing by the Grievance Committee to the Human Resources Manager within five (5) 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 or his designate and the Area Manager or designate, or the Human Resources Manager or designate (and any of his/her staff) and the Supervisor to discuss the grievance. The Step 3 answer will be given in writing 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 15 calendar days of its filing with the Company.

Grievances related to written warnings or the Human Resources department, or more serious discipline, will commence at Step 3.

Any grievance dealing with any other issue will be answered at the 3rd stage within 45 calendar days of its filing with the Company. If a grievance is not answered within the 15 or 45day time limit, such grievances will be settled in favour of the party filing the grievance.

Section 10.04 UNRESOLVED THIRD STEP AND ARBITRATION

- (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 Human Resources Manager within seven (7) full working days of the delivery of the Step 3 written answer.
- (b) Within thirty (30) working 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) working 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 then either party may 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

- (a) Any employee or employees submitting a grievance will, upon the Union's 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 3 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 just cause he/she may have recourse to the grievance procedure set forth in this Article 10 notwithstanding that upon dismissal s/he may cease to be an employee of the Company, provided that such grievance will be submitted in writing directly at Step 3 (signed by the grievor and a Grievance Committee Person) within five (5) working days of written notification of the action to the employee.
- (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.
- (d) At the outset of a disciplinary meeting an employee will have a Shop Steward present and the Shop Steward will be made available before the meeting commences. Any such meeting will be held in a private place. Failure to comply with these requirements will render the discipline null and void.
- (e) There will be a three (3) tier corrective action system for discipline; first (1st) tier for work rules, second (2nd) tier for absenteeism and third (3rd) for safety rules.

Section 10.08 Members of the Grievance Committee and/or a departmental steward may make application to a supervisor or to the Human Resources Manager or designate for time away from work without loss of pay in order to perform their Union responsibilities in accordance with this Article 10, including the filing of grievances and the representation of grievors during the steps of the grievance procedure, but not including any time spent at arbitration (as described in section 10.04). Any such request will not be unreasonably denied. A grievor will be granted time away from work without loss of pay in order to file a grievance and to attend grievance meetings in accordance with the grievor's rights as described in section 10.03 and 10.05.

Section 10.09 Shop Stewards, Committee person, 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 three (3) times per month (two (2) times in December, July and August) 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).

Section 11.04 In the event of moves of equipment and employees that are not already covered under Article 9 or Section 11.03, the Plant Manager and the Human Resources Manager will meet with the Union Negotiating Committee without delay and as soon as mutually convenient to discuss the moves.

**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 Human Resources 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 MEMBERS

The Union will appoint five (5) members to a Safety and Health Committee (so long as at least one (1) of the members is from the afternoon shift), plus one (1) alternate. The Company will appoint the same number of representatives to the Committee. The function of the Committee is to promote the safety and health of the employees of the Company. The Company will supply reasonably sufficient first aid equipment, which will be kept so that it is reasonably accessible to the employees. The Company will assure that all the Union Safety and Health Committee members plus the alternate will be certified, at the Company's expense for the certification and training through the Workers Health and Safety Centre.

Section 13.02 FUNCTION

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 REPORTING DANGEROUS CONDITION

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

The Company will reimburse employees up to the amount of \$120, no more than once per year, towards the purchase of CSA approved safety footwear. Employees must present a receipt. The Company may reimburse an employee up to a second payment of \$120 within a year if the employee can demonstrate that his boots have been badly damaged by oils and coolants used in the course of the employee's assigned work in tube bending operations.

Section 13.05

- (a) In the event of any accident or near-miss, the Company will notify the Union Safety and Health Representative for the area. In such a case, 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.
- (b) Plant safety inspections will be conducted twice a month and sufficient time away from work without loss of pay will be granted to the Safety and Health Committee members until the inspection and the inspection report are completed.
- (c) The Joint Health and Safety Committee will be given a copy of all Injury/Illness Reports. The WSIB Committee will be given a copy of all Form 7's, Injury/Illness Reports and any letter denying claims as they are submitted to the Workplace Safety and Insurance Board ("WSIB").

Section 13.06 OCCUPATIONAL HEALTH & SAFETY ACT

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 November 26, 2005 all Pension bases shall increase from \$43.50 for each year of credited service to \$48.50 for each year of credited service.

On February 7, 2007 all Pension bases shall increase from \$48.50 for each year of credited service to \$49.50 for each year of credited service.

On February 7, 2008 all Pension bases shall increase from \$49.50 for each year of credited service to \$50.50 for each year of credited service.

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

Effective February 7, 2009 employees whose combined years of service and age are equal to ninety (90) points or more shall be entitled to retire with an unreduced pension without any age restrictions.

As an early retirement incentive, employees whose combined years of service and age are equal to ninety (90) points or more will be entitled to retire with a \$9,000.00 one time net payment. This incentive will be open for the period of February 7, 2009 to February 6, 2012.

Employees whose combined years of service and age are equal to ninety (90) points or more will be entitled to retire with an unreduced pension. Effective November 26, 2005, such employees will also receive a bridge benefit in the amount of \$600 per month that will end after five years from the date of retirement or at age 65, whichever comes first.

On February 7, 2011 all pension bases shall increase from \$50.50 for each year of credited service to \$51.50 for each year of credited service.

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 \$240.00 (to increase to \$260.00 as of February 7, 2007, and to \$280.00 as of February 7, 2008) to help with the purchase of tools.

Section 15.05 GROUP WELFARE (INSURANCE)

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 HUMIDEX READINGS

To alleviate the uncomfortable working conditions in the plant that cause excessive Humidex Readings on any shift, the following will apply:

- (a) The Company will maintain the Tenneco Automotive-Cambridge Hot Weather Plan (version 3), subject to modification from time to time in accordance with the reasonable recommendations of the Joint Safety and Health Committee.
- (b) When it is uncomfortable, a Humidex Reading will be secured using appropriate equipment.
- (c) Once Humidex Readings commence, further readings will be secured within ten (10) minutes after each hour and will continue for at least a twenty-four (24) hour period. The readings will be taken in various locations within the plant in accordance with the reasonable directions of the Joint Safety and Health Committee.
- (d) After reaching a reading of 31°C in one or more of the various locations mentioned in (c) above, a ten (10) minute heat stress break will commence every hour for every employee in the affected locations of the plant until the reading is below 31°C. If the temperature reaches 34°C, then a fifteen (15) minute heat stress break will replace the ten (10) minute heat stress break until the reading is below 34°C. If the temperature reaches 39°C, then a twenty (20) minute heat stress break will replace the fifteen (15) minute heat stress break until the reading is below 39°C.
- (e) A representative of both the Company and the Union will take the Humidex Reading together.

Section 16.02 HEAT STRESS PROVISIONS

In addition to the Humidex Readings and the provisions of Section 16.01 above, the parties agree to co-operate to try to minimize the causal factors that contribute to heat stress and to maximize favourable environmental factors. In particular, with the co-operation of the Union, the Company will take the following actions during a period of uncomfortable working conditions:

- (a) cool fluids will be available nearby all work areas;
- (b) fans will be provided for all affected departments;
- (c) air-conditioned rest areas (cafeterias) will be open and available for employees to access during heat stress breaks; and
- (d) provide ongoing training to the Safety and Health Committee on how to most effectively limit and deal with heat stress; all employees will receive training in accordance with the Hot Weather Plan.

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, 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

| CLASSIFICATION | Feb 7th | 2009 | 2010 | 2011 |
|---------------------------------|---------------------------|--------------|--------------|-------------|
| Tool & Die Journeyman | 27.30 | 27.30 | <u>27.80</u> | |
| Electrician Journeyman | 27.15 | 27.15 | <u>27.65</u> | |
| Maintenance Journeyman | 27.15 | 27.15 | <u>27.65</u> | |
| Oiler / Maintenance | 23.67 | 23.67 | <u>24.17</u> | |
| Tube Mill Operator | 22.76 | 22.76 | <u>23.26</u> | |
| Welder | <u>23.77</u> | <u>23.77</u> | <u>24.52</u> | |
| Manufacturing Operator | 22.49 | 22.49 | <u>22.99</u> | |
| Experimental Sample Development | 22.29 | 22.29 | <u>22.79</u> | |
| Inspector Layout | 22.29 | 22.29 | <u>22.79</u> | |
| Die Setter | 22.24 | 22.24 | <u>22.74</u> | |
| Cut-off Operator | 21.97 | 21.97 | <u>22.47</u> | |
| Press Operator | 22.24 | 22.24 | <u>22.74</u> | |
| Inspector | 21.69 | 21.69 | <u>22.19</u> | |
| Shipper / Receiver | 21.97 | 21.97 | <u>22.47</u> | |
| Salvage & Repair | 23.02 | 23.02 | <u>23.52</u> | |
| Crib Attendant | 21.69 | 21.69 | <u>22.19</u> | |
| Stockkeeper | 21.69 | 21.69 | <u>22.19</u> | |
| Order Assembly | 21.25 | 21.25 | <u>21.75</u> | |
| Janitor | 21.69 | 21.69 | <u>22.19</u> | |
| T&D Change Assistant | 22.74 | 22.74 | <u>23.24</u> | |

(i) LEAD HANDS: The Company has the right to appoint and/or remove lead hands on a permanent or temporary basis to perform the duties set out below. By March 31, 2003, there will be no more than 50 lead hands. All appointments until that date and afterwards will be specifically approved in writing by the Plant Manager or the Human Resources Manager. If a temporary lead hand is appointed on a recurring basis, approval for the initial appointment will suffice.

All appointments after the date that this Agreement comes into effect will be made only if reasonably justified by business requirements. The Union must be promptly notified in writing of the appointment or removal of a permanent lead hand, as well as the appointment and term of appointment of a temporary lead hand.

Lead hand duties are as follows:

- (a) as directed by supervision, leading, training and directing a group of employees (this also includes employees acting as a working lead hand); and/or
- (b) acting as directed by supervision in assigning work, or in accumulating records or otherwise accounting for the workplace activity of a shift; and/or
- (c) as directed by supervision, overseeing a small area of responsibility with respect to a specific product line; and
- (d) performing the duties of his classification.

A lead hand will not evaluate employees, including probationary employees, and will not discipline employees or make any kind of recommendation in respect of appropriate discipline, whether or not related to performance. If a lead hand is having any difficulty in carrying out assigned duties, and the lead hand cannot resolve the difficulty directly with the employee(s) affected, then the lead hand may report the difficulty to a supervisor who will be responsible to resolve the problem.

The lead hand premium is fifty cents (50¢) above the employee's classification rate of pay while s/he is assigned to perform the duties set out 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.

(ii) STARTING RATES: The starting rate for new hires into permanent positions will be five dollars (\$5.00) less an hour than the job rate posted above in the "hourly rate structure" chart, with a one dollar (\$1.00) increase each year over five (5) years on the hiring anniversary date.

(iii) STUDENT RATE: Students hired for the summer as per appendix "J", will be paid at a rate seven dollars (\$7.00) less than the job rate posted above in the "hourly rate structure" chart.

(iv) 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.) \$35,000 for employees actively at work prior to November 26, 2005
- (ii.) \$36,000 for employees actively at work on or after February 7, 2007
- (iii.) \$37,000 for employees actively at work on or after February 7, 2008
- (iv.) The Company will pay the full cost of providing retirees who retire early after November 26th, 2005 with the amount of life insurance in effect the month that they retire. 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 amount will be equal to sixty per cent (60%) of the employee's regular weekly wage (gross) based on forty (40) hours per week.

The foregoing maximum benefit level increases apply (going forward as of the date of ratification) to new claims established within twenty-six weeks of ratification. The maximum benefit duration remains at twenty-six weeks.

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

If an employee has filed a claim for weekly indemnity and has not received payment from the insurance company within fourteen (14) calendar days from the time that the claim is initiated, the Company, acting reasonably, will consider advancing an amount equal to the weekly indemnity that is owed to the employee.

C. Dental Plan: The Dental Plan shall be as follows encompassing a one (1) year lag in fee schedule:

Year 1: February 7, 2009 Plan 7, 90/10 Co-Insurance with a 2008 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, 2010 Plan 7, 90/10 Co-Insurance with a 2009 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, 2011 Plan 7, 90/10 Co-Insurance with a 2010 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 OHIP and 100% of the premium for 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 USW Local 2894 into a fund to be used for the education and recreation of United Steelworkers, Local 2894 members.

F. Vision Care Plan A family vision care plan covers employees and their immediate family for prescription glasses or, alternatively, for laser surgery. 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 in a twelve (12) month period. A benefit of up to \$50.00 will be paid towards the cost of eye examinations per eligible adult and dependant, once every two (2) years. In addition, the Company will reimburse employees for 100% of the cost of prescription safety glasses every two (2) years upon presentation of the prescription and a receipt.

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
Manufacturing Operator
Stockkeeper

General Motors & Service Department 08

Welder
Manufacturing Operator
Die Setter
Stockkeeper

General Motors Department 26

Welder
Manufacturing Operator
Die Setter
Stockkeeper

General Motors Dept 29

Welder
Manufacturing Operator
Die Setter
Stockkeeper

General Motors (Cami) Department 22

Welder
Manufacturing Operator
Die Setter
Stockkeeper

General Motors Department 34

Welder
Manufacturing Operator
Die Setter
Stockkeeper
Salvage (pooled dept's 22,29,08,26,34, & 35)

Toyota Department 35

Welder
Manufacturing Operator
Die Setter
Stockkeeper

Service (Maintenance) Department 52

Tool & Die Journeyman
Electrician Journeyman
Maintenance Journeyman
Sample Development
Crib Attendant
Janitor
Oiler Maintenance

Quality Assurance Department 54

Inspector layout
Inspector

Shipping Department 65

Shipper Receiver
Stockkeeper

Stampings Department 15

Press Operator A161, A147, A114, A95, A108, A168, A167
Manufacturing Operator
Die Setter
Stockkeeper
Cutoff operator
Tool & Die Change Assistant

APPENDIX D

**LETTER OF UNDERSTANDING
REGARDING THE IMPORTANCE OF PRODUCTIVITY**

The enhancement of Productivity, of, and through, the employees of Tenneco Canada - 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 global 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 scrap reduction efforts, customer quality enhancement and quick die change techniques and also programs designed to increase process uptime and reduce plant inventory are all 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:

Tony Koski
Kevin Baker

FOR THE COMPANY:

John MacMillan
Irene Farmer

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

Provided production requirements permit, the Company will steam clean the tube mill at least quarterly, i.e. every three (3) months. Benders in the plant will be cleaned when required by particulate levels in accordance with regular monitoring.

**APPENDIX F
LETTER OF INTENT
MONTHLY MEETINGS**

In an effort to enhance communication and to provide notification of upcoming changes the company will schedule regular meetings with the union.

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

**APPENDIX H
USW DISTRICT SAVINGS PLAN**

The Company agrees to deduct, through payroll deduction, any employee volunteer contribution made through the USW 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 I
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/she 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 in the whole plant have been asked to work the overtime first. 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 J
LETTER OF UNDERSTANDING
MODIFIED WORK POLICY**

The Company and the Union are committed to developing and maintaining a safe and healthy return-to-work policy. In keeping with this goal, the parties will cooperate in the return to work and rehabilitation of temporarily and permanently disabled workers, whenever and as soon as possible. The parties agree to a policy that includes the following features:

1. There will be a modified work committee that will discharge its functions in respect of affected employees on an as requested basis. Either party or an affected employee may request a meeting of the committee. Affected employees are those who have returned to work or who are seeking to return to work on a light duty basis, whether disabilities are a result of a workplace injury, or are unrelated or only partially related to the workplace.
2. The committee will be comprised of three members from the Company and an equal number of members from the Union. As the committee goes about its work it will consult with affected employees as required.
3. The mandate of the committee will be to consider what work, including overtime work if any, affected employees are able to perform.
4. In discharging its mandate the committee will consider a number of factors:
 - a. medical reports supplied by the employee indicating ability to perform work, and any restrictions on the performance of that work;
 - b. any other medical or related information that may be available such as, functional abilities evaluations, physical demands analyses and ergonomic reports, etc.;
 - c. the operational needs of the Company;
 - d. the wishes of the employee; and
 - e. any other factor that may be relevant to the discharge of the committee's mandate.
5. The parties recognize that the proper functioning of the committee requires the parties to co-operate with each other and to disclose relevant information to each other. The committee will meet in a timely manner and discharge its functions as expeditiously as possible.
6. The parties recognize that a timely return to work and effective rehabilitation of affected employees may require accommodation or alternative work.
7. The parties recognize that affected workers should be returned to work without undue risk of re-injury to themselves or risk to others.
8. All work that is an accommodation or is alternative work must be productive and the result of the work must have value.
9. In arranging for accommodated or alternative work in accordance with this policy, the Company agrees to the following:
 - a. it has an obligation to provide medically suitable modified duties if it is possible to do so without undue hardship, so long as the duties are in accordance with the medical capabilities of the employee and in accordance with the FAF form or the modified work form;
 - b. affected employees must be advised of the possibility of accommodation or alternative work, which may involve modified duties;
 - c. if the Company requires an independent medical examination ("IME"), then the Company will assume any costs;
 - d. if the performance of accommodated or alternative work appears to be detrimental to the employee's condition, the Company may require at any time that the employee be examined by his/her own physician or undergo an IME, in accordance with a selection to be made by the Modified Work Committee.
10. Work Hardening Programs
 - a. Work hardening programs ("WHP") are typically appropriate in return to work situations. A WHP will be implemented if recommended by the employee's doctor. The WHP must have a reasonable expectation of return to regular employment as the expected outcome of the WHP.
 - b. The employee must be able to perform at least two (2) hours of work per day and at least 3 days of work per week to start the WHP. This will be increased as appropriate with a goal of reaching 8 hours per day and 5 days per week. The work to be performed should be of the type that the employee will perform on successful completion of the WHP.
 - c. WHP's are expected to last no more than 13 consecutive weeks, but may be subject to extension in accordance with medical recommendations.
 - d. Employees on WHP's are not eligible for overtime work.
 - e. The Modified Work Committee will be provided with sufficient medical information or analysis to be able to assist in the successful implementation of a WHP. Any such medical information will be provided with appropriate respect for the confidentiality that an employee is entitled to expect regarding the treatment of personal medical information.
11. The parties agree that it is in the best interest of all employees to improve the ergonomics and the overall health and safety of the workplace.
12. The parties are committed to an effective return-to-work policy as the best way to support employees who are adversely affected by injury or illness.

**APPENDIX K
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 USW 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 (2009 – 2012) 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 L
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 its disciplinary rights prior to or following an 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

**APPENDIX M
LETTER OF UNDERSTANDING
EAP**

The Company will continue to sponsor the current EAP program for the term of this Collective Agreement.

**APPENDIX N
LETTER OF UNDERSTANDING
REST AREAS**

The Company and Union agree to delete section 6.2 Rest Areas (for the enactment and duration of this policy, workers must use the air conditioned/air cooled cafeterias as rest/recovery rooms for their heat breaks) from the Hot Weather Program (HSM045).

**APPENDIX O
LETTER OF UNDERSTANDING
MANAGERIAL DIRECTIONS TO EMPLOYEES NOT UNDER THEIR SUPERVISION**

During the 2008/2009 negotiations, the parties discussed a union concern whereby employees are being given direction by staff members other than their immediate supervisor. This can place the employee in a situation whereby they are being instructed to do something other than the work required by the immediate supervisor.

The Company acknowledges that managers other than the immediate supervisor may provide instruction to an employee; however, the supervisor must be made aware of the situation at the time the instructions are given to the employee. In some instances, and not to be the normal practice, the instruction may be given prior to notifying the supervisor; however, the supervisor must be immediately informed of the direction given to the employee.

**APPENDIX P
LETTER OF UNDERSTANDING
STAFF TRAINING REGARDING THE COLLECTIVE AGREEMENT**

During the 2008/2009 negotiations, the parties discussed several concerns as follows:

- The grievance procedure is not clearly understood by supervisors, engineers, etc.
- The overtime policy is not understood and adhered to, which results in unnecessary grievances being filed.
- Our engineers or other staff members are providing direction to employees with little or no understanding of the collective agreement.
- Employees are being moved from one department or shift to another and the collective agreement is not being adhered to.

Both parties agree that no later than sixty (60) days from the date of ratification of a new collective agreement, the Company and the Union will develop and deliver training to all managers, supervisors, engineers and stewards.

The training will address all the concerns listed above and any additional issues mutually agreed to by both parties.

APPENDIX Q
LETTER OF UNDERSTANDING
INDEFINITE LAYOFF EMPLOYEES RECALLED FOR VACATION COVERAGE

During the 2008/2009 negotiations, the parties discussed the use of employees on indefinite lay off for the purposes of vacation coverage.

The parties agree that vacation coverage work will be offered to any employee who may be on indefinite lay off. The employee has the right to decline the work assignment.

An employee who refuses to accept a vacation coverage work assignment will retain full recall rights to more permanent work if and when it becomes available, in accordance with the collective agreement.

For the purpose of severance pay entitlement, even if an employee returns to work for a vacation coverage assignment, the employee will be treated as if they were on indefinite lay off, entitlement is not affected.

If an employee accepts the vacation coverage assignment, the Company will provide:

- Health care benefits (drug & dental only) during the time worked
- Life insurance and AD&D coverage during the time worked
- Credited service hours for pension purposes for hours worked

This will not change the original lay off date under section 9.04(c).

Article 18
DURATION OF AGREEMENT

Section 18.01 This agreement shall be in effect until 11:59 p.m., February 6, 2012 and shall thereafter continue for a further period of one (1) 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 18th day of January 2009.

TENNECO CANADA
Walker Exhausts – Cambridge

Mark Beaul
Regional HR Manager

Mike Peters
Regional Director/Plant Manager

Tony Melfo
Plant Manager (at time of printing)

Grahame Wright
HR Manager (at time of printing)

UNITED STEELWORKERS

Mary Simms
Staff Representative

Dave High
President, USWA 2894

Tony Koski
Committee Person

Kevin Baker
Committee Person

Gary Kennedy
Committee Person

Lee Correia
Committee Person

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