

## APPENDIX "A"

This Agreement Effective Date of Signing

B E T W E E N

Korex Don Valley Unlimited Liability Company, or successors, of 21 Don Valley Parkway, Toronto, (hereinafter called "The Company")

Of the First Part

-And-

Local 132 of the Teamsters - Chemical, Energy and Allied Workers I.B. of T. or the successors of such International Union (said Local 132 is hereinafter called "The Union")

Of the Second ~~Part~~

1. This Agreement is made solely with respect to those of the Company's employees who are, from time to time, engaged at its Toronto Plant in manufacturing, maintenance, or warehouse (such employees are hereinafter called the "employees"), save and except the security force, office cleaning staff, office and technical staff, supervisors and persons above the rank of supervisor. Unless specifically stated to the contrary, and with the exception of the provisions for seniority rights and grievance procedure, this Agreement shall apply to probationary employees as hereinafter defined.
2. The Parties are committed to a jointly developed Philosophy and Values statement, which enables them to continuously improve the competitiveness of the business, quality of life, and interests of all employees, by working together.
3. Departmental Agreements are a permissible and recommended practice, their purpose being to afford rules for departmental application of the terms of this Collective Agreement. To be valid, Agreements must be signed by Departmental Supervision, the Department Steward, the Chief Steward, and the Manager, Industrial Relations. All signatories will retain copies of the Departmental Agreement. These Agreements, or changes to these Agreements, must be approved by a two-thirds (2/3) majority of employees in the Department and must be ratified by the Union Executive and the Management Committee before going into effect. Also, all Departmental Agreements are to be ratified on a yearly basis at the regular monthly meeting in December of each year.

4. In the event that the Company relocates all or part of its existing operations currently carried on at 21 Don Valley Parkway, Toronto, to a location within the City of Toronto, and to the extent that it reduces the number of employees at the above-mentioned location by more than 5%, then the Company undertakes to transfer employees occupying those jobs being discontinued as a result of the relocation. Affected employees will be eligible for transfer only if they are qualified for the new job, and conditions at the new location permit. Similarly, if operations are relocated as above to a location in the Province of Ontario, but outside the City of Toronto, and to the extent that it reduces the number of employees at the above-mentioned location by more than 20%, the same conditions would apply.

Should the site of the new location be beyond the environs of Metropolitan Toronto, the cost of the move, of those accepting transfer, to be borne by the Company, will be confined to the transportation of the immediate family and household effects.

## ARTICLE I

### GENERAL

1. The purpose of this Agreement is to maintain a harmonious relationship between the Company and its employees and to provide an amicable method of settling any differences or grievances, which might possibly arise.
2. The Company recognises the Union as the sole collective bargaining agency for all employees with respect to wages, hours of work, and with respect to such terms and conditions of employment as are dealt with in this Agreement.
3. All the provisions of this Agreement shall be subject to the applicable laws, rules and regulations of Canada and the Province of Ontario.
4. The parties agree it is their intention to meet, not less than once a month, to discuss matters of broad general interest to both parties.
5.
  - (A) All employees who have not completed a cumulative service period of thirteen (13) working weeks with the Company (excluding absence or overtime) shall be probationary employees, but if retained thereafter in the employ of the Company shall be regular employees except as provided in Article I, Clause 5(B), and shall be entitled to seniority rights as described hereafter.
  - (B) All employees in Maintenance who have completed a cumulative service period of more than thirteen (13), but less than twenty-six (26) working weeks with the Company (excluding absence or overtime), shall be considered to be regular employees, except that, in the event of dismissal for unsatisfactory trades skill proficiency, they will have no recourse to the grievance procedure. Such Maintenance employees, if retained beyond twenty-six (26) weeks shall become full, regular employees and shall be entitled to all rights as provided in this Agreement.

6. The right to hire, promote, discharge or discipline for just cause, and to maintain efficiency, is the function and responsibility of the Management of the Company, subject to the right of an employee and/or the Union to lodge a grievance, as provided for by this Agreement. The Union recognises the right of the Company to operate and manage its business in all respects, in accordance with its commitments and its responsibilities. The products to be manufactured, the location of plants, the schedules of productions, the methods, the processes and the means of manufacturing are the function and responsibility of the Management of the Company.
  
7. (A) All present regular employees who, at the signing date of this Agreement, are members of the Union, or subsequently become members, shall remain members in good standing during the term of this Agreement. All future new employees shall, upon the completion of the probationary period, become and remain members of the Union in good standing. In "good standing" shall mean solely that the members' dues, general assessments, and levies, as paid by all members of the Union, shall not be more than two (2) months in arrears.  
  
(B) Employees, suspended by the Union for failure to comply with the above, shall also be suspended, without pay, by the Company. If, during three (3) subsequent months, the suspended employees again become members of the Union in "good standing", they shall be reinstated by the Company with such seniority as they had accumulated up to the date of their suspension by the Company. If, at the end of such three-(3) month period, the employees have failed to become a member of the Union in good standing, they shall be released from employment.
  
8. All probationary employees shall be required to pay, to the Union, a sum of money equal to monthly union dues. This service charge shall be deducted from their first and subsequent pay cheques.
  
9. The Company agrees there shall be no discrimination, intimidation, restraint, or coercion exercised by the Company, or any of its representatives, with respect to any employee because of their membership in, or connection with the Union.
  
10. The Union agrees that there shall be no discrimination, intimidation, restraint, or coercion exercised by the Union, or any of its members, with respect to any employee of the Company.
  
11. The Union agrees that there will be no unauthorised Union activity during working hours.

12. Upon the receipt of a written request from any regular or probationary employee forwarded through the Secretary-Treasurer of the Union, the Company agrees to deduct such employee's monthly Union dues, general assessments or levies, or service charge in the case of probationary employees, from the employee's pay and to transmit the monies so deducted to the duly accredited officials of the Union. Any such employee shall, at any time, be at liberty to cancel their request for such deduction upon giving notice, in writing, to the Company through the Secretary-Treasurer of the Union.
13. The Company's plan for payment during disability, as set forth in Schedule "A" hereto, shall be maintained during the life of this Agreement.
14.
  - (A) The Company will pay, on behalf of all employees, 100% of the monthly premiums for Ontario Health Insurance Plan (O.H.I.P.).
  - (B) For all regular employees and for their eligible dependants, the Company will provide the agreed major medical and semi-private hospital insurance coverage.
  - (C) Should any Government introduce a compulsory medical-surgical plan to which the Company is not required by law to make a contribution, and which duplicates, in whole or in part, the services provided by the insurance plan referred to in Clause 14(B), the Company will withdraw this insurance plan and the employees will assume the costs of the government plan. If necessary, the Company will endeavour to obtain a supplementary plan to generally maintain the present level of medical-surgical benefits. If, as a result, there is a clearly identifiable reduction in Company costs, the amount of that reduction will be made available to the employees in the form of altered or enhanced employee benefits, if so agreed by both parties, or in the form of wages.
  - (D) For all regular employees and for their eligible dependants, the Company will provide the agreed-upon dental care insurance plan. The premiums for the insurance will be eighty-five per cent (**85%**) Company paid, with the balance paid by the employee.
  - (E) For all regular employees, the Company will provide the agreed Long Term Income Continuance Plan. The premiums for the plan will be 100% Company paid. These premiums will not be a taxable benefit; however, payments to employees under the Plan will be taxable to the recipient. Coverage will be limited to thirty-six (36) months of benefit for any absence. (Two-thirds (2/3) of basic earnings to a maximum of \$3000/ month)

- (F) After assuming ownership of the assets of the facility, the Company will provide Group Life Insurance equivalent to one (1) year of basic earnings (not including overtime or bonuses) for all regular employees. Employees will have the option to buy additional life insurance.

For active employees, or employees on early retirement, who attain the age of 65 during the life of this Agreement, the Company will provide one thousand dollars (\$1,000.00) Group Life Insurance.

- (G) When the Company has undertaken to bear any expense on behalf of any employee in the area of fringe benefits, the liability incurred shall apply only to such periods in respect of which the employee is entitled to wages from the Company with the exception of Pensioners over age 65, who are entitled to=\$1,000 group life insurance.

- (H) All employees must provide dependent and benefit co-ordination information to the Company by December 31, 1997, and annual updates as required.

- 15. (A) All regular employees are eligible to participate in the Company Group RRSP.

- (B) During the first twelve months following the date of transfer of the assets of the facility, the Company will pay an amount equal to one per cent (1%) of each employee's basic annual earnings to each employee of record as of the date of the transfer of ownership of the assets of the facility, 50% of which is payable on December 31, 2002 and 50% which is payable on June 30, 2003.

Starting on July 1, 2003, the Company will match sixty percent (60%) employee's basic earnings, to a maximum Company contribution of three per cent (3%) of the employee's basic earnings.

- (C) Employees shall be retired from employment on attaining age 65.

- 16. (A) The Company and the Union agree that the Health and Safety of the workers is of paramount importance. The Company shall make reasonable provisions for the Health and Safety of employees during working hours.

It is agreed that all members of both parties commit to meet their responsibilities under the accepted Health and Safety rules, the Occupational Health and Safety Act, and Regulations made under the Act.

In the event that there are any amendments to the Act, which affect either party, those amendments will be a matter of discussion between the two parties for the purpose of mutual satisfaction.

- (B) The Company and the Union each shall appoint five (5) representatives to a Joint Occupational Health and Safety Committee which shall advise the Company and the Union on problems relating to Health and Safety of employees and the Safety of the Company's property and equipment.

- (C) The wearing of acceptable safety shoes and eye protection appropriate for the workplace is compulsory for all employees while on Company premises. For each regular employee, the Company will provide and replace this equipment as required.

- 17. (A) No person employed on a job outside the Bargaining Unit shall perform on a job within the Bargaining Unit except, in cases of emergency, when it is impossible to obtain the services of an employee who normally performs such a task.

- (B) Article I, Clause 17(A) shall in no way preclude an employee on a job outside the Bargaining Unit from performing part or all of a job within the Bargaining Unit in order to learn, train, or investigate, provided that the employee within the Bargaining Unit is not displaced or assigned to another job. However, the Supervisor of the Department concerned shall inform the Steward of the Department concerned or, if the Steward is not available, the employee or employees affected before such action occurs. Nothing in this Clause shall be construed as permitting the Company to avoid the need for appointing additional employees to a job where an increased workload would require it.
18. (A) The Company will maintain the right to source production externally, at their discretion.
- (B) The Company will maintain the right to contract all work under capital projects.
- (C) The Company will maintain the right to contract any services which require skills not resident in the current trades group, and/or for which the frequency of the requirement does not warrant maintaining the internal skill.
- (D) The Company maintains the right to contract maintenance work normally performed by the current trade group under the following conditions; All available appropriate trades have been scheduled or offered the opportunity to work sixty (60) hours during the week in which the work is being performed. In the event, an available employee not scheduled for sixty (60) hours is overlooked on the day the contractor is utilised, the employee will be provided an opportunity to work the hours, up to sixty (60), later in the week. In this case, the hours worked will include any Holiday or vacation pay incurred during that week. In the instance that the Company attempted and was unable to contact the available person(s), a contractor could be used for that work.
- (E) **An** exception to Item (D) would be any emergency situation, during which the most expedient action will be taken to resolve the issue.
- (F) Work identified as operational non-trades work will not be contracted on-site.



19. Effective January 1, 1999, the Company will provide \$500 worth of replacement tools per calendar year to specified tradespeople, as required. Under normal circumstances, these replacement tools are to be purchased through the Maintenance Stores, and any external purchases would have to be pre-approved by the employee's Area Manager. In the event the tradesperson does not use their entire allotment, the balance will be paid to the tradesperson on the second Thursday of January of each year. Tools purchased through this procedure will be the property of the employee.

Specialised tools will be purchased for the site and will be held centrally. These tools will not be charged against an employee's allotment.

20. Employee disciplinary records will only be considered for the purpose of progressive discipline for a period of two (2) years from the date the discipline was applied. For the purposes of Job Selection, disciplinary records will apply for a period of one (1) year preceding the job posting date.
21. Emergency, wherever referred to in this Collective Agreement, will be defined as a danger existing to health, safety, environment and/or equipment (including buildings), only.

## ARTICLE II

### WAGES

1. The classification of jobs and the wage scale to which such classification is related is set out in Schedule "B" hereto. Schedule B, Part 1 covers all employees of record as of the date of transfer of ownership of the assets of the facility. Schedule B, ~~Part~~ 2 covers all New Hires i.e. employees hired after the date of transfer of ownership of the assets of the facility.
2. Subject to Article II, Clause 3, there shall be no change, during the life of this Collective Agreement, in the rates of pay in Schedule B, Part I or in the job classifications as set out in Schedule B, Part 1 and ~~Part~~ 2 of this Collective Agreement.
3. Should the Company decide to introduce new jobs or restructure existing jobs, the classifications and the wage rates will be discussed between the Chief Steward and the site Human Resources Manager for the purpose of seeking mutual agreement. Failing mutual agreement, the Company will apply a tentative rate upon implementation of the change.
4. In the event the parties fail to agree, either party may request, within thirty (30) days, the Minister of Labour for Ontario to appoint an Arbitrator or a Mediator to resolve the issue. In this instance, each party will bear fifty per cent (50%) of the costs billed by the Arbitrator or Mediator. The decision of the Arbitrator or Mediator will be final and binding on both parties.  
  
Failure to meet the timeline will result in the tentative rate being accepted, however, this timeline may be extended through written mutual agreement of the parties.
5. Any rate for a new or restructured job, resulting from Clause 4, shall be retroactive to the date the tentative rate was applied.

6. (A) A "Chargehand" shall be selected at the Company's discretion, based on qualifications as determined by the Company.

A "Relief Supervisor" shall be selected, at the Company's discretion, from amongst the personnel in the Department engaged on the three highest steps in the Department.

- (B) Employees who are assigned the responsibility of "Chargehand" (an employee who continues to perform their regular job and also assumes limited supervisory responsibility) shall receive the rate of the highest job classification they supervise, plus seven per cent (7%) of the KX-2 rate, while they are so engaged.

Employees who are assigned the responsibility of "Relief Supervisor" (an employee who is not required to continue on their regular job but assumes supervisory responsibility) shall receive the rate of the highest job classification they supervise, plus nine per cent (9%) of the KX-2 rate, while they are so engaged.

Employees who are assigned the responsibility of "Working Foreperson" (an employee who is required to practice their regular trade and assumes supervisory responsibility for a period of time) shall receive the rate of the highest job classification they supervise, plus ten per cent (10%) of the KX-2 rate, while they are so engaged.

## ARTICLE III

### HOURS OF WORK

1. Normal hours of work shall be a forty (40) hour week, consisting of five days of one shift of eight consecutive hours each, Monday to Friday inclusive. When ~~an~~ an employee is held for extra work, or is brought in on a Saturday or on a Sunday or a paid holiday, the employee shall not be required to take time off to reduce such employee's hours to the normal working week.

The defined week will be Monday "A" shift to Sunday "C" shift, inclusive, for the purposes of pay and hours of work applications.

Employees scheduled to work a forty (40) hour week, as above, will have the option of adopting ~~an~~ an alternative shift consisting of four (4) - ten (10) hour shifts, Monday to Thursday, or Tuesday to Friday, upon mutual agreement of the parties. The alternative pattern will be adopted at the request of two-thirds (2/3) of the employees concerned.

2. (A) When it is necessary to schedule a Department on a seven (7) day (swing shift) operation, employees may be assigned a scheduled week consisting of **five** days of one shift of eight consecutive hours each, Monday to Sunday, inclusive. When such employees are held for extra work, or are brought in on one of their scheduled days off, they shall not be required to take time off to reduce their hours to their scheduled work week.
- (B) Subject to change at the request of two-thirds (2/3) of a department, with mutual agreement, alternative hours of work or shift patterns may be adopted.
3. (A) Normal shift times will be as follows:-

"A" shift	11:00 p.m. - 7:00 a.m.
"B" shift	7:00 a.m. - 3:00 p.m.
"C" shift	3:00 p.m. - 11:00 p.m.
- (B) At the option of the Company, staggered starting or quitting times up to one (1) hour from the times listed in Article III, Clause 3 (A), may be designated for certain employees or positions.
- (C) Employees shift times may be altered up to one (1) hour from the times listed in Article III, Clause 3 (A), by mutual agreement between the employees and their supervisor. The agreed period will be regarded as their regular shift.

4. Hours worked as part of a regularly scheduled shift pattern (Article III, Clauses 1 & 2) on "C" shift and "A" shift, Monday to Sunday inclusive, shall be subject to a shift premium for regular employees. The hourly rate for such shift premium shall be five per cent (5.0%) of the previous outgoing rate for KX-3.
5. There will be no duplication or pyramiding of overtime and/or shift premiums.
6. Employees, who are assigned to a shift other than their posted scheduled shift, shall be paid for such first shift at one and one-half (1 & 1/2) times their regular rate, if they have not been notified of such change at least forty-eight (48) hours prior to the starting time of their posted scheduled shift on the day the change is effected.
7.
  - (A) It shall be the responsibility of the employees working in a Department, in which extra work hours becomes necessary, to undertake such work, except as provided in Article III, Clause 7(G). For all employees, hours of work in any week will be considered mandatory to maximum of forty-eight (48). For the purpose of this clause, the work week is considered to be "A" shift Monday to "C" shift Sunday, inclusive. Overtime work shall be distributed as equally and impartially as possible among the employees who normally perform the work.
  - (B) All hours worked in excess of forty (40) paid hours will be considered overtime and will be paid at time and one-half (1 & 1/2), unless otherwise specified herein. ( Paid hours will include worked hours, paid vacation, statutory holidays, bereavement, paid sick days, union business and hours paid for other Company- approved business activities).
  - (C) All hours worked on Sunday will be paid at twice (2x) the regular rate, except as provided in the Alternative Shift Agreement (schedule "F").

- (D) When an emergency exists, hours, which are in excess of twelve (12) continuous hours, will, at the Company's discretion, be considered mandatory. All hours worked, which are in excess of twelve (12) continuous hours, shall be paid at one and one-half (1 & ½) the regular rate. Employees will not work more than twelve (12) hours in any calendar day, with the exception of **an** emergency.

Employees will be guaranteed twelve (12) hours off after working twelve (12) hours with the following exceptions:

- (ii) In the case of an employee who stays back up to one (1) hour following a twelve (12) hour shift for the purposes of waiting for a replacement.
- (iii) In the case of **an** employee who stays back up to two (2) hours following a twelve (12) hour shift for the purposes of shutting down **an** operation.
- (E) For employees on a scheduled seven (7) day operation, all hours worked on the second (2nd) consecutive scheduled off-day will be paid at one and one-half (1 & ½) the regular rate provided the hours worked are in excess of forty (40) in that week. Hours required on the second (2nd) consecutive scheduled off-day will be considered voluntary, provided the first (1st) scheduled off-day was worked. When an emergency exists, this overtime will, at the Company's discretion, be considered mandatory.

(F) In order for extra hours to be considered Job Continuity, it must be:

1. Unscheduled.
2. The result of a breakdown and required to maintain production.
3. Performed as a continuation of the shift during which the breakdown occurred, to a maximum of four (4) hours.

Any extra hours which do not meet this criteria must be allocated according to the overtime agreement.

NOTE: This criteria only applies to tradespeople during regularly scheduled shifts.

8. Employees, who are qualified, may mutually elect to switch or exchange shifts, provided they have given adequate notice to their respective Supervisors, and have received permission from their respective Supervisors to do so.

Such mutually arranged shift changes shall not result in overtime, additional premiums, or any additional costs to the Company; also, said change will be an exception to Article III, Clauses 6 & 7.

9. Employees shall be in their Departments, ready to start work at their starting time, and shall not leave their Departments at the end of their period of work until they have been relieved or given permission by their Supervisor.

10. A lunch period shall consist of one-half (1/2) hour's absence from the job in each shift of eight (8) consecutive hours, except for employees who are required to maintain operations during the lunch period.

Employees shall not be required to make up the time spent for lunch periods.

11. Compliance with the Employment Standards Act relative to meal periods for persons engaged on overtime work shall be in accordance with the material agreed by the parties and posted in each department.

12. (A) Subject to Clause 12(B), all employees shall be paid for the Holidays listed below at their regular rates without being required to render service for such holidays, provided they are entitled to wages (including sick pay) for both their scheduled working day immediately preceding and their scheduled working day immediately following the paid Holiday, or have been granted Leave of Absence by the Company. For Short Term Disability, a statutory holiday which goes unpaid due to absence will count as a waiting day. The Holidays which shall be observed are as follows:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	One floating Holiday (Selected by Management)

Any employee who works on one of the ten (10) Statutory or Selected Holidays, as per Article III, Clause 12 (A) of the Collective Agreement, will be required to indicate within seven (7) calendar days, in writing, if they wish to take a Lieu Day without pay. Failure to provide written notification within the prescribed time limit will result in the employee forfeiting their right to a Lieu Day.

Lieu Days must be taken off within thirty (30) calendar days of the worked holiday, except for the Christmas and New Year period, in which case, the Lieu Days must be taken by the end of the following March.

The employee, Area Manager, and the Department Steward will mutually agree on the requested Lieu Days to be taken off within the prescribed time limit, and the date will be recorded by the Area Manager and the Department Steward. Once a date has been mutually agreed, the employee must take that Lieu day off without pay.

- (B) Leave of absence, which is at the complete discretion of the Company, granted for a period of one (1) to fifteen (15) regular working days, shall not render an employee ineligible for payment for any of the Holidays provided in Article III, Clause 12(A) which immediately precedes, follows, or falls within such Leave of Absence, provided the employee is entitled to wages (including sick pay) for either the working day immediately preceding or the working day immediately following the paid Holiday or approved Leave of Absence.

13. All time worked on a paid Holiday shall be paid at twice (2x) the regular rate, in addition to eight (8) hours pay at the regular rate.



14. Employees reporting for work, who are not required to work by reason of some breakdown in the plant prior to their reporting, may be laid off for the day, but shall be paid four (4) hours pay at their regular rate. However, for purposes of accumulating hours for overtime entitlement, the abbreviated shift will be considered a full eight (8) hours worked.
15. Employees who report for work and commence work, but, by reason of some breakdown in the plant, are not required for work, may be laid off for the balance of the day, but shall be paid eight (8) hours pay at their regular rate.
16. When it is necessary to call in employees to work at any time outside their normal shift or their normal operating hours, they shall be paid a minimum of four (4) hours at their regular rate.
17.
  - (A) Employees are required to notify the Company (the Company Security Guard) at the earliest possible time of their inability to attend work for any reason.
  - (B) Employees are also required to keep the Company informed as to the date of their return to work.
  - (C) An employee, who has failed to notify the Company of their return to work date, as required, may be sent home, without pay.
  - (D) An employee who fails to report for work within the first two (2) hours, or who calls in and subsequently fails to report within the first four (4) hours of any scheduled work period, shall be considered absent.
18.
  - (A) If the Union wishes any employee, Union Executive, or Steward to leave their Department, or the Company's premises, on Union business, requests for such Leaves shall be forwarded to the Manager, Industrial Relations or a specified designate, by the President of the Union or a specified designate.
  - (B) Any member of the Union, who wishes to leave their work area, or the Company premises, on Union business, shall not do so without the permission of the Supervisor.

19. Leaves of Absence, with pay, will be granted to attend the funeral of a member of the immediate family as follows:

(a)

Up to Three Days:

Mother  
Father  
Husband  
Wife  
Child  
Parents-in-Law  
Brother  
Sister  
Daughter-in-Law  
Son-in-Law  
Grandchild

And for one person when responsible for funeral arrangements for those under (b).

(b)

One Day:

Brother-in-Law  
Sister-in-Law  
Grandparents

Any relative by blood or marriage residing in the same household.

## ARTICLE IV

### VACATIONS

Employees will retain their current vacation entitlement as of the date of transfer of ownership of the assets of the facility until such time as their vacation entitlement would increase as described below:

1. (A) Subject to all other applicable provisions of this Article, vacation entitlements shall be based on the following schedule:-
  - i) Up to one (1) year seniority:- One (1) day for each five (5) weeks completed service between May 1st and April 30th, inclusive

- ii) Thereafter:
  - 2 weeks after 1 year
  - 3 weeks after 5 years
  - 4 weeks after 10 years
  - 4 weeks + 1 day after 18 years
  - 4 weeks + 2 days after 19 years
  - 4 weeks + 3 days after 20 years
  - 4 weeks + 4 days after 21 years
  - 5 weeks after 22 years
  - Vacation pay does not accumulate while absent from work due to sickness etc.

iii) For the purposes of calculating part year entitlements, the following criteria will apply for each five week period worked:-

2 week entitlement	1 day
3 week entitlement	1-1/2 days
4 week entitlement	2 days
5 week entitlement	2-1/2 days

(B) In all instances, payment for vacation entitlements is based on eight (8) hour days and forty (40) hour weeks. (**An** entitlement of ten (10) days represents eighty (80) paid hours, an entitlement of four (4) weeks represents 160 paid hours, etc.)

2. The calculation period to determine the number of five week periods, referred to in Article IV, Clause 1, shall be May 1st to April 30th.

3. Payment for vacations shall be at the following rates:

**Up** to one year's seniority - 4% of wages earned.

Over one year's seniority - the payroll authorisation rate in effect the week prior to the vacation period taken, not to be less than 4% of wages earned in qualifying year.

4. (A) In the event that an employee's service with the Company is terminated for any reason, other than retirement, the employee shall receive, in lieu of vacation payments provided herein, four percent (4%) of earnings for any incomplete vacation calculation period. The calculation period is defined as May 1st to April 30th.

- (B) Any employee retiring from the Company who is entitled to two (2), three (3), four (4), or five (5), or six (6) weeks of vacation shall receive vacation pay at the rate of four per cent (4%), six per cent (6%), eight per cent (8%), and ten per cent (10%), and twelve per cent (12%), respectively, of his/her earnings, as the case may be, for the period worked from the previous May 1st to the date of retirement.
5. Absence without pay, totalling less than five weeks, for reasons other than lay-off, during any vacation payment calculation period, shall not affect the calculation of an employee's vacation pay.
6. (A) Employees will be granted vacation requests in order of seniority on the following basis:
- i) Requests are submitted, in writing, prior to April 1st of each year for that year's entitlement.
  - ii) Provided requests are submitted by April 1st, all employees will be granted two (2) weeks vacation, in order of seniority, before requests are considered for the third, fourth, ~~fifth~~, or sixth week of entitlement.
  - iii) Employees who are entitled to three or more weeks of vacation will be granted their third week of entitlement in order of seniority before requests are considered for the fourth, fifth, or sixth week of entitlement. This process also applies to the fourth, fifth, and sixth week of entitlement.
  - iv) The maximum number of employees allowed on vacation at any time in a particular department will be determined by the Area Management, through consultation with the department Union representation, and will be communicated to the departmental employees prior to the vacation requests being required.
  - v) For the purpose of seven (7) day, twelve (12) hour shift patterns, a block of scheduled days will be considered equal to one (1) week.
  - vi) Employees who fail to submit their vacation requests by April 1st of any year will have their vacation scheduled through mutual agreement with their Area Manager, or, in the event mutual agreement cannot be reached, their vacation will be allocated by the Area Manager.
  - vii) In the event ~~an~~ employee has their shift pattern changed after the vacation schedule has been approved, requests to reschedule vacations will be considered provided the majority of employees in the department wish to do so, and the Area Management is notified within fourteen (14) days of the notice of the shift pattern change.

- viii) Employees may alter their approved vacation time with the mutual agreement of their Area Manager.
  - ix) In the event an employee's vacation is cancelled by the Company, the rescheduling of that vacation will be considered a special circumstance and will be the subject of discussions between the parties.
- (B) Whenever conveniently possible, and at the discretion of the Company, vacations shall be granted for the period preferred by each employee, the employee's seniority being taken into account. Every employee eligible for a vacation shall be notified of the assigned vacation period as far as possible in advance, and shall receive vacation pay before the beginning of such period.
- (C) When an employee has received notification of approval of their selected vacation, the Company will not change the selected times unless there is an emergency. In the event of a cancellation of a vacation, the Company will reimburse the employee for any documented expenses incurred.

Approval of the selected vacation applies only to the position held when the vacation was approved.

## ARTICLE V

### SENIORITY

1. When an employee has become a regular employee by completing the probationary cumulative service period of thirteen (13) working weeks (excluding absence or overtime), such employee shall be granted seniority dated retroactively to the date of that employee's last recall from temporary lay-off prior to the completion of such employee's probationary period.
  
2. (A) Temporary lay-off is defined as a period not exceeding twenty-six (26) continuous weeks.  

Should an employee choose to exercise their rights under E.S.A. with respect to the lay-off no longer qualifying as a temporary lay-off, they may opt to take whatever redundancy settlement for which they qualify (Article V, Clause 3(B), or E.S.A.), understanding that, in this instance the employee forfeits their recall rights.
- (B) In the event of an employee becoming surplus to requirements, temporary lay-off shall be in reverse order of seniority.
- (C) If, during the twenty-six (26) week period of temporary lay-off, the Company requires additional employees, employees laid off shall be recalled in the reverse order of which they were laid off. No change shall be made in such recalled employees' seniority dates. In the event any such person is overlooked, the Company shall be liable only for a loss of wages up to a maximum of four (4) weeks from the time the error was made, at their then prevailing rate. Their seniority entitlement will be restored.

3. (A) In the matter of reduction of personnel, as determined by the Company, to be of a permanent nature, employees shall be laid off in reverse order of seniority starting with employees covered under Schedule "N", then the KX-1 rate of pay, then the KX -2 rate of pay, then the KX -3 rate of pay, and then from either the Manufacturing or the Trades Group in reverse order of seniority.

For the purpose of permanent lay-off, the plant will be divided into the following Groups:

1. Employees covered under Schedule "N"
2. KX-1, KX-2 & KX-3 rates
3. Trades or Manufacturing

- (B) Employees who have completed their probationary period and who are designated by the Company to be laid off in accordance with Article V, Clause 3(A), will receive notice and severance according to the Employment Standards Act, except as provided in Schedule "O", but in any case, for employees of record as of the date of transfer of ownership of the assets of the facility, severance pay will not be less than one week regular basic earnings per completed year of service.

In lieu of job search assistance, employees of record at the date of transfer of the assets of the facility will in the event of severance be paid an additional week's regular basic earnings.

Upon being so terminated the employee shall forfeit all seniority rights and other rights under the terms of the Collective Agreement.



- (C) An employee will not be eligible for the redundancy settlement under the following conditions:
- (i) Resigns voluntarily.
  - (ii) Is discharged.
  - (iii) Fails to return to work immediately upon completion of any Leave of Absence which may have been granted by the Company.
  - (iv) Attains 65 years of age.
4. Any regular employees laid off for any reason, who have been notified, in writing, by registered letter to their last known address to return to work, and who, within two (2) calendar weeks, have failed to do so without reasonable excuse, shall be considered to have resigned, and their existing seniority rights shall thereupon be terminated. When notice, as aforesaid, is sent to an employee, a copy thereof shall be delivered or mailed, concurrently, to the Chief Steward of the Union, or a designated alternate.
5. Job selections will be based on mutually agreed qualifications. Where more than one employee qualifies to perform the full requirements of the position, and where their qualifications are relatively equal, selections will be based on seniority.
6. Openings, as determined by the Company, which are expected to exceed thirteen (13) weeks, will be posted for ten (10) calendar days. Job class, rate, qualifications and Group will be stated in the posting. Interested employees may apply, in writing, using the form mutually agreed by the Job Selection Committee and supplied by the H.R. Department.
- (A) All job selections will be based on the following criteria:-
- Performance Memoranda.
  - Attendance record.
  - Disciplinary record.
  - Appropriate test results (mutually agreed tests).
  - Applicable restrictions.

- (B) The job selection procedure will be as follows:
- (i) The joint Job Selection Committee will consist of three (3) members of each party. This Committee will be responsible for the management of the selection process, the co-ordination of training opportunities to assist employees in upgrading to meet the testing requirements, and the maintenance of job descriptions as outlined in Article V, Clause 6 (D). They will also meet on an as needed basis to review the process and make mutually agreed recommendations for change.
  - (ii) A short list will be developed based on the following criteria:-
    - Performance Memoranda.
    - Attendance record (four (4) or less incidents).
    - Disciplinary record.
    - Applicable restrictions.

Note:- Attendance record, disciplinary record and performance memoranda will be based on the twelve (12) months prior to the posting closing date.
  - (iii) Equivalency Factor:- Employees, in the Resource Group, who have lost their posted job due to downsizing or medical reasons, and who meet the short list criteria, will be entitled to one job posting at their rate or lower within thirty-six (36) months of the date they lost their job, without being required to write the listed tests.
  - (iv) Applicants meeting the criteria outlined in clause 6 (B) (ii) will participate in the mutually agreed testing under the following conditions:
    - a) Basic Literacy and Numeracy tests will be applied to all posted jobs, as follows:
 

Literacy	VTS 1
Numeracy	NT 6.1
    - b) Applicants must achieve a minimum score of fifty per cent (50%) on each of the Basic Tests, referred to in a), to be selected to any posted position.

c) Additional tests will be applied to all posted jobs at KX-7 or above as follows:

Packing	MT 4.1	Processing	NC 2.1
	NC 2.1		VT 5.1
	VT 5.1		NTS 2
D/C;M/H	NWP 2		
	NTS 2		
	NC 2.1		

- d) Applicants must achieve an aggregate score of fifty percent (50%) on the required tests, referred to in c), with a minimum of forty percent (40%) on any individual test, to be selected to any posted position at KX-7 or above.
- e) Should no applicant achieve the required test scores, the job will be re-posted following the provision of a training opportunity for those employees interested in upgrading to meet the test requirements.
- f) Raw scores will be converted to percentage as follows:- a score of 19 correct answers out of 36 total questions would translate into 52.8%, a score of 18 correct answers out of 24 total questions would translate into 75%. For the balance of the tests, aggregate score will be calculated by totalling the number of correct answers from the tests involved and dividing that total by the total number of questions on the tests involved. The resulting number represents the candidate's aggregate score in percentage.
- g) Applicants meeting the agreed test requirements for that job will be considered relatively equal and the senior candidate in this category will be selected.
- h) Sample questions will be made available prior to the actual testing dates, upon request.
- i) Test results will be considered valid for three (3) years, unless an employee wishes to rewrite the test for a subsequent posting.
- j) All matters not defined herein are to be referred to the Selection Committee for mutual agreement and recommendation to the parties for endorsement.
- k) Each candidate will have their scores communicated to them, in confidence, by a member of the Selection Committee.

- l) Posting of the successful applicant will be considered as notification to all applicants of the outcome of their applications.
  - m) All job selections will be made within four (4) weeks of the posting closing date.
  - n) Successful applicants will be placed in their new job after their replacement (if required) is trained. In any event, the time will not exceed six (6) months.
- (C) (i) Employees accepting promotions or transfers, (defined **as** movement from one posted job to another) will, under normal conditions, be required to remain in the job to which they have been posted according to the following schedule:
- a) KX-10 and above      36 months
  - a) KX-8&9                      18 Months
  - b) KX-4, 5, 6, & 7            9 Months
- (ii) Employees accepting posted jobs from the Resource Group at the same rate of pay or higher will be subject to tenure as outlined above.
- (iii) Changes in technology/equipment, resulting in the creation of new jobs is recognised as an exception to "normal conditions" and Management will undertake to discuss with the Union such other exceptions as may arise through the term of this Agreement.
- (D) For all posted positions, there will be a current job description which will be reviewed and updated every two years by the Job Selection Committee. The purpose of the review is to determine whether the description accurately reflects the duties being performed by the incumbents with the understanding that determining job content is a Management right and responsibility.

7. Where the Company's Chief Medical Officer and the employee's personal physician have agreed, with the assistance of an I.M.E. and/or a F.A.E. where necessary, that an employee is physically unfit to continue performing their job, the Chief Medical Officer and/or Occupational Health Nurse will provide an assessment of the employee's physical capabilities to the site Human Resources Manager. Should the restriction in capabilities be considered temporary, the site Human Resources Manager, the Health Centre and the Department Production Manager will review and assign appropriate modified work.

Should the restriction in capabilities be regarded as permanent, the Union Executive and the Management Committee shall, by agreement, be at liberty to place such employee in any job within the employee's own Group on the same step or below, **or** in the Resource Group. Such placement will be based on the recommendations of the Health Centre as to the employee's abilities and that such employee has more seniority than the employee displaced. Employees so assigned shall be permitted to accept promotion to jobs approved by the Company's Chief Medical Officer provided the criteria in Article V, Clause 6, are adhered to.

If, in these matters, dissatisfaction with the opinion of the Company's Chief Medical Officer exists, it shall become a matter for discussion between the Union Executive and Management, but shall not be subject to the grievance procedure.

8. A promotion shall be defined as a move to a job paying a higher rate. A demotion shall be defined as a move to a job paying a lower rate. Employees have a special claim to a job which they have acquired through the provisions of this Article, and shall not be moved from it, except under the following circumstances:
- (i) A further move in accordance with the provisions **of** this Article.
  - (ii) The creation of a new job resulting from the elimination of two (2) or more present jobs, provided that the elimination of such jobs occurs within thirteen (13) weeks of the creation of the new job. In such case, only the persons on the jobs affected will be considered for the new position, except as concerns any additional employee who may be required.
  - (iii) The creation of new jobs as a product of departmental restructuring, which results in existing jobs being divided or altered. In such case, only the persons on the jobs affected will be considered for the new position, except as concerns any additional employee who may be required.

9. (A) Except for employees who are under physical restrictions, any employee failing to satisfactorily perform in a job shall be demoted from the step and shall be paid the step rate immediately below that step, shall lose the right to be promoted back to that step for a period of one (1) year. The demoted employee may continue to perform any function for which they are qualified, up to and including the rate at which they are being paid.
- (B) In the event that an employee withdraws from a job within twenty (20) days of assignment to that job, they shall be demoted from the step, shall be paid the step rate immediately below that step and lose the right to be promoted back to that step for a period of six (6) months. The employee may continue to perform any function for which they are qualified, up to and including the rate at which they are being paid.
- (C) In both instances, the demoted employee's rate of pay shall be reduced to the KX-4 rate twelve (12) months after the date of demotion, unless the employee has acquired a posted job during that period.
10. In the case of job moves, including resulting from failure, other than the inability to perform in the job, where the Company has no reasonable alternative for training a replacement, it is recognised that the employee is under a moral obligation to remain in the job, unless extenuating circumstances make the employee's immediate movement necessary. Where such an employee is retained to train their replacement, it will be for a period of time to be specified in each case. The move will take place immediately on paper but the employee will retain the rate for the job.
11. If an employee, occupying a posted job, is absent for any reason, except parental leave as defined in the E.S.A., for longer than the periods listed below, such employee shall return to the Resource Group, maintaining the pay rate applicable at the start of their absence. The employee shall perform any function for which the employee possesses the ability and which is within any physical restrictions that apply. The employee shall maintain their pay rate under the terms outlined in Schedule "B" or Schedule "A" whichever is appropriate.
- |                           |   |          |
|---------------------------|---|----------|
| KX-9 and above            | = | 26 weeks |
| KX-8                      | = | 22 weeks |
| Lowest posted job to KX-7 | - | 18 weeks |
12. It is understood that a discussion may take place at any time during the periods referred to in Clauses 11, and, based on the information available at that time, it may be mutually agreed to declare the employee's position vacant and that it be posted.

13. If an absent employee returns to their job for all regular scheduled work days, including the Sundays and paid Holidays in the extended shift pattern, for a period of fourteen (14) calendar days within the periods referred to in Clause 11, such employee shall return to their job. Always provided such employee possesses the ability and physical fitness necessary to qualify for the job.
  
14. The work of an absent employee may be performed by:
  - (i) An employee, on the same shift, already in the Department, on Lag from that particular vacancy.
  - (ii) A suitable replacement, on the same shift, without involving overtime work.
  - (iii) The employees occupying the same job on the preceding and following shifts, each of whom will work twelve (12) hours per day until a replacement as specified in (i) or (ii) can be assigned to replace the absent employee.

For jobs operating only eight (8) hours a day, items (i) and (ii) apply.
  
15. A “suitable replacement” shall be defined as an employee who can safely perform to the Supervisor’s satisfaction, the work of an absent employee.
  
16. The Company has the right to assign, to employees, other duties of a casual or general nature, such as painting, clean-up and minor repair, etc. This clause shall not apply to projects designated by the Company as capital expenditure involving outside contractors.

## ARTICLE VI

### TRADES SENIORITY

1. Employees holding jobs allocated to Trades Group shall be subject to the following:
  - (A) Employees assigned to a job in the Trades Group may apply for a vacancy on another job in the Trades Group and if selected by the Company to fill the vacancy, they shall retain their seniority.
  - (B) Vacancies on the jobs in the Trades Group, so designated by the Company and the Union, shall be posted in accordance with the job posting procedure outlined in Article V, Clauses 5 & 6 (not including Clause 6(C)), and employees will be selected by the Company, on the basis of such qualifications as may be agreed from time to time by the Company and the Union.
2. Should temporary or permanent lay-offs be required in the Trades Group, the procedures outlined in Article V, Clauses 2 & 3, for lay-off, will be utilised.
3. Should a Trades Group employee be absent for an extended period, the employee shall return to their former job, regardless of the length of absence, always provided the employee continues to possess the ability and has the physical fitness necessary to qualify such employee for that job.



## ARTICLE VII

### GENERAL

1. General seniority is used to apply vacation entitlement and, if all other requirements are met, seniority will be the qualifying factor.
2. Upon giving one week's notice to the Company, it is agreed that employees elected or appointed to do business for the Union shall be given a Leave of Absence without pay. The Leave of Absence shall not exceed fifty-two (52) days per year per elected official of the Union, exclusive of regular monthly meetings with the Company and Contract Negotiations. In the event that the Company finds it impossible to liberate any such employee or employees without disrupting the production arrangements of the Company, the Union shall nominate an alternate or alternates.
3. The means of determining Parental Leave will be done according to the related Clauses in the Employment Standards Act. Parental leave is an exception under Article V, Clause 12.
4. The Company will grant Leave of Absence without pay or benefits to employees elected to Public Office in Municipal, Provincial or Federal Governments provided:
  - (a) The period of leave is for one term of elected office;
  - (b) The employee requesting leave has seniority equal to or greater than the total period of leave granted;
  - (c) All pension and benefit rights are held in abeyance until the employee returns to work or unless the employee pays both the employer and employee portion of pension and benefit contributions;
  - (d) Leave of Absence for successive terms of office may be granted provided the above provisions are met. Seniority rights will accumulate during the first term of elected office only; they will not accumulate during successive terms.

5. The Company will co-operate in an endeavour to release any employee having two (2) years' service for the period required (maximum is twelve (12) continuous months) to enable them to enrol in a Company-approved course of full-time study at a recognised educational institution.

Such leave of Absence shall be without pay and all pension and benefit rights will be held in abeyance until the employee returns to work, unless the employee pays both the employer and employee portion of pension and benefit contributions.

In considering such leave for eligible employees, the Company will review:

- (a) Length of leave required;
- (b) Whether the employee can be spared;
- (c) Length of Company service;
- (d) Previous work, attendance and punctuality record;
- (e) Previous leaves;
- (f) Amount of notice given prior to commencement of leave being sought.

## ARTICLE VIII

### PROCEDURE FOR SETTLING GRIEVANCES

1. The parties hereto shall meet promptly, through their authorized representatives respectively, to discuss and adjust any dispute and/or grievance which may arise between the parties and such meetings shall be held on the Company's time.
2. Every effort shall be exerted mutually to adjust any and all grievances and/or disputes which may arise.
3. A Negotiating Committee (representing solely the employees of the Company), consisting of seven (7) members, all of whom shall be regular employees of the Company, shall be elected by the employees of the Company who are members of the Union, in a manner determined by the Union, and the Company shall be kept informed, by the Union, of the personnel of such Committee. At no time will the number be allowed to exceed seven (7). In addition, a member of the International Union of the Teamsters Chemical, Energy and Allied workers, I.B. of T. will be permitted to attend.
4. In any dispute or grievance arising out of this Agreement between the employee or employees and the Company, it is desirable that the employee or employees directly affected shall first discuss the matter with the Supervisor concerned. The Company may refuse a dispute or grievance unless the circumstances and conditions upon which it is based have originated or occurred within three (3) calendar weeks of its written presentation as a grievance.

5. If the employee or employees or the Union decide that the matter constitutes a dispute or grievance, it shall be settled within the designated times (i) - (iv) below, and by the following procedure:
- (i) A first step grievance meeting will be held within three (3) calendar weeks following a request for such a meeting;
  - (ii) A second step meeting will be held within three (3) calendar weeks following the receipt in Industrial Relations of the written second step request. In the event that the second step meeting is not held within the prescribed or agreed limit, the grievance will automatically proceed to the next third step meeting, unless the second step meeting can be held in the interim;
  - (iii) A third step meeting will be held within six (6) calendar weeks following the receipt in Industrial Relations of a written third step request.
  - (iv) These time limits may be extended by the written mutual agreement of the Manager, Industrial Relations and the Chief Steward.

First Step:

- (A) Subject to part (B), the aggrieved employee and such employee's Department Steward (or an alternate designated by the Chief Steward) meets with the Supervisor of the Department in which the aggrieved employee works and presents, in writing, such employee's grievance. The Supervisor shall deal with the grievance and deliver an answer, in writing, to the Steward not later than one (1) calendar week following the first step meeting.
- (B) When an incident that gave rise to the grievance, or the nature of the grievance is such that it can be more effectively dealt with by a Supervisor other than the Supervisor of the Department in which the grievor is working, then, with the agreement of the Manager, Industrial Relations and the Chief Steward of the Union, arrangements will be made to process the grievance with the more appropriate personnel.

Second Step:

If the decision of the Supervisor is not satisfactory to the employee concerned and/or the Union, a written request for a second step meeting shall be filed with the Supervisor within one (1) calendar week following the day on which the first step answer was delivered.

The second step meeting shall include:

- (i) The aggrieved employee.
- (ii) The grievor's Department Steward.(or an alternate designated by the Chief Steward)
- (iii) The Chief Steward.(or an alternate designated by the Union)
- (iv) The Supervisor of the Department in which the aggrieved employee works, subject to (B) of the First Step.
- (v) A representative of the next higher level of Manufacturing Management.
- (vi) The Manager, Industrial Relations or an Industrial Relations designate. The decision of the Company on the second step of the grievance procedure shall be delivered to the Chief Steward of the Union within one (1) calendar week following the second step meeting.

#### Third Step:

If the decision of the second step is not satisfactory to the employee concerned and/or the Union, a written request for a third step meeting must be lodged with the Industrial Relations Department within three (3) calendar weeks of the date on which the second step decision was delivered to the Chief Steward.

The third step meeting shall include:

- (i) The Union Negotiating Committee.
- (ii) The Management Negotiating Committee.
- (iii) May include additional Management representatives desired by Management.
- (iv) May include the Canadian Representative of the Teamsters Union or other representatives of the Teamsters Union, as desired by the Union.

Provided that the total number of Management representatives shall not exceed the total number of Union representatives.

The decision of the Company on the third step of the grievance procedure shall be delivered to the Chief Steward of the Union within one (1) calendar week following the third step meeting.

#### Fourth Step:

If the aggrieved party is not satisfied with the decision rendered at the last third step meeting, and if the matter constitutes a difference between Company and the Union as to the application, interpretation or violation of the provisions of this Agreement, the Union shall notify the Company, in writing, of their dissatisfaction within one (1) calendar week of the date the third step decision was delivered to the Chief Steward. If no notification of dissatisfaction is received, the grievance shall be considered as being settled at the third step.

In the event that such notice of dissatisfaction is given within the prescribed time limit, the matter may, at the demand of either party, be carried to the next higher step, providing notice of such action is given, in writing, within three (3) calendar weeks of the date of the third step meeting. If no such notice is given, the grievance shall be considered as being settled at the third step.

Once notice is given by either party of the desire to proceed to arbitration, the process must be initiated, either by application for an expedited arbitration or by appointment of member for an arbitration board, within one calendar month from the date of the notice. Should the process not be initiated within this time limit, the grievance will be considered abandoned at the third step.

In the event of an application for an expedited arbitration, a discussion will take place between the parties, prior to the application, to attempt to co-ordinate schedules and prevent further delays.

If such notice is given, a Board of Arbitration shall then be formed to judge the issue as presented, but shall not modify, enlarge or amend the Agreement.

The Board shall consist of one member appointed by the Union, one member appointed by the Company, and a third member appointed by such two, who shall be the Chairman. In the event that either party fail to appoint their member within one (1) calendar month of the date of the fourth step notification, the appointment of such member shall be made by the Minister of Labour for Ontario upon the request of either party.

The two members, appointed by the parties, shall appoint a Chairman within two (2) calendar weeks of the appointment of the second of them. If the two members, appointed by the parties, fail to appoint a Chairman within the time limits, the appointment shall be made by the Minister of Labour for Ontario, upon the request of either party.

The decision of such a Board of Arbitration shall be final and binding on both parties, but in the event that there is no majority decision of the Board, the decision of the Chairman shall be final and binding on both parties.

Each party shall bear the expenses of its own member and one-half the expense of the Chairman.

6. (A) Should Management fail to deliver their reply to the Union within the time limits prescribed in any step of the grievance procedure, the grievance will be presumed to have proceeded to the next step on the day following the expiry of the time limit in question.
  - (B) Should the Union fail to process a grievance to the next higher step in accordance with the prescribed times, the grievance shall be considered abandoned.
  - (C) In all instances, the time limits referred to throughout the grievance procedure, may be extended by the written mutual agreement of the Manager, Industrial Relations, or a specified designate, and the Chief Steward, or a specified designate.
7. Notwithstanding Section 48, Subsection 16, of the Labour Relations Act, the time limits referred to in Clause (4) and (5) shall be binding on both parties to this Agreement.
  8. The Company shall have the right to lodge a grievance against the Union. Such grievance shall be undertaken at the second step.
  9. The Union shall have the right to process a general policy grievance regarding the interpretation, application or alleged violation of the Collective Agreement, with reference to matters involving the employees as a whole. Such grievance shall commence at the second step.
  10. (A) The Company shall ensure that ~~an~~ employee is advised of his/her right to have a Steward present during any formal recorded disciplinary discussion, and will arrange for a Steward to be present, unless the employee requests otherwise.
  - (B) No notation concerning the misconduct or inefficiency on the part of an employee shall be placed in the Company's files without written notification to that employee and to the Chief Steward of the Union. Such notations shall concern only those incidents of misconduct or inefficiency which have come to the Company's knowledge within three (3) calendar weeks previous to the day on which the employee receives a copy of the notation.

11. In the event of an employee's refusal to perform work or 'to enter a work area that such employee deems to be unsafe, the Supervisor, together with the accredited Safety Representative, will assess the situation to determine the action to be taken. All rights and privileges established under the Laws of the Province of Ontario, in respect of Occupational Health and Safety, shall form part of this Agreement.
  
12. The Company agrees to notify the Secretary-Treasurer and Chief Steward of the Union, in writing, of the dismissal of any regular employee. Notice of dismissal to a regular employee shall be in writing and shall be given either personally (with the time limits starting on the date of receipt) or by registered mail (with the time limits starting on the day after the mailing date). If any regular employee is dismissed for any reason whatsoever, and feels that he or she has been unjustly dealt with, such employee shall, within seven (7) calendar days, notify concurrently, in writing, both the Secretary or Chief Steward of the Union and the Manager, Industrial Relations of the Company. The dismissal in question shall then constitute a grievance and shall be dealt with in accordance with the grievance procedure set out above, commencing at the second or third step. If, subsequently, it is decided that the employee was unjustly dismissed, such employee shall be reinstated in their former job and shall be compensated for lost wages and benefits.
  
13. There shall be no strike, slowdown or stoppage of work on the part of the Union or any of its members, or lock-out on the part of the Company during the life of this Agreement.

This Agreement will remain in force until June 30, 2007, and shall be renewed automatically for successive periods of one (1) year each, provided that either party may give to the other party (within thirty (30) days, but no more than sixty (60) days, prior to the expiration date of this Agreement), thirty (30) days' written notice of its intention to terminate or seek amendment to this Agreement.

Date of transfer of the assets of the facility is August 18, 2002.



IN WITNESS WHEREOF THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED BY THEIR DULY AUTHORIZED REPRESENTATIVES, THIS the 21<sup>st</sup>. DAY OF AUGUST, 2002.

FOR THE COMPANY:

Sanford Pensler  
President, Korex Don Valley ULC

Dave Armstrong  
H.R. Manager

Don Lem  
Manufacturing Manager

Stephen Price  
Manufacturing Manager

Steve Tovee  
Chief Engineer

John Bojkovski  
Finance Manager

Erwin Magsano  
Supply Integration Manager

FOR THE UNION:

Ralph Downing  
President, Local 132

Vince Beson  
Vice-president, Local 132

Tony Borg  
Secretary-Treasurer, Local 132

Hal Engelman  
Recording Secretary, Local 132

Greg Beaton  
Trustee, Local 132

Dave McKay  
Trustee, Local 132

Art Jessop  
Trustee, Local 132

## **SCHEDULE "A"**

Regulations governing plan for payment during disability for employees in the Bargaining Unit represented by Local 132 Teamsters - Chemical, Energy and Allied Workers

### **COST**

The full cost of the Plan is borne by the Company.

### **GENERAL, PURPOSE**

The purpose of the Payment During Disability Plan is to provide each regular employee with protection against a major loss of income due to absence from work as a result of illness or accident.

### **A - CONDITIONS**

In order to qualify for benefits under this Plan an employee must satisfy each of the following conditions:

1. Be a regular employee and have completed the necessary qualifying service **as** defined in "Benefits";
2. Be unable to attend work **as** a result of sickness or accident;
3. Notify the Company, at the earliest possible time, of his or her inability to attend work. Under extenuating circumstances, failure to comply with the preceding may be excused, but benefits shall not commence until the time and date a report is received by the Company. ("Notify the Company" shall mean contacting the Guard in the Gatehouse.);
4. File an application no later than the first normal working day of attendance following the absence. Applications to be filed at the Health Centre.

5. Medical supervision must be obtained from a qualified medical practitioner within seventy-two (72) hours of the first paid hour of absence from work;

Under extenuating circumstances failure to comply with the preceding may be excused, but benefits shall not commence until the time and date proper medical supervision is obtained. ("Qualified medical practitioner" does not include chiropractor, osteopath, naturopath, or chiropodist, unless the employee has been referred to them by a qualified medical practitioner).

6. If so required by the Company, the employee must produce a medical certificate from a qualified physician in a form satisfactory to the Company, which shall be subject to verification by the Company's Chief Medical Officer.
7. The employee must, if so required by the Company, agree to medical examination by a Doctor nominated by the Company.
8. Outside of the pregnancy leave period, pregnancy-related disabilities will be eligible for benefits.
9. In addition, the Company may refuse or terminate the payment of benefits where, in their opinion, the sickness, injury, or prolongation of absence is attributable to negligence or misconduct, or where they are not satisfied that the absence is genuinely attributable to sickness or injury of the employee.
10. The Company shall deduct from the benefits payable, the amount of any contribution or payment which would have been deductible from the employee's wages had he or she been at work, and to pay such amount to the appropriate authorities on behalf of the employee.
11. The employee shall not take other paid work while in receipt of benefits.
12. No employee will be entitled to benefit for a disability arising out of, or in the course of employment with another employer.
13. Any employee who obtains benefit under this Plan for absence from work due to disability, and receives compensation from a Third Party for such disability, shall remit such compensation to the Company, up to a maximum of the benefit paid under this Plan, providing, however, that such compensation does not stem from a personal disability policy for which the employee or the employee's agent has paid the premium.

14. Entitlement to benefits under the Plan shall cease automatically upon termination of employment. Accordingly, an employee under notice shall receive benefit only until the expiration of the period of such notice, or of the period of benefit as defined below, which is the lesser. An employee, who happens to be receiving benefits under the Plan when such employee reaches retiring age, will not be entitled to any further benefit after retiring, even though that employee's entitlement under the provisions of this Plan has not been exhausted.
15. The Company's decision as to the interpretation of the provisions of this Plan shall be final.

#### B - BENEFITS

Subject to the conditions set out above, **an** employee of record as of the date of transfer of ownership of the assets of the facility who is absent from work **as** a result of sickness or accident will, in lieu of wages, receive up to twenty-six **(26)** weeks of benefits.

Effective with the date of transfer of ownership of the assets of the facility, the payable benefit will be at a rate equal to sixty-six and two thirds per cent **(66 & 2/3%)** of the employee's basic earnings, exclusive of any overtime or bonus payments.

The benefits shall include, in their calculation, the waiting period described below:

Waiting Period:

Such benefits shall commence:

(i) On the first scheduled regular work day following three (3) consecutive scheduled work days for that employee during all of which that employee was absent.

(ii) In cases where an employee is hospitalised overnight, benefits will commence on the first scheduled regular work day, without a waiting period, provided appropriate documentation is forwarded to the Company confirming the employee's overnight hospitalisation.

#### C - EXCEPTION

1. Any employee who qualified for benefit, due to overnight hospitalisation, **as** per above, or for other medical conditions supported in writing by the Chief Medical Officer, and who returns to work for a period up to and including five (5) working days, and is again required to be absent from work as a result of the same illness, shall not be required to serve another waiting period, therefore, benefit will commence from the first (1st) day of absence.

#### D - OPERATION

The period for which an employee is entitled to receive normal and/or reduced benefits in respect of any period of absence will be calculated by reference to the employee's seniority on the day on which the absence starts, but any period during which the employee has received benefits under the Plan, or any previous Plan in the twelve (12) months immediately preceding that day, will be counted against the employee's entitlements.

#### E - TEMPORARY PARTIAL DISABILITY

Employees who, because of a partial disability, are temporarily assigned to a job paying a rate lower than the rate for their normal job, will receive their normal job rate for a period of one (1) year and the differences in rates will be charged on a pro-rata basis against any outstanding entitlement as calculated under provision D (Operation) above. However, the Company reserves the right to withhold or discontinue such benefits, where, in its opinion, the employee no longer requires such protection or the partial disability is unlikely to prove temporary.

SCHEDULE "B"

JOB CLASSIFICATIONS	PART 1	PART 2
	Negotiated Pay Rate Schedule for Current Employees (covers employees of record as of the date of transfer of the assets of the facility)	Negotiated Pay Rate Schedule for New Employees (covers employees hired subsequent to the date of transfer of the assets of the facility)
Effective for period	August 18, 2002 to June 30, 2007	See below Note 5, and Note 6.93
<p style="text-align: center;"><b>KX-13</b></p> Electro-mechanical Technician Instrumentation/ Electrical Technician	<b>\$29.89</b>	<b>\$28.00</b>
<p style="text-align: center;"><b>KX-12</b></p> Mechanical Technician Electrical Technician	<b>\$29.14</b>	<b>\$27.68</b>
<p style="text-align: center;"><b>KX-11</b></p> Electronic Electrician (with Mech. M/S) 1st Class Stationary Engineer Auto Machinists (with Elect. M/S) Industrial Mechanics (with Elect. M/S) HVAC Technician (with Elect. M/S) Shop Mech. Tech. (with Elect. M/S)	<b>\$28.40</b>	<b>\$25.62</b>
<p style="text-align: center;"><b>KX-10</b></p> Electronic Electrician Industrial Mechanic Auto-Machinists Sulphonation Operator TPM Facilitator	<b>\$27.72</b>	<b>\$23.56</b>
<p style="text-align: center;"><b>KX-9</b></p> NSD Manufacturing Operator Blow Moulding Operator Raw Materials Operator Liquid Manufacturing Operator 2nd Class Stationary Engineer	<b>\$27.02</b>	<b>\$21.50</b>

<b>KX-8</b> DEFI Manufacturing Operator DEFI Packing Operator Liquids Packing Operator (Lines #3 & #4) Blow Moulder/Trimmer Op. (3rd floor) NSD Packing Operator NSD Manufacturing Assistant/Relief Warehouse Operator Material Handler/Receiver Fork Lift Mechanic Site Services Operator	<b>\$26.33</b>	<b>\$19.67</b>
<b>KX-7</b> NSD Manufacturing Assistant NSD Packing Cleaner/Relief Site Services Maintenance Stores Carpenter/Utility Blow Moulding Utility Tablets Operator	<b>\$25.65</b>	<b>\$17.84</b>
<b>KX-6</b> Perfumery Operator Painters Relief/Utility - Distribution	<b>\$24.97</b>	<b>\$16.24</b>
<b>KX-5</b> Case Forming (Liquid Packing) (c/o's) Production Material Supply	<b>\$23.61</b>	<b>\$14.94</b>
<b>KX-4</b>	<b>\$22.20</b>	<b>\$13.64</b>
<b>KX-3</b> Shipping Yard Worker Bulk Liquid Filling Operator	<b>\$20.00</b>	<b>\$12.34</b>
<b>KX-2</b> Bundle Pack Operator Bag Packing (NSD or DEFI) NSD Packing carton feed (racker)	<b>\$17.50</b>	<b>\$11.69</b>
<b>KX-1</b> All current Schedule "D" duties NSD Manufacturing Cleaner Bottle Inspector	<b>\$15.00</b>	<b>\$11.04</b>



- NOTE:
1. It is understood that this rate schedule has no bearing on the group structure outlined in the Collective Agreement.
  2. Employees whose job rates have been reduced as a result of the 1998 negotiations will be retained on their job and will have their skill rate maintained.
  3. Once an employee has achieved KX-4 or higher, their rate cannot be reduced below the KX -4 rate by any means, including the provisions of Article II of the Collective Agreement. The only exception to this is an employee being paid KX -4 or higher who accepts a posting at the KX -3 or KX -2 rate of pay. In this instance the employee will have their rate reduced upon assignment to the new position.
  4. It is understood that the jobs listed in schedule "D" are not subject to Article II of the Collective Agreement.
  5. The Company will increase these Schedule B Part 2 hourly pay rates annually by up to the rate of increase of the Consumer Price Index provided the Company is profitable in the preceding calendar year. If the Company is not profitable, the Union will be provided with the page of the Company's Revenue Canada Filing supporting this position
  6. During the term of this Agreement, the maximum pay rates for ~~Part~~ 2 job classifications will be the pay rates specified for the equivalent ~~Part~~ 1 job classifications.

## SCHEDULE "B" ADDENDUM

1. Employees, who acquire the necessary skills and demonstrate the ability to perform at a rate category higher than that of their listed job, will be paid at the higher rate. Once **an** employee has established a rate of pay through training or the job selection procedure, that rate of pay will only be reduced under the following conditions:
  - (i) Failure from the job.
  - (ii) Successful application for a job at a lower rate. (This only applies to those employees who are posted to a job at the higher rate)
  - (iii) Permanent medical placement.
  - (iv) Refusal by **an** employee to exercise the skills for which he/she is receiving the skill rate.

It is understood, however, that selection for training will be based on qualifications, and that training time for such upgrading will be provided at the Company's discretion.

## SCHEDULE "C"

### LAG

#### 1. PURPOSE

The purpose of Lag is to return trained personnel to posted jobs from which they have been displaced for any reason. Their right to return to such jobs is protected for a period equal to the tenure of said job, during which time the employee is obligated to return to the job should they be required. For those jobs with no tenure, the Lag period will be four **(4)** weeks.

#### 2. QUALIFICATIONS

To qualify for Lag from a position, an employee must have acquired a posting and have completed their training, or twenty (20) weeks have passed since the date the employee acquired the posting, whichever is first.

#### 3. RETURN TO JOB LAG

- (A) Employees will be returned to their job if, during the Lag period, their services are required on their job. Their Lag will be extended by the number of days they perform in the job.
- (B) In order to re-qualify for the full Lag period, the Lag employee must return to their job and fill an additional position for four **(4)** weeks.
- (C) In general and to the extent practicable, normal shift rotation will be maintained during the Lag period. If any Lag personnel are to be retained in the department on other jobs, deferrable or otherwise, the senior employees on Lag shall be retained where practical.
- (D) The Lag of an employee will be terminated if, during the lag period, they accept a posting to another job.
- (E) Employees will be placed on Lag from a Department using the same criteria outlined in Article V, Clause 2(B) for Temporary Layoffs.

## SCHEDULE "D"

### SUPPLEMENTARY LABOUR GROUP

1. Except for those issues covered in this document, employees covered by this schedule will be governed by the terms and conditions of the Collective Agreement.
2. Employees covered by this schedule will be those employees receiving the KX -1&2 rates of pay.
3. All employees who are currently at the KX -3 rate or above, or who achieve the KX -3 rate or above in the future, cannot have their rate reduced below the KX -3 rate, except as provided in Note #4 of Schedule "B".
5. The maximum number of employees allowed under this schedule is 50.
6. Duties to be performed by employees covered by this schedule will be restricted to the following:

- (a) KX -1 (assigned jobs)

Customised/Display Pallets  
Slip Sheets  
Tray Packs  
Hand Dumping/feeding Bottles  
Hand Packing Product  
Bundle Pack Helper  
Refurbishing Product  
Hand Palletising Product  
Bottle Inspection  
Cleaner - NSD Mfg.  
Janitorial

Equipment cleaning:- when zero energy state has been applied by a fully trained operator and the KX -1 employee applies their own lock

General Housekeeping:- (i.e. sweep, shovel, mop, scrape floors, stairs, washrooms, windows, walls, light fixtures, shipping bays, and outside surfaces of storage tanks, etc.)(also, may assist, but not replace, the painters)

NOTE 1: After the required training, hand transporters, the floor cleaner and the stretch wrapper will be allowed, when associated with the above duties.

NOTE 2: The duties listed in this clause may also be performed by regular employees when appropriate. (e.g., modified duty, LAG, etc.)

(b) KX -2 (via Posting)

Bundle Pack Operator  
Carton Feed - NSD Pkg.  
Bag Packing - DEFI or NSD

NOTE 1: After the required training, non-riding moving equipment, the floor cleaner and the stretch wrapper will be allowed, when associated with the above duties.

NOTE 2: The duties listed in this clause may also be performed by regular employees when appropriate. (Not to replace a posted employee, but as relief or for temporary increases in production demands, except in the case of reduction of employees in a department, in which case Schedule "C" would apply)

7. All new employees hired into the Manufacturing Group will be employed under the terms of this schedule. The only exceptions to this will be as follows:

- a) If the requirement for new hires into the Manufacturing Group exceeds the number of employees in the Supplementary Labour Group.
- b) If employees in the Supplementary Labour Group are unable to meet the minimum requirements, as defined in the job selection procedure.

Promotions, as defined in the Collective Agreement, from the Supplementary Labour Group to the Manufacturing Group will only occur via the job selection procedure.

Employees covered by this schedule will have preference for promotion, as defined in the Collective Agreement, over any new hires, provided they meet the minimum requirements, as defined in the job selection procedure.

8. All vacancies, as determined by the Company, which are expected to exceed thirteen (13) weeks, at the KX -3 rate or higher will be posted.

SLG employees will be eligible to apply for those vacancies provided no eligible employee at KX -3 rate or higher has met the minimum requirements, as defined in the job selection procedure. Eligible SLG employee applications to those vacancies will be considered under the job selection procedure.

The three (3) General Service janitor positions will be utilised to provide modified duty for regular employees when none is available in their normal department. In the event no employee requires modified duty under those conditions, the janitor positions will be filled with SLG employees.

Vacancies at the KX -2 level will be posted according to Article V, Clauses 5 & 6, and all employees will be considered eligible for those positions.

9. The hours of work for employees covered by this schedule will be eight (8) hour shifts, as defined in the Collective Agreement, on five (5) consecutive days in any week they are scheduled. (The week being defined as Monday "A" to Sunday "C")

Hours worked in excess of forty (40) in any week will be considered overtime and will be paid at time and a half (1&1/2X). Hours worked on a Sunday (except for employees scheduled to work a Sunday as part of the 18-21 shift pattern) or on a statutory holiday will be paid at double time (2X). SLG employees who are scheduled to work Saturdays in their normal five (5) day rotation will receive one and one half (1 & 1/2X) pay for hours worked on Saturday.

SLG employees will be offered the opportunity to participate in departmental eighteen (18) - twenty-one (21) shift patterns on the basis of seniority, and/or postings.

Should the services of the SLG employees be required in a department which is working the alternative shift pattern; the SLG employees may be incorporated into that pattern according to the guidelines within the shift pattern language. In this instance, the SLG employees not on posted jobs will be offered the opportunity to work on the pattern on a seniority basis and would be paid according to the shift pattern agreement.

**SCHEDULE "E"**

**LETTER OF UNDERSTANDING**

**RE: SIX DAY OR 18-21 SHIFT PATTERN**

1. The Company has the right to schedule the four (4) crew shift pattern dated July 10, 2001, as required by the demands on the business.
2. The notice period for withdrawal from this shift pattern will be four (4) weeks.
3. This letter can only be dissolved prior to its expiration by mutual agreement between the parties.
4. During the term of this letter, shift pattern language in Schedule "F" can only be altered by mutual agreement.
5. This understanding replaces Article III, Clauses 2, (A) & (B), for the term of the Agreement.

## **SCHEDULE "F"**

### **ALTERNATIVE SHIFT AGREEMENT**

**for a**

### **FLEXIBLE 18-21 SHIFT PATTERN**

1. The purpose of this agreement is to provide a socially acceptable shift pattern for eighteen (18) - twenty-one (21) shifts per week which fulfils the needs of the employees and meets the demands on the Business, in accordance with the Philosophy and Values.
2. This agreement will apply to all employees who are required to work on an eighteen (18) - twenty-one (21) shift schedule.
3. Employees will work either twelve (12) hour shifts, or a combination of eight (8) and twelve (12) hour shifts, on a continuous shift rotation, as shown on the attached schedule. The shift pattern will start at 6:30 p.m. on Sunday and end at 6:30 p.m. on Saturday for the purpose of pay and schedule applications.
4. Withdrawal from this shift pattern will require a minimum notice period of four (4) weeks. If such withdrawal does not occur at the end of a rotational cycle, any bonus payments will be pro-rated for the period worked.
5. Payment for the twelve (12) hour shift pattern will be as follows:
  - a) Regular Time
    - All hours worked as part of the regular six (6) day or eighteen (18) shift schedule (four (4) or five (5) crew) will be paid at the rate of forty (40) hours per week.
    - With mutual agreement, a department may opt for a five (5), six (6) or seven (7) crew rotation with a two-thirds (2/3) majority vote. In which case, the payment for the five (5) day, eight (8) hour/day portions of the six (6) or seven (7) crew rotations would be paid at forty (40) hours/week.



- b) Overtime (1 & 1/2 time)
  - All hours worked in excess of forty (40) in any week, except as provided in clause 5, c). For the purposes of this clause, thirty-six (36) hours worked as part of the 18- 21 shift pattern will be considered equivalent to forty (40) hours.
  - All hours worked on any Sunday any employee on the 18-21 shift pattern is scheduled to work overtime **as** part of the shift pattern according to clause 14(a) of Schedule F.
  
- c) Double Time
  - All hours worked on any Sunday an employee is called in for unscheduled overtime.
  - All hours worked on a Statutory, Public, or Selected Holiday.
  
- d) When an employee works Monday-Friday, eight (8) hours/day, all overtime hours will be paid **as** per the Collective Agreement.
  
- 6. a) Employees will not be scheduled to work more than one (1) off-day per calendar week until all available employees have been scheduled to work at least one (1) off-day. If all available employees have worked at least one (1) off-day, and an employee is scheduled by the Company to work a 2nd off-day, that day will be voluntary.

It should be understood, however, that all Sundays and Public/Selected Holidays scheduled within the parameters outlined in item #7 and #14 will be considered mandatory
  
- b) Employees agreeing to work another employee's overtime must understand that they will only receive payment equivalent to the original employee's entitlement.

## 7. Statutory or Selected Holidays

- a) It is the intention of the Company to suspend operations for twenty-four (24) hours on these holidays. The shutdown will occur from 6:30 p.m. the evening prior to the Holiday until 6:30 p.m. on the Holiday.
- b) Should employees be required to work on those Holidays, they will be scheduled, at least one (1) week in advance, according to the normal shift rotation, and the hours worked will be considered overtime. Failure to give appropriate notice will result in the overtime being voluntary. The first shift to be worked in this instance will be the "D" shift and employees who are scheduled will have the option of finding a suitable replacement.
- c) Employees, whose shift rotation schedule includes one of the twelve (12) hour overtime shifts and they are required to work, will be paid their regular base pay, plus double time for the time worked on the Holiday. In addition, they will be entitled to twelve (12) hours lieu time, which will be scheduled according to the Lieu Day Agreement. All employees, whose shift rotation schedule does not require them to work one of the twelve (12) hour overtime shifts, will receive eight (8) hours holiday pay in addition to their regular base pay.
- d) Employees scheduled to begin work at 6:30 p.m. on those Holidays will be paid double time for the first four (4) hours of the shift, and will not be entitled to Lieu time. In the event operations were suspended for the Statutory Holiday, the Company has the right to start the "N" shift at 10:30 p.m., which would eliminate the four (4) hours of double time. These four (4) hours would be scheduled in the same manner as overtime.
- e) If the scheduled employee gives the overtime away, their regular base pay will not be affected, but they will not be entitled to a lieu day. The employee working the overtime, in this instance, will receive twelve (12) hours at double time, eight (8) hours Holiday pay, and one Lieu Day, in accordance with the Lieu Day Agreement.

8. Vacation

- a) Vacation must be scheduled in blocks of three (3) shift when on the twelve (12) hour portion of the shift pattern, and employees will be guaranteed the scheduled days off in the calendar week of the scheduled vacation.
- b) Vacation will be charged on the basis of scheduled hours during that calendar week and will be paid on the basis of the standard weekly payment.
- c) Vacation that are taken in week #1 of example below will be guaranteed “d” shift of week #4 off.
- d) Vacation that is taken in week #4 of example, below will have the option of working the “d” shift, provided that they have notified their Supervisor before the Vacation period begins.

Example:

Week	M	T	W	T	F	S	S
1.	D	D	D				
2.					N	N	N n
3.					D	D	D
4.	N	N	N				d

9. Sick Pay

- a) Sick pay, for individual days, will be paid on scheduled hours which are part of the regular shift rotation.
- b) Sick pay for a block of three (3) - twelve (12) hour shifts will be equal the weekly payment referred to in clause #5(a), provided the employee has no waiting period. Employees will lose the entire weekly payment referred to in clause #5(a) if their waiting days encompass an entire block of three (3) shifts, and will lose twelve (12) hours for each single waiting day.

10. Lieu Days

Lieu days will be managed according to the existing agreement between the parties.

11. Meal Periods

- a) Employees will be entitled to two (2) - thirty (30) minute meal periods during a twelve (12) hour shift.
- b) In any event, employees will not be required to work more than five (5) consecutive hours without a meal period.

12. Employees have the right to mutually switch shifts/days provided:

- a) The appropriate Area Manager has been notified and the replacement employee is a “suitable replacement”.
- b) No employee works more than twelve (12) consecutive hours or more than sixty (60) hours in a week as a result of the switch.
- c) Any employee who is switching shifts, and who has worked twelve hours, has had at least twelve (12) hours off between shifts.
- d) There is no additional cost to the Company as a result of the switch.
- e) If the switched shift is to be paid back, the pay-back shift must be indicated at the time the switch is requested.
- f) Should the employee owing the shift be absent on the pay-back shift, the right to switch shifts will be withdrawn for a minimum of three (3) months. Once the right is reinstated, a second occurrence would result in withdrawal of the right indefinitely.

13. Coverage Regulations

Each Department will develop guidelines for the provision of coverage for scheduled and unscheduled absences, understanding that, in every instance, the requirement for overtime is at Management’s discretion. In the absence of department specific guidelines, the following will apply:

In the event an employee working on the eight hour portion of the rotation is re-allocated to cover an absent employee for the complete calendar week, the employee will be paid the standard weekly payment for the pattern.

For unscheduled vacancies, the following will apply:

- a) Operate with reduced crewing. (not cover the vacancy)
- b) A suitable replacement, without involving overtime.
- c) A suitable replacement on the shift, on the basis of low overtime hours.
- d) Re-allocate suitable replacement to the vacancy, on the basis of low overtime hours.

- e) Call-in from off days using the following criteria:
  - There will be a volunteer list of employees who wish to be considered available for call-ins from their off days. The list will be in effect for the designated four (4) week cycle, beginning at 6:30 p.m., Sunday
  - For scheduled overtime, if required, employees will be scheduled from the volunteer list, on the basis of low hours, to a maximum of one off day per off-period. Should there be insufficient volunteers, employees will be scheduled, on the basis of low hours, to a maximum of one off-day per calendar week.
  - For unscheduled vacancies, volunteers will only be required to work one off-day in any off-period, unless the Area Management is unable to contact an employee who has not worked.

#### 14. Scheduled Overtime

- a) Notice for scheduled overtime must be posted a minimum of twenty-four (24) hours prior to the end of the employee's last shift in that work period.
- b) In the event it becomes necessary to schedule work Sunday, the "n" shift will be the responsibility of the operator who worked the Saturday "N" shift, and the "d" shift will be the responsibility of the operator scheduled for "D" shift on Monday.
- c) The first overtime shift that will be scheduled on this pattern will be Sunday "D" shift.
- d) In all cases, employees have the option of giving overtime away to a suitable replacement, provided overtime limits are not exceeded.
- e) When an employee has been scheduled for "n" or "d" shift they will be considered as having met their requirement for mandatory overtime for that week.
- f) Should an employee be scheduled to work as per Schedule "F" clause 14, b) and the overtime shift is cancelled, the employee will be offered alternate work on the same day as the original shift was scheduled.

15.     Unscheduled Overtime

- a)     There will be a volunteer list of employees who wish to be considered available for overtime on their off-days. The list will be finalised on Tuesday day shift and will be in effect for the designated four (4) week cycle, beginning at 6:30 p.m., Sunday
- b)     When suitable replacements are unavailable without involving overtime, unscheduled vacancies will be filled using the volunteer list. Volunteers will be called or scheduled beginning with the lowest year-to-date overtime hours.
- c)     In the event that insufficient volunteers are available, employees will be scheduled beginning with the lowest year-to-date overtime hours.
- d)     In any event, employees will not be permitted to work more than sixty (60) hours in a calendar week, or more than twelve (12) hours in a day, except in the case of emergency.
- e)     In the event **an** unscheduled vacancy arises near the end of a shift, **an** employee may be asked to stay for one (1) hour while arrangements are being made to provide coverage, however, coverage beyond the one (1) hour will only be required for **an** emergency as defined in Article I, Clause 21.

16.     Employees not holding posted positions in the department (Resource Group, SLG), who are required to work this shift pattern, will be assigned for a minimum of two (2) weeks.

17.     Disputes should be resolved through discussions within the department, which could result in suggested modifications or amendments to the agreement. Those suggested modifications or amendments would have to be approved by both parties to be implemented.

This agreement shall be in force until either party chooses to withdraw in the appropriate manner.

## **SCHEDULE "G"**

### **LETTER OF UNDERSTANDING**

#### **RE: OVERTIME ALLOCATION**

##### **1. GENERAL**

1. The decision regarding the necessity to cover a vacancy, in any circumstance, shall rest with the Company.
2. The applicable sections of the Employment Standards Act, with respect to hours of work, allowable overtime, limits, and emergencies, must be adhered to at all times.
3. For the purpose of this understanding, it is agreed that the allowable hours on a weekly basis will be sixty (60) hours worked. (sick days, vacation days less than a week, and overtime hours which are given away will be considered as worked)
4. It is understood that there is a mutual responsibility between the Union, Company, and the employee to adhere to the weekly limits.
5. If the scheduled overtime requirements in any week, for a particular employee, exceed the allowable limits, the qualified employee with the second lowest cumulative overtime hours shall be responsible for the hours which exceed the limits. It is also understood that an employee must be able to complete the entire requirement, or the next lowest employee will be scheduled.
6. This understanding represents the only interpretation of overtime allocation, and no departmental agreements or understandings will be allowed. The only exception will be provisions embodied within seven-day shift pattern agreements, which have been approved by both parties.
7. Employees and Area Managers in any department shall share the responsibility for ensuring that all overtime is allocated in accordance with this understanding.



8. The cumulative overtime hours list shall be based on the previous week's payroll record, plus any hours, which have been given to a suitable replacement. This list shall be posted in each department by 3:00 p.m. on Tuesday of each week, and will apply to all overtime which is to be allocated during the following Saturday "A" shift to Friday "C" shift, inclusive.
9. In the event an employee gives their assigned overtime to an approved suitable replacement, both employees will be charged with the assigned hours for the purposes of the cumulative overtime hours list. Mutual switches of overtime hours within the same calendar day will not be double charged.
10. Cumulative overtime hours will be considered to be plantwide. This means that an employee will carry his/her own hours at all times, including mutual switches and department to department.
11. Provided the cumulative hours list and the overtime requirements are posted within the specified time limits, overtime allocations, which are unchallenged by 12:00 p.m. on the regular day (Mon. - Fri.) prior to the requirement, will be considered to be correct.
12. Overtime allocations, which are challenged within the time limits, are not corrected, and subsequently found to be in error, will be paid.
13. In the case of Tradespeople, a tradesperson will have the right to work the overtime required to complete work which is in progress, provided the overtime is a continuation of the shift on which the work began. Tradesperson will not have the right to complete work, which continues beyond the allowable hour limits on any given day.
14. Where two or more employees have equal cumulative overtime hours, overtime will be assigned to the senior of those employees.

## 2. SCHEDULED WEEKEND OR HOLIDAY OVERTIME

1. The requirement for weekend or holiday overtime will be posted at least thirty-six (36) regular hours in advance of the requirement, stating the expected number of hours, the expected shifts, and the required crewing.
2. Failure to post overtime requirements within the time limits will result in the overtime being considered voluntary, with suitable volunteers being solicited from the shift required on the basis of lowest cumulative overtime hours. Should insufficient volunteers be obtained from the shift, suitable volunteers may be solicited from the department, then plantwide, on the basis of availability and lowest cumulative hours.
3. Overtime work will be scheduled for the first available shift, wherever possible, however, circumstances may require overtime to be scheduled otherwise, at the Company's discretion.
4. Employees will be scheduled, for overtime requirements, on their normal shift rotation the basis of their suitability for the required **work**, and the lowest cumulative overtime hours. In areas where more than one employee, on the same shift, has the same skill level, the overtime shall be the responsibility of the employee at that skill level with the lowest cumulative overtime hours.
5. Normally the employee with the lowest cumulative overtime hours will be scheduled for the first available overtime hours, which will bring their weekly hours to sixty (60). However, when an employee is scheduled for Saturday or Sunday overtime which will bring his/her weekly hours to sixty (60), any overtime requirement arising after the weekend schedule is posted will be allocated to the next lowest employee, provided that employee's total hours will not exceed sixty as a result.
6. Employees always have the option of soliciting a suitable replacement for any overtime work.
7. To be eligible for weekend overtime, or Public Holidays, which occur during the Tuesday - Friday period, an employee must have worked the regular day preceding the requirement. The only exceptions to this condition are Union Business, or attendance at pre-approved Company business.

8. If an employee is off on a Friday, he/she will not be eligible for Saturday or Sunday overtime and, Holidays which continue from the Sunday (e.g. Xmas week, May 24, Labour day, etc.), the employee must inform the Company of their availability prior to 12:00 p.m. on the preceding Friday. In addition, the employee must not be scheduled for vacation on the day immediately following the overtime requirement.
  
9. **An** employee will be responsible for the overtime requirements on the Saturday and Sunday prior to their vacation period, but will only be eligible for the overtime on Holidays which continue from the Sunday of the week following their vacation. An employee who has booked a week of vacation (Monday – Friday) will be considered unavailable for overtime on said holiday unless they have made suitable arrangements with their Area Manager prior to the scheduling deadline before their vacation period. It is also the employee's responsibility to call-in for their overtime schedule in these circumstances.
  
10. Should **an** employee fail to attend work for a scheduled overtime shift, the resulting vacancy will be filled using the criteria for unscheduled vacancies in the Collective Agreement.
  
11. The Saturday "C" shift of the Continental Shift Pattern will be scheduled according to the these guidelines.
  
12. Should scheduled weekend or Holiday overtime be cancelled for any reason, it will be the responsibility of the Area Manager to notify the scheduled employees of the cancellation.
  - (a) If twenty-four (24), or more, hours notice of cancellation is given, scheduled employees will not attend work and will receive no compensation.
  
  - (b) If less than twenty-four (24) hours notice is given, the employee will be given the option of attending work of the scheduled hours and alternative duties will be provided. Should the scheduled employee choose not to attend work, the employee will receive no compensation.

- (c) Should the employee choose to attend work under the circumstances of paragraph (b), the employee will not be permitted to solicit a suitable replacement for those hours.

**3. UNSCHEDULED OR SCHEDULED VACANCIES**  
(During regularly scheduled shift patterns)

1. When coverage is deemed necessary by the Company, unscheduled or scheduled vacancies during regularly scheduled shift patterns shall be filled in accordance with Article V, Clause 14, of the Collective Agreement.
2. In the event overtime is deemed necessary to cover the vacancy, employees will be scheduled on the basis of their suitability for the required work, and the lowest cumulative overtime hours. In areas where more than one employee, on the same shift, has the same skill level, the overtime shall be the responsibility of the employee at that skill level with the lowest cumulative overtime hours.
3. Those employees, designated with the responsibility for the overtime, have the option of soliciting a volunteer replacement suitable to the Area Manager.
4. A suitable replacement is defined in the Collective Agreement. (Article V, Clause 15)

## **SCHEDULE "H"**

### **LETTER OF UNDERSTANDING**

#### **RE: UNION SAFETY REPRESENTATIVE**

This letter of understanding will be in effect for the term of the Collective Agreement,

1. The Safety Representative of the Union must be a regular employee of the Company and a member of Local 132.
2. He/she will work primarily "B" shift, but may, from time to time, be required to attend work during "C" or "A" shift for the purpose of investigation, meetings or training. He/she also may be used for some vacation or absence relief purposes on their posted job, provided their skills are maintained and the relief requirements do not interfere with other agreed activities.
1. He/she will receive their posted job rate, plus a premium of \$1.00 per hour on all hours paid.
4.
  - a) Except in the case of a Tradesperson, the resulting vacancy will be filled with a temporary relief posting. The successful candidate would fill the role for the period of time the Safety Representative maintains their role. Should the Safety Representative return to their posted job on a full time basis, the temporary relief person would be placed on LAG.
  - b) In the case of a Tradesperson, the Tradesperson would be placed on "B" shift to perform vacation and absence relief, as well as special projects. The resulting vacancy will either not be filled, or will be assigned to the junior available Tradesperson with the appropriate skills. All other terms herein would apply to the Tradesperson.
  - c) If the Union Safety Representative did not have a posted position, he/she will return to the Resource Group.)
5. He/she will report to the SHE Manager, or designate.

6. He/she will be expected to attend meetings, training sessions and participate in the safety investigations, as determined by the SHE Manager, and will be paid as per the Collective Agreement.
7. The Company will provide whatever training it deems appropriate with regard to the certification of the Union Representative, and other training as may be required by the Company from time to time. In addition, the Company will provide leaves of absence for the Union Representative to attend any training with regard to Health and Safety that the Union wishes to provide for their member.
8. The Company recognises and respects that the Union's Safety Representative has certain responsibilities under the Occupational Health and Safety Act and will endeavour not to ask that representative to perform functions, which are in conflict with those responsibilities. However, the Union's Safety Representative also recognises that they have responsibilities to the Company for the promotion of responsible Safety behaviour which are separate and distinct from their responsibilities under the Act.
9. The job duties will include:
  - a) All duties outlined in the Occupational Health and Safety Act.
  - b) Assist in the conducting of accident, incident, and near miss investigations, as well as departmental safety audits and safety meetings.
  - c) Assist in conducting of the Safety training program modules.
  - d) Actively promote attendance of all Union Members at the Safety training program modules.
  - e) Actively pursue the correction of all unsafe conditions throughout the facility.
  - f) Actively pursue behaviour changes in the workforce, which will reduce the number of unsafe acts.
  - g) Actively promote the concept that Safety is everyone's responsibility, and there is no excuse for an unsafe act.
  - h) Provide guidance to the Departmental Safety Representatives in the promotion of safe work habits in the department, as well as assistance in the co-ordination of departmental safety meetings.

- i) Conduct quarterly departmental Safety representative meetings, which may include the Safety and Loss Control Manager, or designate, when appropriate.
- j) Participate on CIP, Hazop, RCM, or TPM teams as required by the parties.
- k) Communicate with co-workers, consultants, internal and external customers to facilitate the timely completion of Safety requirements.
- l) Assist in the compilation of Safety Audits, Safety statistics, and other reports, as required.
- m) Report to the parties in a timely fashion, any infraction, violation, or impairment that could restrict the goal of improving the Safety record of the factory.
- n) Participate in Industrial Hygiene sampling as tests are being carried out.
- o) Other safety issues that arise with respect to the needs of the membership and/or the Company, as determined by the Safety and Loss Control Manager.
- p) Conduct training in the use of Hoists, Fork Lift, and other pallet moving equipment.

## **SCHEDULE "I"**

### **LETTER OF UNDERSTANDING**

#### **RE: PARTICIPATION IN TPM**

It is the Management's expectation that the full endorsement of, and participation in, the agreed TPM process by the Union will assist in achieving a higher level of reliability in the manufacturing area which will, in turn, improve the long term viability of this operation. The following terms are intended to demonstrate the parties' commitment to the consultative process, and their belief in the long-term viability of this operation.

1. Effective February 24, 1996, all employees receiving a pay rate above the KX -2 rate, and who have TPM included in their job description, will receive a premium of sixty cents (\$0.60) per hour.
2. This premium will be separate from the pay rates in Schedule "B", but will be paid on all hours worked, including vacations and Public Holidays.
3. Participation in all initiatives, which have been mutually agreed to contain similar techniques, or requiring similar intellectual properties, as outlined in the TPM document, is covered through the payment of this premium.
4. It is agreed that job descriptions will contain a footnote indicating that each job was evaluated without consideration for TPM.



## **SCHEDULE "J"**

### **LETTER OF UNDERSTANDING**

#### **RE: RESTRUCTURING**

It is agreed that the Painters and the ForkLift Mechanic will be moved from the Trades Group to the Manufacturing Group, effective September, 15, 1997. It is understood that these employees will remain on their job unless they successfully apply for another position. It is also understood that the Company reserves the right to contract out their work if they accept another position within the Company, or they leave the business.

It is also agreed that, effective September 15, 1998, the carpenters will be transferred to the Manufacturing Group.

It is also agreed that the Company reserves the right to contract the work of the Refrigeration Mechanic If he moves to another position or leaves the Company.

## **SCHEDULE "K"**

### **LETTER OF UNDERSTANDING**

#### **RE: SKILL RATES**

1. Each department will require a needs assessment, which will be done jointly.
2. Prior to any skills upgrading being offered, a training plan must be jointly developed and agreed.
3. If skills upgrading is required within a department, it will be offered to the senior employee at the next lower rate level within that department.
4. If the skills upgrading requirement is unable to be satisfied within the department, it will be offered to unassigned employees. The order in which the training is offered will be determined jointly at the time of the requirement.
5. Employees with redundant skills at any level, who refuse an opportunity to train to that level on current skills, will be the subject of discussions between the parties and may have their skill rate reduced to the next lower level.
6. **An** employee, who is required to fill a position normally occupied by an employee at higher rate, may be used in that capacity for a maximum of twenty-five (25) days in any thirteen (13) week period. Should that period be exceeded, the employee will have their rate immediately adjusted to the higher rate and the Company will be obligated to complete the training required to upgrade the employee's skills to the higher classification.
7. In areas where an agreement has been reached between the parties regarding the use of specific employees for relief purposes, this guideline does not apply.

## SCHEDULE "L"

### TERMS and CONDITIONS for WORKPLACE REORGANIZATION

between

Lever, A division of UL Canada inc.

and

Teamsters Local 132

1. There will be no layoffs **as** a result of Workplace Reorganisation, and, in the event Temporary or Permanent Layoffs are deemed to be required for any other reason, the parties commit to exploring other alternatives jointly.
2. The Collective Agreement will be adhered to.
3. All agreed costs associated with Workplace Reorganisation, within agreed budget parameters, will be borne by the Company.
4. All workplace training will be managed jointly, including:-
  - assessing training needs
  - selection of training processes
  - selection of trainers/coaches
  - managing the training budget

Internal union trainers will be used wherever possible and those trainers will be jointly selected from a list of candidates put forward by the Union.

5. Terms and conditions for active participation in all current initiatives, including TPM, CIP, ABC, TQM, BOA, DDI, will be negotiated to mutual satisfaction.
6. All new initiatives will be developed jointly, and the impact/implementation of Corporate initiatives will be negotiated to mutual satisfaction.

7. There will be a jointly developed Mission Statement, including the philosophy and objectives of the process.
8. The monthly meeting between the parties will be known as the Union - Management Meeting.
9. There will be joint agreement on manufacturing performance measures, including timelines.
10. It is agreed that all members **of** both parties will participate fully in jointly endorsed initiatives.
11. Either party can withdraw from this process under the following conditions:-
  - a) Written notice of intent to withdraw is provided.
  - b) A meeting of Negotiating Committees is held within one calendar week of receipt of notice, for the purpose of identifying and discussing issues causing the request to withdraw. This meeting may include a third party facilitator at the request of either party.
  - c) At the request of either party, an additional meeting, including a third party facilitator, will take place within one calendar week of the first meeting.
  - d) Time limits may be extended by written mutual agreement.

## **SCHEDULE “M”**

### **RE: ATTENDANCE PREMIUM**

1. All employees will participate in the following Attendance Premium program regardless of shift pattern or position. This Program is in lieu of any application of the Shift Premium or TPM premium language.
2. An attendance premium of \$125.00 per four (4) week cycle will be paid to all employees who attend work on each scheduled day, including Sundays and Holidays in the 18-21 Shift Pattern, during the designated four (4) week cycle.
3. There will be an annual Attendance Premium of \$500.00 for those employees with perfect attendance. Only those items specifically listed under “excused absences” in item #5 (b) will be permitted in the qualification for this premium.
4. (a) Absences nullifying this payment will be as follows:
  - ◆ Medical absences
  - ◆ Accidents away from work
  - ◆ Personal Business
  - ◆ EAP absences
  - ◆ Medical Appointments not required by the Health Centre
  - ◆ More than three lates in the calendar year. (Late is defined as exceeding six (6) minutes)
  - ◆ Leaving early, without permission

- (b) Excused absences will be as follows:
- ◆ Bereavement (as provided in the Collective Agreement)
  - ◆ Union Business
  - ◆ Company approved training
  - Medical appointments required by the Health Centre, or medical appointments within working hours as a result of a Company directed shift change.
  - ◆ Vacations, Lieu Days
  - ◆ Company directed absences, such as; power failure, snow storm, Xmas eve, etc.
  - LOA's (pre-approved and not requiring coverage)
  - ◆ WSIB
  - ◆ Leaving early with permission of the Area Manager or Site Supervisor
6. New employees hired subsequent to the date of the transfer of assets of the facility will be eligible to receive, solely, an annual Attendance Premium of \$100 for those employees with perfect annual attendance as described above.

## **SCHEDULE "N"**

### **RE: NEW HIRES**

**(For new employees hired subsequent to transfer of ownership of the assets of the facility)**

- A)** Except for those specific issues covered in this schedule, employees hired under this schedule will be governed by the terms and conditions of the Collective Agreement.
- B) Benefits Summary**
- Key point summary only
  - Not intended to be comprehensive in scope or detail
- i) Short Term Disability**
- 100% company paid
  - Pays 66-2/3% of basic weekly earnings up to \$413.
  - 7 calendar day waiting period
  - Maximum 26 week benefit period
- ii) Long Term Disability**
- No long term disability benefit provided
- iii) Group RRSP**
- Starting after end of probationary period (once the Plan is established)
  - Company will match 60% of the employee's contribution to the Group RRSP up to 5% of an employee's basic earnings to a maximum Company contribution of three percent (3%) of the employee's basic earnings.
- iv) Hours of Work**
- Shift cancelled after reporting to work, minimum 4 hours pay
  - Shift cancelled before reporting to work, 0 hours pay

v) Bereavement Leave

Company paid after probationary period is completed

(a)	(b)
Up to Three Days:	One day:
Spouse	Uncle
Child	Aunt
Parent	Nephew
Brother	Niece
Sister	1 <sup>st</sup> . Cousin
Legal Guardian	Grand Parent
Parents-in-Law	Grand Child
Sister-in-Law	
Brother-in-Law	

vi) Severance Pay

- Per Employment Standards Act



**SCHEDULE "O"**  
**RE: GENERAL AGREEMENTS**

**1.00 PAYMENTS BY COMPANY**

1.01 All members of Local 132 employed at the facility at 21 Don Valley Parkway on the date of transfer of the assets of the facility to the Company will be paid a lump sum payment equal to one (1) week per completed year of service, less statutory deductions. These payments will also be enhanced according to the following schedule:

➤ 0-3 years service	=	\$2,500
➤ 3+ years of service	=	\$7,500

Note: This lump sum payment will be made within three (3) months of the of the transfer of the assets of the facility. Service also to be calculated as of the date of transfer of the assets of the facility.

(Members of Local 132 on LTD, early retirement, or who have accepted employment at any other Unilever facility prior to the date of transfer of the assets are not eligible for these payments)

1.02 All members of Local 132 employed at the facility at 21 Don Valley Parkway who have been laid off since January 1, 2002 and who have been severed prior to the date of transfer of ownership of the assets of the facility to the Company, will receive a lump sum payment of five thousand dollars (\$5,000), less statutory deductions, provided they have not accepted employment at any other Unilever facility prior to the date of transfer of the assets. This lump sum payment will be made within ten (10) days of the date of the date of transfer of ownership of the assets of the facility.

1.03 Any member of Local 132 employed at the facility at 21 Don Valley Parkway who applies and is approved for a disability pension under the terms of the Unilever Canada Pension Plan, and who takes that pension prior to the date of transfer of ownership of the assets of the facility to the Company, will be paid a lump sum of twenty thousand dollars (\$20,000), less statutory deductions. . This lump sum payment will be made within ten (10) days of the date of transfer of ownership of the assets of the facility.

1.04 All members of Local 132 employed at the facility at 21 Don Valley Parkway on the date of transfer of ownership of the assets of the facility to the Company may opt for severance from the Company up to December 31, 2002, and will receive a further payment equal to one (1) week per completed year of service with the following service related enhancements:

- 0-5 years of service = \$ 7,500
- 5+ years of service – \$12,500

Employees choosing this option can continue to work for the Company **up** to June 30, 2003.

1.05 Following January 1, 2003, all members of Local 132 employed at the facility at 21 Don Valley Parkway on the date of transfer of ownership of the assets of the facility to the Company, who have not elected severance under Section 1.04, will have the continuing option of requesting severance from the Company up to December 31, 2003, and will be entitled to receive one (1) week per completed year of service, without any enhancements. Employees choosing this option can continue to work for the Company up to June 30, 2004.

1.06 The decision **as** to the length of time an employee is to remain working at the Company following election under clause 1.04 or 1.05 will be made by the employee or the Company within two (2) business days following the date of election. The decision to extend this period to the maximum of six (6) months is not required to be mutual.

## **2.0 GENERAL**

- 2.01 All members of Local 132 employed at the facility at 21 Don Valley Parkway on the date of transfer of ownership of the assets of the facility to the Company and who opt for severance by December 31, 2002, will be provided with the Company benefits package (not including STD, LTD, or Pension) from the date of severance for a period equal to two (2) weeks per completed year of service.
- 2.02 The parties agree that the Company has the right to offer individual severance packages to specific employees separate and apart from any severance parameters outlined in this Agreement. Acceptance of such severance packages is a matter for agreement between the Company and the specific employee and in no way constitutes an entitlement for any other employee to a similar severance package.
- 2.03 The Company will provide an income statement for the Don Valley facility business to the Union Executive by October 21, 2003, for the nine-month period ending September 30, 2003.
- 2.04 The Company will pay the Lump Sum Equivalent of the pay continuance pension benefit as set out in Schedule "2" within one month of the date of transfer of the assets of the facility. Said Schedule will be updated to the date of transfer of the assets of the facility, but not sooner than June 15, 2002.

## **SCHEDULE "P"**

### **RE: CHANGE OF CONTROL PROVISIONS**

Korex Don Valley ULC does not intend to sell the business back to Unilever. It is understood that Unilever has sent the Union a statement that they have no intent to purchase the business back. Korex Don Valley ULC acknowledges that these representations are material to the Union's acceptance of a new contract.

During the term of this agreement (June 30, 2002 until June 30, 2007) if Korex Don Valley ULC sells the business, which it is purchasing on or around June 30, 2002, back to Unilever, or one of its subsidiaries, then Korex Don Valley ULC will be liable to pay them in each year after the time of sale back to Unilever, the difference in wages and benefits which they would have received until their agreement with Unilever which would have expired (April 30, 2003). For the purposes of the above calculations, Korex Don Valley ULC will have no obligation for any severance payments or severance payments differentials. This agreement between Korex Don Valley ULC and Teamsters Local 132 and specifically does not extend to other entities or individuals.

Unilever does have the ability to NOT extend the lease on the land on which the facility is situated 21 years hence and **as** such would have to buy the building back from Korex Don Valley ULC at that time.

This agreement will terminate at the option of Teamsters Local 132 twelve months after a change in control of Korex Don Valley ULC or a sale of all or a majority of the assets of Korex Don Valley ULC. A transfer or sale to **an** entity controlled by or run for the primary benefit of Sanford Pensler or his immediate family is exempted from the operation of this Schedule.

## **SCHEDULE "Q"**

### **MEMORANDUM OF AGREEMENT**

#### **Re. Early Retirement Option**

Korex Don Valley ULC will provide those members of Local 132 working at the Don Valley facility who opt for early retirement between June 10, 2002 and July 15, 2002 with a severance package of two (2) weeks pay per year of service upon their leaving the business; as long **as** they agree to the condition that they are obligated to work for Korex Don Valley ULC at Korex's option for a period of not more than six months. Employees so retained will be paid **as** per the Collective Agreement and will pay all dues and levies as required.

Employees who opt for this package will not receive benefit coverage continuance after departure or the bonus payments, other than severance, from Korex Don Valley ULC (i.e. annuity, service related enhancement, signing bonus etc.)

## MEMORANDUM OF AGREEMENT

**WHEREAS** there exists a collective agreement between the Unilever HPC NA, Toronto Manufacturing Facility (“Unilever”) and Local 132 of the Teamsters- Chemical, Energy and Allied Workers, I.B. of T. (“Local 132”), (the “Collective Agreement”) which Collective Agreement expires April 30,2003;

**AND WHEREAS** Korex Don Valley Unlimited Liability Company (“Korex”) by agreement dated \_\_\_\_\_ is purchasing substantially all the assets of Unilever at the above-mentioned facility and as a result agrees that it is bound by the Collective Agreement, effective as of the date of purchase, which is anticipated to be on or about June 30, 2002 and agrees that all employees of Unilever represented by Local 132 shall be employed by Korex and shall bring to Korex their full service and seniority;

**AND WHEREAS**, if and when the aforesaid purchase is completed, Korex and Local 132 wish to amend the Collective Agreement in accordance with the terms and conditions of this Memorandum of Agreement including Appendix A;

**AND WHEREAS** this Memorandum of Agreement is subject to ratification by the employees in the bargaining unit represented by Local 132 and the Executive Board of Local 132 recommends ratification in order to save jobs and provide compensation for those hourly employees who choose not to remain employees of Korex, and if not ratified, this Memorandum of Agreement is null and void and the Collective Agreement shall remain in full force and effect;

**AND WHEREAS** Korex has no intention of selling the business back to Unilever or to a third party; in the event either of the aforesaid occurs, Local 132 will have the option to terminate the new collective agreement twelve (12) months after the date of the sale. A sale does not include a transfer to an entity controlled by or run for the primary benefit of Sanford Pensler or his immediate family.

**AND WHEREAS** Korex agrees that in the event of a sale of the business back to Unilever during the term of the new collective agreement, it will compensate all employees of Unilever who continue to work for Unilever the difference in wages and benefits (other than severance pay) such employees would have received under the Collective Agreement;

**AND WHEREAS** the parties agree that Appendix “A” attached hereto together with this Memorandum of Agreement, if and when the aforesaid purchase is completed, and subject to ratification, shall form the basis of a new collective agreement between Korex and Local 132;

**AND WHEREAS** Korex and Local 132 also wish to amend the term of the new Collective Agreement to begin the date of the purchase or, in the alternative on a date established by the Ontario Labour Relations Board and expiring on June 30,2007;

**AND WHEREAS** in order to amend the term of the Collective Agreement, it will be necessary for Korex and Local 132 to apply to the Ontario Labour Relations Board in order to terminate the Collective Agreement expiring April 30,2003;

**AND WHEREAS** Korex and Local 132 agree to make a joint application to the Ontario Labour Relations Board, pursuant to section 58 of the Ontario Labour Relations Act, to terminate the Collective Agreement expiring April 30, 2003 and to be replaced with a new Collective Agreement in accordance with this Memorandum of Agreement and Appendix "A" expiring on June 30,2007;

**AND WHEREAS** if the Ontario Labour Relations Board does not approve the early termination of the Collective Agreement, this Memorandum of Agreement including Appendix "A" will amend the Collective Agreement and remain in force until April 30, 2003 at which time it will be automatically renewed for another term beginning May 1, 2003 and expiring on June 30, 2007. Provided Korex still owns and operates the business until April 30, 2003, ratification of this Memorandum of Agreement and Appendix "A" shall also be considered ratification of the Collective Agreement beginning May 1, 2003 and expiring on June 30, 2007 as set out in this Memorandum of Agreement including Appendix "A".

DATED at Toronto this \_\_\_\_\_ day of July, 2002:

**FOR KOREX:**

\_\_\_\_\_

**FOR LOCAL 132:**

\_\_\_\_\_

\_\_\_\_\_

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