

**AGREEMENT
BETWEEN**

**UNIROYAL CHEMICAL LTD.
Elmira, Ontario**

AND

**LOCAL UNION NO. 13691
UNITED STEELWORKERS OF AMERICA
Elmira, Ontario**

September 1987 - May 1990

PREAMBLE

UNITED STEELWORKERS OF AMERICA, LOCAL UNION 13691, hereinafter referred to as the Union, being certified by the Ontario Labour Relations Board to represent certain employees of CHEMICAL hereinafter referred to as the Company, recognize that there exists between both parties a community of interests which consists of the support of all measures which tend to maintain harmonious and co-operative relations between both parties, which will in turn enhance production, working conditions, hours of work, wages and the general well-being of all concerned.

We herewith freely enter into this Agreement with the intention of fostering a spirit of friendliness and mutual consideration which shall prevail in and around the properties of the Company in Elmira, Ontario.

NOTE For the purpose of this Agreement, the masculine gender shall be applicable to both female and male employees, unless otherwise specified.

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COLLECTIVE LABOUR AGREEMENT**

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**AGREEMENT
between**

**UNIROYAL CHEMICAL LTD.
Elmira, Ontario**

and

**LOCAL UNION NO. 13691
UNITED STEELWORKERS OF AMERICA
Elmira, Ontario**

This Agreement made and entered into this September 13, 1987, is made between UNIROYAL CHEMICAL LTD., of Elmira, Ontario, hereinafter referred to as the Company, and LOCAL UNION NO. 13691 UNITED STEELWORKERS OF AMERICA of Elmira, Ontario hereinafter referred to as the Union.

The parties agree as follows:

ARTICLE 1 - RECOGNITION

1.01 The Union recognizes the Company's right to manage the plant and direct the working force which includes the right to hire, transfer, promote, demote, suspend, discipline or discharge for proper cause, to relieve employees of their duties because of lack of work or any other legitimate reason provided that no action shall be taken under this article which is in violation of the terms of this Agreement or is used in discrimination against any employee.

1.02 The Company recognizes LOCAL UNION NO. 13691, UNITED STEELWORKERS OF AMERICA, as the sole collective bargaining agent for all hourly paid employees of the Company save and except Security Guards, and

Department and Shift Supervisors, Foremen, and those above the rank of foremen, and office staff.

Students employed during their vacation or co-operative educational plan work periods are not covered by this Agreement unless employed on a job in the bargaining unit.

ARTICLE 2 - REPRESENTATION

2.01 Union committees recognized by the Company are:

- an Executive Committee of five (5) employees
- a Grievance Committee of four (4) employees

At the discretion of either party, a Representative of the United Steelworkers of America may accompany the Executive Committee at a meeting of the parties, and accompany the Grievance Committee at a third step grievance meeting.

2.02 A total of eleven (11) department and shift Union Stewards will be recognized by the Company. Such a Steward may, on receiving permission to do so from his Department Head or Foreman, or from the Shift Supervisor in their absence, leave his regular duties to investigate any grievance which may arise in the department or zone he represents without loss of wages.

A Department Steward will be recognized in the Control Laboratory, and in the Maintenance and Shipping Departments. A Shift Steward will be recognized on each of the four rotating shifts in each of the following zones:

Zone No. 1 - Development and Waste C Technicians, and employees of the Pilot Plant, S Generation and Process Buildings No. 33 and 37.

Zone No. 2 - Employees of Process Buildings No. 4, 13, 14, 15, 25, 28 and 36.

2.03 The Union agrees to notify the Company promptly of any changes in Union representation.

2.04 The Company and the Union representatives shall meet when it is considered necessary by either party to discuss, negotiate, and amicably settle any difference, or other matter relating to this Agreement.

As defined in Section 2.01, payment will be made at straight time to an employee who is a member of the grievance committee for time spent at a meeting called by either party for discussion of matters related to administration of the Agreement between the parties, and to a member of the Grievance Committee for time spent at a meeting held under the provisions of Section 12.01 for negotiation of a grievance up to but not including arbitration proceedings.

In addition to members of the Grievance Committee, not more than two employees involved in the dispute and a Union representative or Shift Steward for a total of not more than five employees may attend a meeting for the purpose of a grievance, and will be paid at straight time for time spent at the meeting.

On request, the Company will permit an employee to be absent from work without pay to perform duties for the Union, except that not more than five employees nor more than one employee from one department will be permitted to be absent at any one time.

It is understood that requests for absence in excess of one day for more than two employees will be considered a request for leave of absence subject to the provisions of Section 11.04.

2.06 The Union and the Company agree with and subscribe to the intent and purpose of the Labour-Management Education Committee and will maintain their interest and

2.07 The Company agrees to provide a bulletin board for the use of the Union to post Union notices. The Union agrees to provide the Industrial Relations Manager with a copy of all notices to be posted, and secure his approval before posting.

ARTICLE 3-UNION SECURITY

3.01 Any person hired as a new employee or an employee transferred into the bargaining unit on or after the effective date of this Agreement will be required to sign the authorization for deduction form stipulated in Section 3.05.

3.02 The Company will deduct from the wages of each employee who has authorized such deduction an amount equivalent to monthly union dues and, on notification from the local union to do so, an amount equal to the Union's Initiation Fee, both amounts as determined by Local Union No. 13691 in accordance with the Constitution of the United Steelworkers of America:

In the case of a new employee or an employee transferred to the bargaining unit, the deduction of an amount equivalent to monthly union dues will become effective with the first regular monthly deduction processed by the payroll department following receipt of the authorization for deduction form.

An authorization for deduction form shall cease to be effective on termination of employment or transfer to a occupation outside the bargaining unit.

3.03 Deduction of the amount equivalent to monthly union dues as provided in Section 3.02, and applicable to the month in which such deduction is made, will be made from the pay received on the first pay day of each month.

3.04 An authorization for deduction form executed under a previous Agreement between the parties will authorize the Company to make deductions in accordance with the provisions of this Article during the term of this Agreement and any subsequent renewal thereof.

3.05 The applicable title for this form shall be used:

**UNIROYAL CHEMICAL LTD.
ELMIRA, ONTARIO**

**AUTHORIZATION FOR DEDUCTION OF
INITIATION FEE AND
AN AMOUNT EQUIVALENT TO
MONTHLY UNION DUES**

Name:

Job No:

Date:

I, the undersigned employee, hereby authorize UNIROYAL CHEMICAL LTD., to deduct from wages owing me commencing with my first pay in the month of 19 , and subsequently from my first pay in each month an amount equivalent to monthly Union Dues, and if notified by the local union to do so an amount equivalent to the Union's Initiation Fee, which amounts as determined by Local Union No. 13691 in accordance with the Constitution of the United Steelworkers of America. The amount so deducted will be remitted by the Company to the Union.

Witness:

Signature of Employee:

3.06 It is the responsibility of the Union to notify the Company of any change in the amount of deductions. Providing notice is received not later than the 20th day of the month, the change in the amount of deduction will become effective in the following month.

Not more than fifteen (15) days following the date of the deduction, the Company will forward the amount deducted to the Union at the address currently on file with the Company, accompanied by a list of the employees from whom such deductions were made.

3.07 The Union shall indemnify and save the Company harmless from any claims, suits, judgments, attachments and from any other form of liability as the result of the Company making any deduction in accordance with the foregoing authorization and the provisions of this Article, and will make a refund directly to any employee from whom a wrongful deduction was made.

ARTICLE 4 - HOURS OF WORK

4.01 The normal daily and weekly hours of work are listed solely for the purpose of calculating overtime. It shall not be construed as indicating a guarantee of minimum hours, nor a restriction on the maximum daily or weekly hours to be worked.

4.02 The work week is defined as the seven day period beginning and ending at 11:00 p.m., Saturday, except for

Steam Generation employees whose work week is defined as the seven day period beginning and ending at 12:00 midnight Saturday.

4.03 Normal daily hours of work for employees not assigned to either the 5-Day Schedule or 7-Day Continuous Schedule listed in Section 4.04 shall be eight (8) hours per day and except as provided in the paragraph immediately following shall be scheduled Monday to Friday, inclusive.

If considered necessary, the Company may establish two or three shifts on a 5-day schedule, or one or more shifts on a 7-day schedule, and assign truckers, maintenance trades and control laboratory technicians to work shifts and/or schedules as required.

4.04 Where shift operations are required, employees may be assigned to either of the following schedules:

5-Day Schedule

Five (5) shifts of eight (8) hours, within the period from 7:00 A.M. Monday to 7:00 A.M. Saturday.

7-Day Continuous Schedule

Eight (8) hours per shift on a schedule providing for five (5) shifts each week for three consecutive weeks, and six (6) shifts in the next or fourth week.

4.05 Shift Schedules:

Excluding Steam Generation

1st Shift 7:00 A.M. to 3:00 P.M.

2nd Shift 3:00 P.M. to 11:00 P.M.

3rd Shift 11:00 P.M. to 7:00 A.M.

Steam Generation

1st Shift 8:00 A.M. to 4:00 P.M.

2nd Shift 4:00 P.M. to 12:00 Midnight

3rd Shift 12:00 Midnight to 8:00 A.M.

4.06 Where employees are not assigned to either the 5-Day Schedule or 7-Day Continuous Schedule, the Company will provide the Union with a list showing the starting

time(s) of normal daily hours of work for employees of each job classification.

The Union will be notified in writing of any permanent change in normal daily hours of work.

4.07 A rotating shift worker will remain at his process until relieved by the employee taking his place on the next shift, or until other arrangements are made in case he does not appear.

4.08 Rest and Lunch Periods

Employees will be permitted one (1) rest period not to exceed fifteen (15) minutes, and one (1) lunch period not to exceed twenty (20) minutes on each shift at times scheduled by the Company.

ARTICLE 5 - OVERTIME

5.01 (a) Overtime at one and one-half times the individual employee's regular straight time rate will be paid for:

(1) Hours worked prior or subsequent to the normal daily hours of work outlined in Article 4.

(2) Hours worked on the first shift following a change of shift unless the employee has been notified 24 hours prior to the starting time of the new shift.

(3) In the case of an employee assigned to the 7-day continuous schedule:

(i) Hours worked on the 3:00 P.M. to 11:00 P.M. or 11:00 P.M. to 12:00 P.M. shift on Saturday

(ii) Hours worked on the individual employee's regularly scheduled day or days of rest unless the employee has been notified of a change of schedule at least 24 hours prior to the start of that weekly schedule.

The provisions of (2) and (3) (i) above do not apply if the change of shift or change of schedule is the result of a work shortage or a process or department shutdown.

(b) Overtime at two times the individual employee's regular straight time rate will be paid for:

(1) Hours worked on Sunday.

(2) Hours worked on a Designated Holiday. Such payment at double time rate is in addition to payment for the holiday, if qualified.

5.02 1. A CALL-BACK to work is defined as unscheduled emergency work assignments where an employee is required to return to work outside his normal working hours.

(a) Payment for such overtime shall be at the rate of one and one-half times the employee's straight time rate of pay for all hours worked Monday through Saturday, and at double time the employee's straight time rate of pay for all hours worked on Sunday or on a Designated Holiday

(b) A three (3) hour minimum allowance will be paid to all such employees having complied with a call-back.

(c) Overtime assigned less than ten (10) minutes before the employee's normal quitting time will be considered to be a call-back and provisions (a) and (b) of this Section 5.02 (1) will apply.

(d) Assigned overtime of more than one hour prior to normal hours will be considered a call-back and provisions (a) and (b) of this Section 5.02 (1) will apply. Such overtime shall be continuous with normal working hours and notification shall be given prior to 9:00 P.M. the previous evening.

(e) Where an employee has complied with a call-back assignment additional work assignments will not normally be made. In the event an additional work assignment is made, the employee will be considered on a second call-back and provisions (a) and (b) of this Section 5.02 (1) will apply. Except that if more than one assignment is made at the time of call-back, the provisions of this sub-section (e) will not apply.

(f) A call-back shall not apply to overtime continuance of unfinished work interrupted by an employee leaving the plant voluntarily and with permission.

2. SCHEDULED OVERTIME is defined as overtime scheduled prior to ten (10) minutes before the employee's normal quitting time and is not in conjunction with normal hours.

(a) Payment for such overtime shall be at the rate of one and one-half times the employee's straight time rate of pay for all hours worked Monday through Saturday, and at double time the employee's straight time rate of pay for all hours worked on Sunday or on a Designated Holiday.

(b) A three (3) hour minimum allowance will be paid to all such employees having complied with the scheduled overtime.

(c) There shall be no limitation as to number or type of work assignments that may be made or assigned for such overtime.

3. CONTINUOUS OVERTIME is defined as overtime worked by an employee in conjunction with normal hours.

(a) Payment for hours worked on such overtime will be as provided in Section 5.01 (a) or (b) as applicable.

(b) The provisions of sub-section 5.01 (a) or (b), as applicable, shall apply to overtime continuance of unfinished work interrupted by an employee leaving the plant voluntarily and with permission.

(c) When an employee is required to remain at his work station beyond his normal hours, he shall be paid as provided under sub-section 5.01 (a) or (b), as applicable, until relieved by the employee taking his place on the next shift or until other arrangements are made in case the employee does not appear.

5.03 Employees, other than those who are working on a 7-day schedule, who are required to work on Sunday, shall not be required to take time off in the same week to offset such Sunday work.

5.04 There shall be no duplication of overtime and other bonuses.

5.05 No overtime will be paid in the following cases:

1. Change or exchange of hours at the request of employees with permission of the foreman.

2. Hours on which overtime or premium pay has been made shall not be used to calculate hours of work for further payment of overtime.

5.06 Overtime work to be performed in any job classification shall be performed when practical by employees in the part of the job classification concerned. Any such overtime work shall be shared equally, as far as practical, among the employees of the job classification.

ARTICLE 6 - SHIFT BONUS

6.01 Effective May 11, 1986, for Shift workers, the bonus of 35 cents (\$.35) per hour will be paid for hours worked between 3:00 P.M. and 11:00 P.M., and 40 cents (\$.40) per hour for hours worked between 11:00 P.M. and 7:00 A.M.

6.02 In the event of an employee being called in to work on a shift other than his regular shift, the shift bonus for the "call-in" shift shall apply.

6.03 In the event of a shift worker being scheduled to work prior to or beyond his regular shift, the shift bonus applicable to the shift worked prior to or beyond his regular shift shall apply.

6.04 Overtime shall not apply to the rate of the shift bonus.

ARTICLE 7 - DESIGNATED HOLIDAYS

7.01 (a) An employee who qualifies will receive payment for his normal shift hours at his current straight time hourly rate, exclusive of all types of premium payments, for the following twelve (12) Designated Holidays: New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day, Boxing Day and three (3) floating holidays.

The dates on which the floating holidays are to be observed will be negotiated by April 1st each year.

(b) To qualify for payment for a Designated Holiday specified in (a) above, an employee must have been in the continuous employ of the Company for 30 days immediately preceding the holiday, and must work his full scheduled shifts immediately preceding and immediately following the

holiday, unless his absence on these qualifying shifts is permitted under the following exceptions:

(1) An employee absent on one or both of the qualifying shifts due to verified personal illness or injury who is not eligible for Workers' Compensation or Weekly Indemnity for the date on which the holiday is observed, providing his ineligibility for these payments is not due to discontinuance of Workers' Compensation or having received Weekly Indemnity for the maximum period, will receive payment for the holiday. An employee is not entitled to receive both payment from the Company and Weekly Indemnity or Workers' Compensation for the same holiday.

(2) Due to bereavement in his immediate family, which shall include husband, wife, father, mother, son, daughter, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law and daughter-in-law, providing the duration of his absence is not more than three consecutive shifts which may include one, or any part of the qualifying shifts.

(3) Due to the birth of the employee's child, or bereavement due to the death of the employee's grandchild or grandparent, or a grandparent of the wife or husband of the employee, providing he is absent on one, but not both, of the qualifying shifts.

(4) If absent on one or both of the qualifying shifts due to jury or witness service for which payment is made under the Jury and Witness Pay provision.

(5) Absent on one, but not both, of the qualifying shifts with permission granted by the Industrial Relations Manager on recommendation of the employee's foreman.

(6) An employee who worked his scheduled shift immediately preceding the holiday but who is unable to qualify for payment by working the shift immediately following the holiday due to being laid off, will receive payment for the holiday.

(7) An employee who arrives for work more than one hour after the start of a qualifying shift must report to his foreman or department supervisor, or to the shift

supervisor in their absence before inc work.
If permitted to work the rest of the shift he will
receive payment for the holiday

(c) An employee scheduled to work on the holiday who falls to do so will not receive payment for the holiday, unless his absence is due to a reason specified in (b), (1), (2) or (3) above. This does not exclude an exchange of hours between employees which has been approved by the foreman or department head.

(d) An employee on an approved Leave of Absence will not receive payment for a Designated Holiday which falls during his leave of absence except as provided in (b) (1) and (4) above.

7.02 A Designated Holiday may be observed on other than the calendar date by mutual agreement between the parties.

7.03 The hours constituting a Designated Holiday for the purpose of pay calculation for the individual employee will be the 24-hour period from the starting time of normal hours of work on the date the holiday is observed through to the corresponding time on the following day.

7.04 When a Designated Holiday is observed on Friday or Saturday, an employee who has worked his qualifying shift preceding the holiday will receive payment for the holiday in that pay period. If the employee does not qualify for payment for the holiday, the amount received as payment for the holiday will be deducted from his pay.

ARTICLE 8 - TRANSFERS

8.01 An employee with seniority transferred to a higher rated job on which he has not had previous experience will be transferred at his existing rate and thereafter receive a minimum increase of 15 cents (\$.15) per hour each month, or the increment between the job rates if less than 15 cents (\$.15) per hour, until he reaches the classified rate of the new job.

If such an employee is transferred to a higher rated job on which he has had previous experience he will receive the rate previously attained immediately on transfer.

8.02 An employee transferred by the Company or at his own request to a job having a lower rate of pay will be paid the lower rate immediately on transfer.

8.03 An employee temporarily assigned (loaned) to work in a different department or job classification will be paid a minimum of his existing rate. If experienced or otherwise qualified to perform the work of the job to which he is temporarily assigned, he will be paid the rate of that job, if higher.

If the temporary assignment or period of displacement from his regular job is for an indefinite period or scheduled to exceed one (1) month, a transfer under the provisions of paragraph 11.03-6(a) will be made effective immediately.

8.04 An employee transferred to a different job during his probationary period will be transferred at his existing rate or the classified rate of the new job, if lower.

ARTICLE 9 – VACATIONS

9.01 Employees will be eligible for vacation with pay in the current calendar year on the following basis:

(a) An employee with less than 1 year of seniority as of June 30th will receive vacation pay amounting to 4% of earnings for the period during which he was employed in the 12 months ending on that date.

Time off for vacation will be on the basis of 1 week for six completed months of seniority and prorated for completed months of seniority above or below that figure.

(b) An employee with one year of seniority but less than 5 years' seniority as of June 30th will receive two weeks vacation with pay amounting to 4% of earnings in the 12 month period ending on that date.

(c) An employee with 5 years but less than 12 years' seniority as of June 30th will receive 3 weeks vacation with pay amounting to 6% of earnings in the 12 month period ending on that date.

(d) An employee with 12 years but less than 20 years' seniority as of June 30th will receive 4 weeks vacation

with pay amounting to 8% of earnings in the 12 month period ending on that date.

(e) An employee with 20 years but less than 25 years' seniority as of June 30th will receive 5 weeks vacation with pay amounting to 10% of earnings in the 12 month period ending on that date.

(f) An employee with 25 years' seniority or more as of June 30th will receive 6 weeks vacation with pay amounting to 12% of earnings in the 12 month period ending on that date.

(g) An active employee who accumulates and is credited in the current calendar year with five, twelve, twenty or twenty five years' seniority between June 30th and December 31st shall receive, after such seniority is credited, an additional week of vacation with pay amounting to 2% of earnings in the 12 month period ending on June 30th of the current calendar year.

At the discretion of the Company, the additional week's vacation may be granted prior to the date on which such seniority is credited. However, vacation pay paid in advance shall be deducted from the final pay if the employee ceases to be actively employed or if employment is terminated for any reason prior to the qualification date.

An employee who qualifies under this sub-section after December 24th will be granted vacation for the remaining days of the year only.

9.02 A week of vacation is defined as a calendar week Sunday to Saturday, inclusive, or, at an employee's request, 5 consecutive scheduled Shifts.

9.03 If an employee's vacation is scheduled on a calendar week basis he will be entitled to an additional day off without pay if a Designated Holiday is observed during his vacation period on a day which would otherwise be a regularly scheduled day for such employee. The additional day off will be granted at a time mutually agreeable to the Company and the employee.

9.04 Vacation will be taken at a time designated by the Company. The Company will be required to give 3 months notice and grant at least two weeks vacation for eligible

employees during the Summer months. It is understood that the third, fourth, fifth and sixth week of vacation need not be granted together nor consecutively with the other two weeks, and if necessary to meet emergency requirements, payment of vacation pay may be made for the fifth and sixth weeks without time off being granted.

5 When an employee is laid off for an indefinite period, or employment terminated, the employee will be paid the amount of his vacation pay accrual to the date of lay-off or termination, which shall be either 4%, 6%, 8%, or 12% according to seniority qualifications as set out in Section 9.01.

If an employee who has been laid off for an indefinite period returns to work during the vacation year the amount of vacation pay received at the time of lay-off will be deducted, at the time vacation is taken, from the amount of vacation pay calculated according to Section 9.01.

9.06 Payment of vacation pay for which the employee is eligible shall be made on the regular pay day or pay days immediately prior to the period or periods in which an employee's vacation is scheduled, and in proportion to the time off scheduled for such period.

9.07 The vacation for which an employee is eligible must be taken during the calendar year of eligibility and cannot be deferred or carried forward to the following calendar year.

9.08 When a regular full time employee with one (1) or more years of seniority has been unable to work for a portion of the preceding vacation year because of verified illness or injury and for that reason only the vacation pay calculated in accordance with Article 9 is less than \$275.00 for each week of vacation pay, the vacation pay will be increased to the above minimum providing the employee has worked three (3) months or more during the vacation year.

ARTICLE 10 - SAFETY AND HEALTH

10.0 The Company shall provide for the safety and health of its employees by providing necessary safety devices, safety equipment and protective clothing which the Company considers necessary.

10.02 The Company and the Union agree that no employee will be required or permitted to work alone in a building where a high pressure process or a new chemical process of a hazardous nature is in operation.

10.03 The Company and the Union agree that no employee shall be permitted to enter a tank, vessel or other confined space without following established entry procedure which includes proper preparation and inspection, completion of a standard entry permit, and at least one other employee capable of rendering any necessary assistance is stationed outside the confined space in accordance with Occupational Health and Safety Regulation 692.

10.04 If, through an injury while at work, it is found necessary to remove the injured employee from the job, he shall be paid for his entire shift for that day.

10.05 An employee shall report promptly any injury, no matter how minor, to his foreman or supervisor.

10.06 (a) A Health and Safety Committee will be comprised of three employee members appointed by the Local Union, three members appointed by the Company, and the Safety Supervisor as Co-ordinator.

Meetings of the Committee will be scheduled by the Co-ordinator. An employee appointed as a member by the Local Union will be paid at regular hourly rate for time spent at such meetings.

(b) The Company will, upon request, co-operate in furnishing available information to the Committee on materials and substances used in the plant.

The Union agrees to respect the confidential nature of information pertaining to materials and manufacturing processes made available to the Committee under this Section.

ARTICLE 11 – SENIORITY

11.01 The Company values and appreciates faithful service of employees and will endeavour to provide continuity of employment and preference in advancement in accordance therewith. It is recognized, however, that efficient operation is of first importance for the prosperity of the

employees and the growth and survival of the Company. Preferences shall be determined on the basis of seniority status of the employee and the employee's qualifications for the job. Qualifications as determined by the Company shall be observed on the basis of such terms as experience, physical fitness, skill, knowledge, adaptability, efficiency, responsibility and integrity.

11.02 An employee is a probationary employee until completion of four (4) months' continuous employment, and has no seniority rights during that period.

The only exception to the foregoing is that an employee laid off after completing at least two (2) months' continuous employment and who is re-employed within six (6) months of the date of lay-off will, upon completion of two (2) additional months' continuous employment, be considered to have completed the above probationary period and be credited with actual time worked during the two periods, thus qualifying for seniority rights.

11.03 1. On qualifying for seniority, it will be expressed in terms of time and include the probationary period provided above, additional time worked, plus time on an approved leave of absence as provided in Section 11.04, and time on lay-off up to six (6) months for an employee with less than five (5) years' seniority and up to one (1) year for an employee with five (5) or more years' seniority as of the date of lay-off.

Seniority accumulated while on an approved leave of absence or lay-off will not be credited until the employee returns to work.

2. Prior to any major lay-off, Company and Union representatives will meet to discuss such lay-off.

3. Where it is the deciding factor in lay-off, progression or transfer, seniority will be confined to two groups: Trades Group and Production Group.

Seniority accumulated in the Production Group will not be recognized in either department of the Trades Group, or vice versa, and seniority accumulated in one department of the Trades Group will be recognized only within that department.

4. The Trades Group is comprised of the Maintenance Department and the Steam Generation Department.

If it becomes necessary to lay-off or transfer an employee or employees of a job classification in the Trades Group where either a class of qualification or certificate level applies, the lay-off or transfer will, commencing with the lower rated class or level, be in order of seniority within each class of qualification in the Maintenance Department and within each certificate level in the Steam Generation Department.

5. The Production Group is comprised of the departments not included in the Trades Group.

6. Department seniority is subject to the following provisions:

(a) An employee with department seniority transferred by the Company to a different department will retain seniority in the department from which he was transferred until he is placed in another department for re-employment. Seniority from the date of transfer or total production seniority in case of transfer from a production department shall be the seniority in the department and seniority in the previous department.

If work is available in the department from which the employee was transferred prior to seniority being established in another department the employee will, according to seniority status and subject to his ability to perform the work required, be given an opportunity to return.

(b) An employee who transfers from a department at his own request terminates seniority in that department immediately on transfer. Seniority from the date of transfer, or total production seniority where the transfer is between production departments, will be credited as department seniority when employed in the new department for three consecutive months.

7. Notwithstanding the provisions of this Article, an employee with long service who is no longer able to perform the work of his regular job classification but is capable of performing lighter work, or an employee who has incurred

a permanent partial disability in the course of his employment in this plant, may, by agreement between the Company and the Union's Executive Committee, be assigned to or retained in a Job classification at the hourly rate of the Job classification concerned. In accomplishing this, it may be necessary to place or retain such employee in a Job classification to which his seniority would not entitle him.

8. Whenever a reduction in work force is necessary, probationary employees shall be laid off first. A work force reduction which requires the lay-off of employees with seniority will progress from the employee with the least seniority in the production group, trades' department, or plant, as applicable, until the required work force reduction has been accomplished.

9. Employees with sufficient seniority to escape a lay-off, but who are affected by a process and/or department shut down, shall be placed in the jobs made vacant by laid-off employees, according to their seniority and their qualifications to satisfactorily fill the vacant jobs.

10. Except as provided in the paragraph immediately following, an employee with three or more years of plant Seniority who is to be laid off may, providing he has greater seniority and can qualify in a two week period, replace the employee with the least seniority in the Trades Group department concerned, or in the Production Group, as applicable.

The foregoing provision will not apply if the employee to be replaced is enrolled in a recognized apprenticeship program which may be established in a maintenance trade, or enrolled in the modular training program for stationary engineers.

11. Laid off employees who retain right of recall will be recalled in reverse order of lay off, and no new employees will be hired until all laid off employees with right of recall and who have the qualifications required to satisfactorily perform the work have been given an opportunity to return.

Departmental seniority will terminate on lay off and must be re-established on return to work.

The Company agrees to provide the Union with a list of employees to be laid off or recalled.

12. Any laid-off employee who is recalled to work and does not report by some means one week after dispatch of recall shall be considered to have obtained other employment, and will lose his recall privilege. If no employment is found in the Company & a laid-off employee is not recalled within the period of 1 year, such employee shall no longer have re-employment rights.

13. It shall be the responsibility of the employees to keep the Company informed of their latest address.

14. In the event of a lay-off involving employees having seniority, the Company will give such employees Seven days notice of the lay-off. When an emergency shut-down occurs, the Union and the Company will meet to arrange shorter notice. In case of probationary employees, shorter advance notice of lay-off may be given.

15. When an employee wishes to leave the employ of the Company, he shall give the Company notice of his intention seven days before separation.

16. The Company shall furnish the secretary of the Union every six months with a list of employees on the payroll affected by this Agreement in order of their plant seniority

17. A complete loss of seniority rights shall occur for any of the following cases:

(a) If an employee voluntarily quits his employment with the Company.

(b) Discharge for cause.

(c) Failure to return to work following lay-off as provided in 11.03 (12), or following a leave of absence as provided in Section 11.04.

18. An employee transferred to a position outside the bargaining unit but within this plant will retain the seniority credited to him at the time of transfer.

Return is limited to five years from the date of transfer from the bargaining unit, and may be by application for a job vacancy posted at the time of return. If there is no

vacancy for which the employee can qualify such employees may, subject to qualifications and seniority status, replace the least senior employee in the plant.

Retained seniority will, immediately upon re-entering the bargaining unit, be credited as plant seniority.

11.04 LEAVE OF ABSENCE

An employee with seniority status who desires a leave of absence shall submit an application through the department head or foreman to the Industrial Relations Department.

A leave of absence may be granted without loss of seniority status subject to the following conditions:

(a) Leave of absence for a specified period of time not in excess of 3 months and subject, upon application by the employee, to not more than 3 extensions for a total period not in excess of one year, may be granted to an employee due to personal non-occupational injury or illness.

An application by the employee for an extension beyond the one-year period will be reviewed by the Company, the Union and the employee concerned and may, at the option of the Company, be granted if it is indicated that the employee will be able to return upon expiration of such extension; otherwise an extension will not be granted beyond the one-year period.

Seniority will be accumulated during a leave of absence under the above conditions up to an amount equivalent to the seniority credited to the employee at the start of such leave but not in excess of six (6) months accumulation for an employee with less than 5 years' seniority, and not in excess of one (1) year for an employee with 5 or more years' seniority.

(b) Leave of absence for a specified period of time not in excess of 1 month and not subject to any extension may, at the option of the Company, be granted upon written application by an employee due to a serious personal necessity or reason. If granted, seniority will be accumulated for the period of such leave.

(c) A member of the Union elected or selected for union duties with the United Steelworkers of America, which necessitates his absence from employment with the Company may, upon written application by the Union, be granted leave of absence for a specified period of time up to one year.

If leave is granted for this purpose seniority status will be retained, and on return to work, accumulation of seniority will be credited for the period of the leave.

(d) Subject to physical qualifications and seniority status, an employee returning from an approved leave of absence of up to one year shall, within one week of notifying the Company of his desire to return, be returned to the job on which he was employed immediately prior to the leave of absence.

If the leave of absence has extended beyond one year, or physical capabilities or seniority status do not permit return to his former job, he will be placed on an available job consistent with his physical capability and seniority status.

(e) An employee on leave of absence due to a compensable injury incurred while in the employ of the Company is not subject to the limitation on accumulation of seniority provided in this Section. He may return to work when medically able to do so, and if unable to perform his previous job may be placed on an available job consistent with his capabilities and seniority status, and will be credited with full accumulation of seniority for the period of the leave.

ARTICLE 12 – GRIEVANCE PROCEDURE

12.01 The Company and the Union agree to meet promptly to discuss and negotiate any complaints or grievances which may arise, and to make every effort to settle any matter at issue as quickly as possible. The following procedure shall be progressively followed for the adjustment of grievances and disputes:

STEP 1

Between the aggrieved employee with his department Steward and/or the Chief Steward, and the Foreman or Department Head.

STEP 2

Failing Settlement at the preceding step, the grievance shall be reduced to writing and submitted to the industrial Relations Manager. A meeting of the Grievance Committee with management representatives including the industrial Relations Manager will be arranged.

STEP 3

Failing Settlement at the preceding step the Union may, within seven (7) calendar days of receipt of the Step 2 decision, request a meeting of the Grievance Committee with management representatives, including the Manager of Manufacturing. The Company will endeavour to schedule the meeting within Seven (7) calendar days of receipt of the request, and provide a written decision within fourteen (14) calendar days of the date of the meeting.

12.02 Should an agreement not be reached through the foregoing steps of the grievance procedure, it shall be handled in accordance with the provisions of the Ontario Labour Relations Act as follows:

Where a difference arises between the parties relating to the interpretation, application or administration of this agreement, including any question as to whether a matter is arbitrable or where an allegation is made that this Agreement has been violated, either of the parties may, after exhausting any grievance procedure established by this Agreement, notify the other party in writing of its desire to submit the difference or allegation to arbitration providing such written request is made within fourteen (14) calendar days of completion of the three preceding steps of the grievance procedure. The notice shall contain the name of the first party's appointee, and the recipient of the notice shall, within five (5) calendar days, advise the other party of the name of its appointee to the Arbitration Board.

The two appointees so selected shall within five days of the appointment of the second of them appoint a third person who shall be the chairman. If the recipient of the notice fails to appoint an arbitrator, or if the appointees fail to agree upon 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 Arbitration Board

shall hear and determine the difference or a legal issue and shall issue a decision and the decision shall be final and binding upon any employee and upon the parties affected by it

The Company or the Union may select an employee as its appointee to an Arbitration Board.

If the grievance to be arbitrated concerns the discharge or suspension of an employee, a single Arbitrator will be substituted for a Board of Arbitration, as provided in this Article 12, if requested by either the Company or the Union.

If the grievance to be arbitrated concerns other than the discharge or suspension of an employee the Company and the Union may, by mutual agreement, substitute a single Arbitrator in lieu of a Board of Arbitration.

Where a single Arbitrator is substituted as provided above, all other applicable provisions of this Article 12 including the procedure for selection of an Arbitrator in lieu of the Chairman of a Board of Arbitration, shall continue to apply.

12.03 The Company and the Union shall within three (3) regular working days from the date of appointment of the Arbitrators, sign a joint stipulation of the dispute on the question which is to be arbitrated. The Arbitration Board shall not have jurisdiction to alter or change any of the provisions of this Agreement, and such jurisdiction shall be limited to a decision on the dispute in question set forth in the stipulation. All decisions of the Board of Arbitration arrived at in accordance with the provisions of this paragraph shall be final and binding on all parties concerned.

12.04 The decision of a majority shall be the decision of the Arbitration Board. If there is no majority the decision of the chairman shall govern.

12.05 Each of the parties hereto will bear the expenses of the arbitrator appointed by it and the parties will jointly bear the expense of the chairman and other expenses incurred, if any.

12.06 Both parties agree to abide by the laws with reference to Labour Relations presently in effect which define that - no employer who is party to a collective agreement shall declare or cause a lock-out and no

employee bound thereby shall go on strike unlawfully, cause a slow-down, sit-down or work stoppage during the term of the collective agreement. In the event of an unauthorized slow-down, sit-down, or work stoppage, partial or complete, the Union undertakes to co-operate actively with the Company to restore normal production.

12.07 Nothing contained herein shall prohibit an employee from presenting any personal matter directly to the Management.

12.08 (a) When an employee is discharged or suspended his Steward or Chief Steward or an Officer of the Union must be notified and if practical be present at such meeting, unless the employee requests otherwise.

(b) If the Union considers that an employee has been unjustly suspended or discharged, the question shall be subject to review in accordance with the grievance procedure as laid down in this Agreement. Protest of such suspension or discharge, to be effective, must be made in writing to the Industrial Relations Manager within three (3) full working days of the suspension or discharge. If arbitration on the matter becomes necessary the Board of Arbitration shall, if the suspension or discharge is not sustained, determine the terms of reinstatement with respect to penalties and/or rights and payment for lost time.

(c) In cases of grievances involving adjustments in wage rate, the effective date of the wage adjustment shall be the beginning of the nearest payroll period to the date of settlement of the grievance by the Grievance Committee and the representative of the Management, except in cases where the settlement of the grievance itself calls for an adjustment in wage rates as of some previous date.

ARTICLE 13 - MISCELLANEOUS

13.01 An employee reporting for work on his regular shift who has not been informed that work was not available, shall be paid four (4) hours pay at his regular rate and be allowed to go home, unless the reason for work not being available is due to reasons over which the Company has no control. If, after reporting for work in such instances, it is possible for the Company to provide other work for the

employee, he shall accept the work provided at his regular rate of pay.

13.02 No payment shall be made to an employee reporting for work or remaining on the premises when no work is available as a result of a work stoppage by the Union members.

13.03 The payment of premium rates for Saturday and Sunday work is not intended to encourage employees to absent themselves from work on their regular scheduled shifts and the Union in no way condones such practice, and will co-operate with Management to eliminate such practice.

13.04 A Foreman, or department or shift Supervisor, shall not perform work which supplants any other production or service employee on his regular job, except under circumstances requiring temporary emergency or experimental work.

This shall not, however, prohibit Such Foreman or Supervisor from training an employee on an operation or from taking inventory.

13.05 For purposes of this Agreement, the term "process" shall mean individual processes, such as "guard, Octamine, MBT 3, etc." The term "department" shall mean multiple processes under one foreman. The term "group" shall refer to the entire section, such as "production group", "trades group", etc.

ARTICLE 14 JOB RATES AND PROMOTIONS

14.01 Job Classifications are divided into rate groups with one hourly rate for all classifications within a group.

If the Company establishes a new Jobclassification or rate group, or reclassifies a job to a different rate group, the Union will be notified in writing and, if requested, a meeting arranged for explanation of the proposed change.

A protest by the Union of any action taken by the Company under the paragraph above, to be effective, must be submitted in writing within seven (7) days of the notice date

or if a meeting is requested during that period, within seven (7) days of the date of the meeting. Such written protest will be considered a grievance under Article 12, and subject to the grievance and arbitration procedure commencing at Step 2.

The Union may request that a job classification be reclassified or a new rate group established.

14.02 (a) A job vacancy in a production department will, whenever possible, be filled through the progression of employees of that department.

A job vacancy notice will be posted if the Company is unable to satisfactorily fill an opening in a production department through progression, or if an opening is to be filled in one of the following job classifications.

- Maintenance Clerk
- Production Clerk
- Shipping Clerk
- Maintenance Helper
- Shipping Helper
- Steam Generation Helper
- Assistant Stockkeeper
- Janitor
- Shipping Trucker
- Utility Man

Subject to the limitations set out below, when a job vacancy notice is posted an employee who has qualified for seniority privileges may submit an application to the Industrial Relations Department for transfer to the posted job.

A job vacancy notice will be posted on two main bulletin boards and, as a minimum, remain posted for the period of time necessary to give employees of each shift an opportunity to submit a transfer application prior to the deadline stipulated in the notice.

In the job classification of Maintenance Helper, the vacancy posting requirement stipulated above does not apply

where the need for the additional help is temporary, and limited to vacation replacement and/or Seasonal work. Where excluded from the posting requirements, employment in any year will be limited to the period between April 15th and September 15th.

An initial job vacancy which results from a new job classification being established in a production department will be posted.

An employee who has been transferred to another department by application will not be eligible for further transfer by application to a job classification with an equivalent hourly rate until six (6) months from the date of the previous transfer.

The Company will, whenever possible, make a selection from the applicants on the basis of ability, competence, dependability and seniority. After a selection has been made the Company will, upon request by an unsuccessful applicant, explain the reasons for the decision.

(b) If it is necessary to fill a vacancy created by an employee being granted leave of absence, the above procedure will be followed. However, the employee filling the vacancy will be considered a temporary replacement, and if it is filled through the posting procedure by an employee of a different department, seniority will continue to accumulate in his former department.

If the absent employee does not return on expiration of the leave of absence, or at the end of one year, the temporary replacement will be confirmed on the job.

14.03 The Union encourages and will co-operate with the Company in any attempt to improve efficiency, lower production costs, eliminate waste, conserve material and supplies, and strengthen goodwill between the Company and its employees, the customer and the public.

14.04 1. PRODUCTION

An employee, without previous experience, assigned on hiring to a production job will, on showing satisfactory performance, receive a minimum increase of 15 cents per hour after the first and each succeeding month of employment until he reaches the classified rate of the job on which he is employed.

2. STEAM GENERATION

An employee, without previous experience, assigned on hiring to Steam Generation as a helper will, on showing satisfactory performance, receive a minimum increase of 15 cents per hour after the first and each succeeding month of employment until he reaches the classified rate of helper. An employee with seniority transferred to the classification of helper will receive the classified rate of the job, or the rate at which he is listed on the payroll, if lower.

To be assigned on hiring or to qualify for transfer to the classification of helper in Steam Generation, an employee may be required to be enrolled in the Modular Training Program for Stationary Engineers, and to write all of the examinations required to obtain a Fourth Class Stationary Engineer's certificate within three months of the date of hiring or transfer. If the employee has failed to obtain the required certificate after six months' employment in the classification, he may be replaced by another employee.

3. MAINTENANCE

HELPER - An employee, without previous experience, assigned on hiring to the classification of a helper in Maintenance will, on showing satisfactory performance, receive a minimum increase of 15 cents per hour after the first and each succeeding month of employment until he reaches the classified rate of helper.

An employee with seniority transferred to the classification of helper will receive the classified rate of the job, or the rate at which he is listed on the payroll, if lower.

2ND CLASS TRADESMAN - A minimum increase of 15 cents per hour at the time of assignment to this classification and, on showing satisfactory performance, additional minimum increases of 15 cents after six months, 15 cents after one year, and the maximum rate of the classification after one and one-half years of employment in the classification.

1ST CLASS TRADESMAN - A minimum increase of 25 cents per hour at the time of assignment to this classification, and the maximum rate of the classification after one year of employment in the classification.

4. CONTROL LABORATORY

An employee, without previous experience, assigned on hiring to the Control Laboratory as a technician will, on showing satisfactory performance, receive a minimum increase of 15 cents per hour after the third, sixth, ninth, and thirteenth month of employment and the classified rate of 2nd Class Technician after fifteen months of employment in the classification.

1ST CLASS TECHNICIAN - A minimum Increase of 10 cents per hour at the time of assignment to this classification and, on showing satisfactory performance, an additional minimum Increase of 10 cents per hour after six months, and the classified rate of 1st Class Technician after one year of employment in the classification.

ASSISTANT STOCKKEEPER AND MAINTENANCE OF PRODUCTION AND SHIPPING CLERKS.

An employee, without previous experience, assigned on hiring to one of the above job classifications will, on showing satisfactory performance, receive a minimum increase of 15 cents per hour after the first and each succeeding month of employment, until he reaches the maximum rate of the job classification to which he has been assigned.

14.05 In the classifications of Steam Generation and Maintenance helps the probationary period of a new employee, or the first four months of employment in the classification. In the case of a transferred employee, will be used to evaluate the performance of the employee. If, after a thorough review, it is found that he will be unable to progress to a higher classification in that department, he may be replaced by another employee.

14.06 Subject to provisions of Section 14.01, the following job classifications and rates shall apply under the terms of this Agreement:

MAXIMUM HOURLY CLASSIFICATION RATE

JOB CLASSIFICATION	HOURLY RATE EFFECTIVE		
	1987	1988	1989
PRODUCTION GROUP			
Utility Man	11.21	11.31	11.41
Production Clerk	10.38	10.48	10.58
DEPARTMENT NO. 1 - Buildings No. 13, 14 and 36			
Expediter	11.88	11.98	12.08
Filter-Dryer Operator ... Bldg. NO. 36	11.13	11.23	11.33
Process and Grinder			
Operator	11.13	11.23	11.33
Process Operator	11.13	11.23	11.33
Process Operator	11.13	11.23	11.33
DEPARTMENT NO. 2 - Buildings No. 4, 25 and 28			
Expediter	11.88	11.98	12.08
Process Operator	11.13	11.23	11.33
Process Operator	11.13	11.23	11.33
DEPARTMENT NO. 4 - Building No. 15			
Expediter	11.88	11.98	12.08
Process Operator			
	11.13	11.23	11.33
Process Operator	11.13	11.23	11.33
DEPARTMENT NO. 6 - Building No. 37			
Expediter	11.88	11.98	12.08
Process Operator	11.13	11.23	11.33
Flaker Operator	10.81	10.91	11.01
DEPARTMENT NO. 7 - Building No. 33 and Pilot Plant			
Senior Operator	11.46	11.56	11.66
Process Operator			
	11.13	11.23	11.33

JOB CLASSIFICATION	HOURLY RATE EFFECTIVE		
	1987	1988	1989
TECHNICIANS			
Senior Technician	11.50	11.64	11.77
1st Class Technician:			
Pollution Control	11.33	11.43	11.53
Lead Technician	11.15	11.34	11.53
Control Lab	11.05	11.30	11.53
2nd Class Technician	10.50	10.60	10.70
SHIPPING			
Lead Shipper	12.06	12.16	12.26
Lead Materials Handler	11.33	11.43	11.53
Receiver	11.21	11.31	11.41
Shipper	10.98	11.08	11.18
Trucker	10.90	11.00	11.10
Shipping Clerk	10.55	10.65	10.75
Helper	10.09	10.09	10.09
TRADES GROUP			
STEAM GENERATION DEPARTMENT			
Second Class Stationary Engineer	14.87	14.97	15.07
Third Class Stationary Engineer	13.43	13.53	13.63
Fourth Class Stationary Engineer	11.06	11.16	11.26
Helper	10.09	10.09	10.09
MAINTENANCE DEPARTMENT			
Lead Tradesman	14.40	14.50	14.60
1st Class: Electrician	14.22	14.32	14.42
Instrument Mechanic			
1st Class: Mechanic	14.02	14.12	14.22
Machinist/Mechanic			
Pipefitter			
Welder			
Carpenter/Repairman	13.72	13.82	13.92

2nd Class: . Electrician 11.57 11.67 11.77

Instrument Mechanic
Mechanic
Machinist/Mechanic
Pipefitter
Welder

Painter 11.57 11.67 11.77
Stockkeeper 11.88 11.98 12.08
Stockkeeper 11.33 11.43 11.53
Lubricator 10.74 10.84 10.94
Assistant Stockkeeper 10.74 10.84 10.94
Maintenance Office Clerk 10.74 10.84 10.94
Janitor 10.55 10.65 10.75
Helper 10.09 10.09 10.09

Minimum Hiring Rates:

Production, Maintenance, Steam
Generation and Trainee 9.64 9.64 9.64
Inexperienced Laboratory Technician
and Clerks 8.65 8.65 8.65

A bonus of 50 cents per hour will be paid to a 3rd or 2nd
Class Stationary Engineer when acting in the next higher
classification, and to an employee:

- Assigned administrative responsibilities in the ab-
sence of the Supervisor of the Control Laboratory, a
Production Foreman, or the Shipping Foreman. (Hourly
rate of Senior Technician, Expediter or Lead Shipper,
as applicable, plus bonus).
- Appointed acting Shift Supervisor (hourly rate of
Expediter, plus bonus).

ARTICLE 15 - BEREAVEMENT PAY

15.01 In the event of bereavement in an employee's
immediate family, which shall include father, mother, hus-
band, wife, brother, sister, son, daughter, father-in-law,
mother-in-law, brother-in-law, sister-in-law, son-in-law,
and daughter-in-law, the employee will be granted permis-
sion to be absent and will be paid, as provided below, for
time lost on regular hours during his normal work week up

to 3 consecutive days including the funeral day. If, however, the funeral is not attended, he will be paid for time lost on only one of the above mentioned days.

Periodic to be absent will be compensated and payment made up to (1) day only for time lost on regular hours during his normal work week in the event of death of an employee's grandchild or grandchild or a grandchild of the employee's wife or husband.

When an employee is absent on one or two shifts immediately preceding his scheduled day or days off due to a death in the family, but the date on which the funeral is held is following such scheduled day or days off, the three consecutive days referred to above will be determined as follows:

5-day schedule:

The intervening Saturday and Sunday will be discounted in determining the three consecutive days.

7-day schedule:

The first, or the first and second scheduled days off, as applicable, will be discounted in determining the three consecutive days.

Payment will not be made for time lost from work following the date on which the funeral is held

It will be the responsibility of the employee to make claim for payment to the Industrial Relations Department, and to provide evidence satisfactory to the Company to support his claim. Payment for lost time will be at the employee's straight time rate, exclusive of all types of premium pay. If, during the period, the employee is eligible for any other form of remuneration to which the Company contributes, Payment shall not be made under this Section for such day or days.

ARTICLE 16 – JURY AND WITNESS SERVICE

16.01 When an employee is required to serve on the petit or grand jury and is prevented from performing his regular duties because of time required to serve in this capacity, he shall be paid a make-up pay for time lost representing



the difference between his fees as a juror and his normal earnings for regular hours during the period of such jury service.

Except in a case in which the Company is directly involved as a party in such litigation, make-up pay on the above basis will be made to an employee who is required to attend court proceedings as a subpoenaed crown witness.

ARTICLE 17 - RENEWAL AND TERMINATION

17.01 This agreement shall become effective on September 13, 1987, and remain in full force and effect until May 12, 1990, and shall continue in effect thereafter from year to year for further periods of one year each, unless either party shall have given written notice of termination or written notice of proposals for amendment to the other not less than sixty (60) days or more than ninety (90) days prior to the expiration of this three year agreement, or any yearly period thereafter.

17.02 In the event of written notice of termination or proposals for amendment having been given by either party as provided in Section 17.01, negotiations shall be carried on during the period of notice with a view of arranging another agreement. Should such negotiations extend beyond the expiration date, this Agreement shall remain in full force and effect until the provisions of the Labour Relations Act of Ontario have been applied or until a new agreement is entered into by the parties.

Dated at Elmhurst, Ontario, this thirteenth day of September, 1987.

Signed on behalf of the parties hereto by their duly authorized representatives:

FOR THE COMPANY

W. K. Ruck
Manager of Manufacturing

R. F. Hooper
Production Manager

G. C. Martin
Associate Project and Design Engineer

R. M. McKinnon
Industrial Relations Manager

FOR *THE* UNION

G. H. Parson
President

E. O. Vannatter
Vice-President

B. S. Goodwin
Recording Secretary

C. A. Price
Financial Secretary

G. W. Schaefer
Treasurer

D.C. Wilton
International Representative

**APPENDIX "A" OF
COLLECTIVE LABOUR AGREEMENT**

INTERIM INCREASE

1. The amount of the Interim Increase shall be calculated and recalculated as provided below on the basis of the Consumer Price Index published by Statistics Canada (1971 = 100), and hereinafter referred to as the C.P.I.

2. FIRST YEAR OF AGREEMENT

(a) The base for calculation: The average C.P.I. for the months of March, April and May, 1987.

(b) The first adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of July, 1987. It will reflect one cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of May, June and July, 1987 exceeds the base for calculation.

(c) The second adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of October, 1987. It will reflect one cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of August, September and October, 1987 exceeds the base for calculation.

(d) The third adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of January, 1988. It will reflect one cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of November, December 1987 and January 1988 exceeds the base for calculation.

(e) The fourth adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of April, 1988. It will reflect one cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of February, March and April 1988 exceeds the base for calculation.

3. SECOND YEAR OF AGREEMENT

(a) The base for calculation: The average C.P.I. for the months of March, April and May, 1988.

(b) The first adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of July, 1988. It will reflect one cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of May, June and July, 1988 exceeds the base for calculation.

(c) The second adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of October, 1988. It will reflect one cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of August, September and October, 1988 exceeds the base for calculation.

(d) The third adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of January, 1989. It will reflect one Cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of November, December, 1988 and January, 1989 exceeds the base for calculation.

(e) The fourth adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of April, 1989. It will reflect one cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of February, March and April, 1989 exceeds the base for calculation.

4. THIRD YEAR OF AGREEMENT

(a) The base for calculation: The average C.P.I. for the months of March, April and May, 1989.

(b) The first adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of July, 1989. It will reflect one Cent (\$.01) per hour for each full .35 points that the average C.P.I. for the months of May, June and July, 1989 exceeds the base for calculation.

(c) The second adjustment will be calculated and paid as of the first pay period following issuance of the C.P.I. for the month of October, 1989. It will reflect one cent

(\$.01) per hour for each full .35 points that the average C.P.I. for the months of August, September and October, 1989 exceeds the base for calculation.

(c) The third adjustment will be calculated and paid as of the first pay period following issuance of the C.I. for the month of January, 1990. It will reflect one c (\$.01) per hour for each full .35 points that the average C.P.I. for the months of November, December, 1989 and January, 1990 exceeds the base for calculation.

5. The Interim Increase will be considered as earnings, but will be shown separately on the employee's weekly statement of earnings.

6. In the event Statistics Canada does not issue the appropriate C.P.I. on or before the date on which an adjustment is to be calculated, any adjustment required will be made at the beginning of the first pay period following official publication of the C.P.I.

7. No adjustment, retroactive or otherwise, shall be made due to any revisions which may later be made in any published Consumer Price Index by Statistics Canada.

8. Continuation of the Interim Increase adjustment is dependent upon the availability of the official Statistics Canada C.P.I. calculated on the same basis and in the same form as that published for March, 1987.

9. Each adjustment specified in the Interim Increase will replace the previous adjustment, if any, in its entirety, except that the fourth adjustment in the first year of the agreement, the fourth adjustment in the second year of the agreement, and the third adjustment in the third year of the agreement will be added to the hourly wage rates at the time of calculation.

10.

(I) Notwithstanding the provisions of the Interim Increase as set out in paragraphs 1 through 9 of this Appendix "A", advances from future adjustments of the Interim Increase will be made and will be payable as follows:

Effective September 13, 1987 - \$.25

Effective May 15, 1988 - \$.15

Effective May 14, 1989 - \$.15

(ii) The twenty-five cents (\$.25) advance which is payable commencing on September 6, 1987, as set out in paragraph 10 (i) above, will be recovered from the first Interim Increase adjustment in the first year of the agreement and from all future payments of the Interim Increase. If, however, the first Interim Increase adjustment in the first year of the agreement produces less than twenty-five cents (\$.25) then any unrecovered amount of advance shall be recovered from subsequent adjustments of the Interim Increase until the full amount of the twenty-five cents (\$.25) advance has been recovered.

(iii) The fifteen cents (\$.15) advance which is payable commencing on May 15, 1988, as set out in paragraph 10 (i) above, will be recovered from the first Interim Increase adjustment in the second year of the agreement and from all future payments of the Interim Increase. If, however, the first Interim Increase adjustment in the second year of the agreement produces less than fifteen cents (\$.15) then any unrecovered amount of advance shall be recovered from subsequent adjustments of the Interim Increase until the full amount of the fifteen cents (\$.15) advance has been recovered.

(iv) The fifteen cents (\$.15) advance which is payable commencing on May 14, 1989, as set out in paragraph 10 (i) above, will be recovered from the first Interim Increase adjustment in the third year of the agreement and from all future payments of the Interim Increase. If, however, the first Interim Increase adjustment in the third year of the agreement produces less than fifteen cents (\$.15) then any unrecovered amount of advance shall be recovered from subsequent adjustments of the Interim Increase until the fifteen cents (\$.15) advance has been recovered.

SPECIMEN SCHEDULES
7-DAY/WEEK SCHEDULE - CLOCKWISE ROTATION

GROUP	WEEK NO. 1							WEEK NO. 2							WEEK NO. 3							WEEK NO. 4						
	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1.	D	D	D	D	X	X	X	A	A	A	A	A	A	A	X	X	N	N	N	N	N	N	N	N	X	X	D	D
2.	X	A	A	A	A	A	A	X	X	N	N	N	N	N	N	N	X	X	D	D	D	D	D	D	X	X		
3.	A	X	X	N	N	N	N	N	N	X	X	D	D	D	D	D	X	X	X	A	A	A	A	A	A			
4.	N	N	N	X	X	D	D	D	D	D	D	X	X	X	A	A	A	A	A	A	A	X	X	N	N	N	N	

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7-DAY/WEEK SCHEDULE - COUNTER CLOCKWISE ROTATION

	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1.	A	A	A	X	X	D	D	D	D	D	D	X	X	X	X	N	N	N	N	N	N	N	X	A	A	A	A	
2.	D	D	D	D	X	X	X	X	N	N	N	N	N	N	N	X	A	A	A	A	A	A	X	X	D	D		
3.	X	X	N	N	N	N	N	N	X	A	A	A	A	A	A	A	X	X	D	D	D	D	D	D	X	X		
4.	N	N	X	A	A	A	A	A	A	A	X	X	D	D	D	D	D	D	X	X	X	X	N	N	N	N	N	

NON-ROTATING 7-DAY/WEEK SCHEDULE

45
"A"
"B"
"C"

	WEEK NO.1	WEEK NO. 2	WEEK NO.3
	S M T W T F S	S M T W T F S	S M T W T F S
	X W W W W W X	X W W W W W	W X X W W W X
	X W W W W W W	W X X W W W X	X W W W W W X
	W X X W W W X	X W W W W W X	X W W W W W W

LEGEND "D" 7:00 A.M. to 3:00 P.M. or 8:00 A.M. to 4:00 P.M.
 "A" 3:00 P.M. to 11:00 P.M. or 4:00 P.M. to 12:00 M.N.
 "N" 11:00 P.M. to 7:00 A.M. or 12:00 M.N. to 8:00 A.M.
 "W" Work Normal Hours
 "X" Off

Elmira, Ontario
September 13, 1987.

Mr. G. H. Parson, President,
Local Union No. 13691, U.S.W.,
106-35 Flamingo Drive.
Elmira, Ontario.

Dear Mr. Parson:

This **will** confirm the commitment made by the Company at the **meeting of negotiations** on May 8, 1981, concerning payment to employee members of the Union's Executive Committee for time spent in **meetings** with Company **representatives** for the purpose of negotiation of renewal Agreements between the Company and Union.

Payment will be made at the employee's straight **time** hourly rate for time spent at every other **meeting** up to a **maximum of 8** hours per day, per committee member, and only up to the date of any application for Conciliation **services**.

Yours truly,

R. M. McKinnon,
Industrial Relations Manager

Elmira, Ontario.
September 13, 1987.

Mr. G. H. Parson, President,
Local Union No. 13691, U.S.W.,
106-35 Flamingo Drive,
Elmira, Ontario.

Dear Mr. Parson:

This will confirm the understanding reached in the 1981 negotiations concerning Section 10.02 of the Collective Labour Agreement.

Where considered necessary for safety reasons that two or more employees be in attendance in a work area, that provision will be stipulated in process operating procedures and will include:

Bldg. No. 14 - Autoclave (MBT)

Bldg. No. 28 - Autoclave (BLE or JZF)

Bldg. No. 37 - Alkylator and UBOB Reducer

Process operating procedures will be revised to reflect current conditions.

Yours truly,

R. M. McKinnon,
Industrial Relations Manager.

**LIFE INSURANCE AND
WELFARE AGREEMENT**

between

UNIROYAL CHEMICAL LTD.

Elmira, Ontario

and

**LOCAL UNION NO. 13891
UNITED STEELWORKERS OF AMERICA**

Elmira, Ontario

September 1987 - May 1990

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FARE AGREEMENT**

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PREAMBLE

The Company agrees to provide the following Group Life and Health insurance Plan, effective September 1, 1987, under the terms and conditions as detailed in the following Agreement.

ARTICLE 1 - DEFINITIONS

1.01 "Employee" means any hourly-paid male or female in regular full-time employment with the Company.

1.02 "Dependent" means a person defined as follows:

(a) The Spouse of an employee. For purposes of any benefit payable under the Plan, "Spouse" means the person who is legally married to the employee, except that a person of the Opposite sex who is cohabiting with the insured employee and is publicly represented as the wife or husband of the insured employee will be considered to be the spouse of the insured employee.

(b) An employee's unmarried, unemployed child under twenty-one years of age.

(c) With exception of the Medical Services (O.H.I.P.) Benefit, an employee's unmarried, unemployed child who is over 21 years of age but under 25 years of age provided such child is in full time attendance at school, college or university.

1.03 "Physician" means a medical practitioner who is registered under the Medical Act of the Province of Ontario or such similar statute or law as governs the practice of medicine in the jurisdiction in which any medical, surgical or diagnostic services are rendered to an employee or his dependant.

1.04 "Lay-off" means the termination of employment of an employee by the Company for an indefinite period, caused by the decision of the Company to reduce or eliminate the work upon which the employee was engaged.

ARTICLE 2 - ELIGIBILITY

2.01 All employees actively at work on September 1, 1987, are eligible for benefits covering death, dismemberment or disability suffered or incurred on or after that date (provided the employees have fulfilled the initial eligibility requirements as outlined in Section 2.02 following).

2.02 New employees hired after September 1, 1987, are entitled to the benefits of the plan covering death, dismem-

berment or disability suffered or Incurred on or after the first day of the month following the completion of two (2) months of continuous employment.

2.03 An employee not actively at work on the dates specified in Sections 2.01 and 2.02 above will be eligible on return to active employment.

2.04 (a) An employee will be considered to be single and without dependants until the employee has furnished Such proof as the Company may reasonably require to establish the eligibility of any person claimed as a dependant.

(b) An eligible dependant of an eligible employee is entitled to benefits as stated herein on or after the date on which the dependant is properly enrolled under the Plan.

If a dependant is confined to hospital on the date benefits would otherwise become effective the coverage, other than benefits provided by the Ontario Health Insurance Plan, will be postponed until the dependant is discharged from hospital.

(c) Any change in the status of a dependant, which would affect eligibility under the Plan, must be reported promptly to the Company.

2.05 Where an Insured employee is also insured as a dependant under another group insurance plan for Medical Services, Supplementary Hospital Expense or Supplementary Health, benefits are not payable for the portion of any eligible expense paid by the other plan.

Payment of any eligible expense by an Insured dependant, if such dependant is also an insured person under another group insurance plan, will be determined on the following basis:

(i) Benefits will not be paid for the portion of any expense for which the dependant is eligible to be reimbursed as an Insured member of another plan.

(ii) Benefits will be reduced by the amount of reimbursement made by the other plan if the dependant is also insured as a dependant under that plan.

2.06 An employee who is recalled from lay-off or who returns from a properly approved leave of absence, and who retains seniority, shall be eligible for benefit under the

plan in respect of any disability incurred by himself or his dependants on or after the date on which he returns to work.

2.0 ELIGIBILITY

(a) Voluntary Retirement or Discharge

An employee whose employment is terminated by resignation or discharge will cease to be eligible for all benefits under the plan on the date of termination, except that life insurance will continue for 31 days under the conversion privilege.

(b) Lay-off of Retirement

An employee whose employment is terminated by lay-off or by retirement shall cease to be eligible for the weekly indemnity benefit on the date of termination, and for all other benefits on the last day of the month in which termination occurs, except that life insurance will continue for 31 days under the conversion privilege.

An employee whose employment is terminated by lay-off while on an approved leave of absence which was granted for reasons of sickness or injury shall continue to be eligible for Weekly Indemnity benefit in respect of the disability previously established as the cause of the leave of absence.

(c) Dependants

Dependants of an employee shall cease to be eligible for benefit under this plan on the date on which the employee ceases to be eligible or on the date on which the dependant no longer qualifies under Section 1.02, and in the case of the death of an employee at the end of the month in which said death occurs.

2.03 LEAVE OF ABSENCE - INJURY, PREGNANCY OR SICKNESS

Subject to the provisions of sub-section 3.03 (h), when an eligible employee is on a leave of absence because of injury, pregnancy or sickness, applicable benefits of the plan for the employee and eligible dependants will be maintained for a period commencing with the first day of

the month following the date such leave commences as follows:

- (a) Up to 6 months for an employee who has less than 5 years' seniority.
- (b) Up to 9 months for an employee who has 5 years but less than 10 years' seniority.
- (c) Up to 12 months for an employee who has 10 or more years' seniority.

EXPIRATION OF LEAVE OF ABSENCE BENEFITS

An employee who is unable to return to work at the expiration of the period of leave of absence for which he is eligible for benefits as set out above, may continue coverage for himself and dependants for all benefits, except weekly indemnity, by payment, monthly, in advance to the Company, of the total premiums applicable to such benefits. Such payment will be the responsibility of the employee. This privilege will terminate on termination of employment (including lay-off) or termination of the plan or failure to pay premiums.

2.09 LEAVE OF ABSENCE - OTHER REASONS

An employee who is granted leave of absence for any reason other than sickness or injury after becoming eligible for the plan, shall continue to be eligible for all benefits for himself and dependants, except weekly indemnity, until the end of the month in which such absence commences.

ARTICLE 3 - BENEFITS

3.01 Life Insurance Benefit

Group Life Insurance, with a death benefit payable under the terms and conditions found in a standard Group Life Insurance policy issued in the province of Ontario, will be provided according to the following schedule:

- (a) Each employee while eligible for life insurance as an active employee:

Effective September 1, 1987	- \$18,000.00
Effective June 1, 1988	- \$18,500.00
Effective June 1, 1989	- \$19,000.00

(b) Each retiree who becomes eligible for and receives a **monthly retirement pension, except a Deferred Vested Pension or a Disability Allowance,** from the Company on or after the date specified below:

Effective September 1, 1987 - \$6,000.00

Effective June 1, 1988 - \$6,500.00

Effective June 1, 1989 - \$7,000.00

If an employee with 10 or more years of service becomes totally disabled prior to age 65 years and is granted a monthly Disability Allowance under provisions of the Wage Employees Retirement Agreement, the life insurance the amount applicable as an active employee will be extended during the period the employee is in receipt of the monthly Disability Allowance up to age 65 years. At age 65 years the amount of life insurance will be reduced to the amount provided above for a retiree on that date.

The group policy will further provide that an individual who has qualified for life insurance as an active employee may,in 31 days of the date of termination of employment, obtain an individual life insurance policy up to a maximum of the amount applicable as an active employee without a medical examination. The group life insurance will continue during this 31 day period.

3.02 Accidental Death and Dismemberment Benefit

In addition to the group life insurance benefit provided under Section 3.01, a Group Accidental Death and Dismemberment benefit will be provided while eligible as an active employee:

Effective September 1, 1987 - **\$18,000.00**

Effective June 1, 1988 - \$18,500.00

Effective June 1, 1989 - **\$19,000.00**

The above principal sum will be payable in the case of death or loss of both hands, both feet, or sight of both eyes, or any two of the above members, providing death or such loss occurs within 90 days of the date of the accident and is caused by external, violent and accidental means.

One-half of the above principal sum will be payable in the case of loss of one hand, one foot, or sight of one eye under the same conditions.

The policy under which this benefit is provided will contain such limitations and conditions as are found in a standard Group Accidental Death and Dismemberment policy issued in the province of Ontario. The maximum payable under this benefit for any one accident is the principal sum.

3.03 Weekly Indemnity Benefit

(a) If, while insured for this benefit, an employee becomes totally disabled so that he cannot work due to a non-occupational injury or illness and is under the care of a physician, payment will be made, on the basis of the sub-sections following, up to a maximum of fifty-two (52) weeks during any one period of disability.

(b) A period of disability, whether from one or more causes, will be considered as one period of disability and benefits limited accordingly. A recurrence of disability from the same or related causes will be considered a separate period of disability only if the employee has recovered and returned to full time employment for a period of at least fourteen (14) calendar days.

A disability resulting from an unrelated cause will be considered a different period of disability if separated by return to regular full time employment.

(c) If the disability is the result of an accident the benefit will be paid commencing with the first day of disability.

If the disability is the result of illness the benefit will be paid commencing with the fourth (4th) day of continuous disability except, however, if the illness necessitates confinement in a hospital the benefit will be paid commencing with the first (1st) day of hospital confinement if such date is prior to the date on which the benefit would otherwise commence.

The date on which the disability terminates will be deemed to be the day preceding the date on which the employee is capable of returning to work as determined by the attending physician.

(d) Effective September 1, 1987, for claims commencing on or after that date, the **weekly** benefit is an amount equivalent to sixty-six and two-thirds percent (66 2/3%), rounded to the nearest full dollar amount, of the employee's straight time regular hourly classification rate, exclusive of all types of premium payments, multiplied by the normal forty (40) hours, or sixty-six and two-thirds percent (66 2/3%), rounded to the nearest full dollar amount, of the employee's "average weekly Insurable Earnings", whichever is greater, to a maximum weekly benefit of \$318.00

"Average weekly Insurable Earnings" will be calculated in accordance with the U.I.C. definition.

(e) If the earnings Index under the Unemployment Insurance Act should change the Criteria for maximum benefits, the Company may elect to adjust the maximum weekly benefit of \$318.00 stipulated in sub-section (d) above to the extent necessary to maintain the minimum qualification requirements of the Weekly Indemnity plan for Unemployment Insurance Act premium reductions.

(f) In consideration of the improvements in the Weekly Indemnity plan provided in sub-sections (d) and (e) above, the Union and its members agree to forego the total cost or savings which they might be entitled, in whole or in part, under the Unemployment Insurance Act as a result of the Weekly Indemnity plan becoming or remaining approved for any reduction of premium, and that all such money shall be retained by the Company.

(g) Should the provisions of this Section fail to meet or fail to continue to meet the criteria required to maintain the Weekly Indemnity plan as an approved plan for premium reductions under the Unemployment Insurance Act, the Company and the Union will, following the effective date of such legislation or change in the regulations, commence negotiations to amend these provisions providing that such amendments do not increase the aggregate cost of Weekly Indemnity to the Company before the enactment of the legislation or change in the regulations.

(h) The Weekly Indemnity benefit is not payable for any disability:

(i) During which the employee is not under the care of a physician.

(ii) Resulting from an occupational injury or illness for which the employee receives Workers' Compensation or similar benefit payments.

(iii) Resulting from pregnancy.

However, the Unemployment Insurance Commission's regulation generally, to discount payment for disability related to pregnancy, the plan shall be used to provide the amount provided in this Section but shall be limited to a maximum period of 6 weeks.

(iv) The Weekly Indemnity benefit is not payable for any day for which the employee is absent as a result of a holiday or a day of rest or a day of absence agreed to by the employee.

3.04 Medical Expense Benefit

The Company will contribute to the cost of the Ontario Health Insurance Commission or any other health insurance plan for any eligible employee and eligible dependants, if such employee or them for the O.H.I.P. benefit is effective as of September 1, 1987. Such premium shall be paid by the Company for each month an employee or dependant(s) is eligible under the provisions of Article 2 - Eligibility. For each month in which the employee or dependant(s) is not eligible under this Agreement, the amount of the premium will be deducted from his pay.

If monthly premiums are increased by the Ontario Health Insurance Commission during the term of this Agreement for substantially the same benefits as previously provided, the Company will remit the revised monthly premium for each eligible employee to receive these benefits.

3.05 Supplementary Hospital Expense Benefit

In addition to making the payments as defined in Section 3.04 above, the Company will provide Supplementary Hospital Expense Benefits for any eligible employee and any eligible dependant. In the amount of the usual charge of the hospital or contracted for standard semi-private ward are decreased by an amount equal to the value of any benefit for which the employee or dependant is eligible under a provincial government hospitalization program.

plan. The maximum period for which this benefit will be payable is 365 days in respect of any one Benefit Period.

Successive periods of confinement in a hospital shall be considered as occurring during one Benefit Period unless the employee has recovered and returned to full employment for a period of at least fourteen (14) days before commencement of the later confinement, or unless the later confinement is due to causes wholly different from those of the prior confinement; or in the case of a dependant, successive periods of confinement are separated by an interval of 3 months or more unless the dependant has completely recovered from the bodily injury or sickness causing the prior confinement before commencement of the later confinement or unless the later confinement is due to causes wholly different from those of the prior confinement.

3.06 Supplementary Health Benefits

Subject to Eligible Expenses and Limitations, the plan will provide payment of reasonable and customary charges for the benefits listed below for each eligible employee and eligible dependant(s).

Eligible Expenses: Eligible Expenses mean reasonable and customary charges for the following services, providing that such services are prescribed by a physician licensed to practice medicine:

- Services of a qualified physiotherapist, provided such physiotherapist is not ordinarily resident in the patient's home and is not a relative of the patient.
- Services rendered in the patient's home by a registered nurse, provided such registered nurse is not ordinarily resident in the patient's home and is not a relative of the patient, and subject to maximum total eligible expenses in a calendar year of \$15,000.00 less the amount paid under this provision for registered nurses' services during the two preceding calendar years plus \$50.00 per day thereafter.
- Prescription drugs dispensed by a physician or by a registered pharmacist on the written prescription of a physician.

- Rental of a wheel chair, hospital bed, iron lung and other durable equipment required for temporary therapeutic use.
- Trusses, braces and crutches where the disability necessitating such equipment is incurred while insured.
- **Artificial limbs or other prosthetic appliances where the disability causing loss of the natural member is incurred while**
- Local ambulance service.
- The services of a dental surgeon for treatment of a fractured jaw or for the treatment of accidental injuries to natural teeth within six months of the accident where the injury was caused by external, violent and accidental means.
- **Services of a physician or surgeon outside Canada, on an emergency basis or for written referral by the attending physician in excess of the charges covered by any government plan.**
- Eye glasses, up to a total amount of \$120.00 per person in any period of 24 consecutive months when purchased on the written prescription of a medical doctor or optometrist, excluding sun glasses, glasses for cosmetic purposes and safety glasses except where such safety glasses require prescription lenses.
- Hearing aids, including repairs and batteries, up to a total amount of \$500.00 per person in any period of 60 consecutive months, when purchased on the written prescription of a physician.

Limitations: The insurance under this benefit does not cover charges in respect of:

- Injuries or Sickness for which benefits are payable under any Workers' Compensation Act.
- Services of a physician or surgeon except as provided under Eligible Expenses.
- Self-inflicted injuries which are not accidental.
- Injury or sickness resulting from war or from engaging in a riot, illegal disturbance of the peace, criminal act, addiction to drugs or alcoholism.

- Any services for which the individual is not required to pay or for which benefits are received under any other group insurance policy.

Services for which benefits are payable under government hospital or medical care insurance plan.

3.07 Dental Expense Benefit

The plan will provide for reimbursement of eligible expenses incurred by an eligible employee or eligible dependant as set forth in the following schedule:

- 100% of Basic and Rider No. 1 eligible expenses
- 50% of Rider No. 2 eligible expenses
- 50% of Rider No. 4 eligible expenses
- Reimbursement will be on the basis of reasonable and customary charges as limited to the 1985 Schedule of Fees of the Ontario Dental Association for expenses incurred on or after September 1, 1987; and limited to the 1986 Schedule of Fees of the Ontario Dental Association for expenses incurred on or after June 1, 1988; and limited to the 1987 Schedule of Fees of the Ontario Dental Association for expenses incurred on or after June 1, 1989.

"Reasonable and customary charges" means the usual charges where there is no insurance.

3.08 Extended Termination Benefits

When an eligible dependant is totally disabled on the date of termination of the employee's insurance because of termination of employment, benefits payable under the Supplemental Hospital Expense Benefit and Supplemental Health Expense Benefit will be continued in respect of the disabled dependant during total disability for a period up to 90 days from the date of termination.

3.09 The illness benefit will be provided for a retiree who becomes eligible for and receives a monthly Disability Allowance under the provisions of the Wage Employees Retirement Agreement on or after July 20, 1984

(a) Payment by the Company of the monthly premium required to qualify the retiree and any eligible dependants for O.H.I.P. benefits.

(b) Payment by the Company of the monthly group insurance premiums required to entitle the retiree and any eligible dependants to reimbursement for charges for prescription drugs dispensed by a physician or by a registered pharmacist on the written prescription of a physician.

The benefit in (a) above will be provided for an employee who retires under the Special Early Retirement or the Early Retirement provisions of the Wage Employees Retirement Agreement on or after July 1, 1987.

Payment of premiums under (a) and (b) above will commence in the month following the effective date of retirement and terminate at the end of the month in which the retiree or spouse reaches 85 years, or on the death of the retiree, if earlier.

In the case of a retiree who is receiving a monthly Disability Allowance granted during the term of a previous Life Insurance and Welfare Agreement, the Company will continue to make payment of the monthly premiums required to provide the benefits stipulated in the applicable Agreement.

ARTICLE 4 - GENERAL PROVISIONS

4.01 Benefits under this plan are not payable under the following conditions:

- (a) injury or illness resulting from self-inflicted injury, act of war or insurrection.
- (b) Operations or treatments for cosmetic purposes.
- (c) Operations or treatments for conditions not detrimental to bodily health.

4.02 No employee shall be eligible for payment of an indemnity claim either full or in part for any period for which an employee is receiving other income to which the Company is either directly or indirectly a contributor. If an employee, who is temporarily laid off and is receiving unemployment insurance, suffers an injury or illness, he would not be excluded from coverage under the plan providing he is otherwise eligible.

4.03 No payment of claim will be made if the employee fails to meet the requirements & the insurer with respect to proof and time limitations under regulations included in policies written in Ontario.

4.04 An employee suffering an injury or a disability while participating in sport for personal gain and remuneration may be subject to exclusion from any or all coverage under this plan.

4.05 The Company may enter into a contract or contracts with an insurance company or companies or such other organizations as it may choose, to provide the benefits of this Agreement, and upon so doing will be relieved of any individual liability to any employee other than to maintain such contract or contracts in force.

4.06 If at any time a Federal or Provincial Government passes legislation which directly or indirectly has the effect of providing benefits similar to one or more of the benefits described in this plan for which the employee as a class shall be eligible, this Agreement shall terminate in respect of that benefit or benefits upon the expiration of thirty (30) days after the proclamation of such statute or upon the date the statute comes into effect, whichever is later.

During such thirty (30) day period or such longer period as may expire after date of proclamation of the statute, the parties will meet for the purpose of negotiating any amendments required or desirable to assure that the aggregate of the Statutory benefits and the benefits provided under this plan shall approximate in kind and money value the benefits provided under the plan before said statutory enactment.

4.07 Claim to be filed within 90 days

Proof of claim on forms furnished by the Company must be submitted to the Company by the employee within 90 days after the commencement of any disability for which benefits are payable.

4.08 If a dispute shall arise between the Company or its insurer as the case may be, and the employee, as to whether such employee is, or continues to be suffering from bodily injury or sickness of a degree, extent and type

that gives rise to a claim for benefits under the plan. such dispute shall be resolved as follows:

The employee or disabled person shall be examined by a physician appointed for that purpose by the Company or the Insurer, and by a physician appointed for that purpose by the Union. **if they shall disagree concerning the kind and nature of the disability, the question shall be submitted to a third physician selected by the said two physicians. The opinion of the third physician, after examination of the disabled person and consultation with the other two physicians shall be accepted by the Company or the Insurer, the Union and the Insurer as a rebuttable evidence of the facts herein disclosed, and the degree, extent and type of disability suffered by the disabled person. The fees and expenses of the third physician shall be shared equally by the Company or the Insurer and the Union.**

4.09 Subrogation

When an employee or dependant receives weekly indemnity benefits, or other payments to him or on his behalf by reason of bodily injury or sickness in respect of which some third party is under legal liability, the Company or the Insurer at the Company's option, shall be subrogated to the employee's or dependant's right to compensation for the cost of the benefits and/or services provided in respect of such bodily injury or sickness to the extent of the amount paid by the Company either directly or indirectly, or through coverage provided by the Insurance policy in respect thereof and the employee by acceptance of the benefits, will undertake that he or the dependant so entitled to compensation shall prosecute such claim against the third party at the expense of, and to the extent directed by the Company and pay over to the Company what it is entitled to receive as aforesaid together with any expenses it may have paid or incurred, from any monies recovered from such third party, and he or the dependant will do all acts, and execute all documents necessary to permit the Company to obtain the benefit of this clause.

ARTICLE 5 - TERMINATION

5.01 This Agreement shall become effective on September 1, 1987, and remain in full force and effect until May 12,

1990, and shall continue in effect thereafter from year to year for further periods of one year each, unless either party shall have given written notice of termination or written notice of proposals for amendment to the other not less than six (60) days or more than ninety (90) days prior to the expiration of this three year Agreement, May 12, 1990, or any yearly period thereafter.

5.02 In the event of written notice of termination or proposals for amendments having been given by either party as provided for in Section 5.01 of this Article, negotiations shall be carried on during the period of such notice with a view to arranging another agreement. Should such negotiations extend beyond the expiration date, this Agreement shall remain in full force and effect until the provisions of the Labour Relations Act of Ontario have been applied or until a new agreement is entered into by the parties.

Dated at Elmira, Ontario, this thirteenth day of September, 1987.

Signed on behalf of the parties hereto by their duly authorized representatives:

For the Company

W. K. Ruck
Manager of Manufacturing

R. F. Hooper
Production Manager

G. C. Martin
Associate Project and Design Engineer

R. M. McKinnon
Industrial Relations Manager.

For the Union

**G. H. Parson
President**

**E. O. Vannatter
Vice-President**

**B. S. Goodwin
Recording Secretary**

**C. A. Price
Financial Secretary**

**G. W. Schaefer
Treasurer**

**D. C. Wilton
international Representative**

**WAGE EMPLOYEES RETIREMENT
AGREEMENT**

between

**UNIROYAL CHEMICAL LTD.
Elmira, Ontario**

and

**LOCAL UNION NO. 13691
UNITED STEELWORKERS OF AMERICA
Elmira, Ontario**

July 1987 - May 1990

**ALPHABETICAL INDEX
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UNIROYAL CHEMICAL LTD.
Elmira, Ontario.
WAGE EMPLOYEES RETIREMENT AGREEMENT
Effective July 1, 1987

ARTICLE 1
INTRODUCTION

1.01 This document constitutes the UNIROYAL CHEMICAL LTD., Elmira, Ontario, Wage Employees Retirement Agreement (the "Retirement Agreement"), being amended and restated herein as of July 1, 1987.

1.02 The basic purpose of the Retirement Agreement is to provide for some form of retirement for employees of the Company who are employed before and after the Effective Date. It amends and restates the agreement established for the Company as it existed prior to the Effective Date (hereinafter referred to as the "Prior Retirement Agreement"), with respect to eligible employees and, as such, the document incorporates and preserves the entitlements and benefits accrued prior to the Effective Date under the Prior Retirement Agreement. All assets accumulated under such Prior Retirement Agreement are therefore consolidated in the Fund established for this Retirement Agreement, and all liabilities under such Prior Retirement Agreement are correspondingly assumed under the terms of this Retirement Agreement.

1.03 The Retirement Agreement as contained herein shall apply to Members who are in the employment of the Company on or after the Effective Date, benefits in respect of a Member whose employment ceased prior to the Effective Date shall be determined in accordance with the terms of the Prior Retirement Agreement at the time of such cessation of employment except as specifically provided herein.

1.04 The terms of the Retirement Agreement shall meet the requirements of Applicable Pension Laws and the Revenue Rules and the continued registration of the Retirement Agreement as a registered pension plan under both Appli-

cable Pension Laws and the income Tax Act of Canada is a pre-condition for the Retirement Agreement to become and remain operative.

ARTICLE 2 CONSTRUCTION, INTERPRETATION AND DEFINITIONS

CONSTRUCTION AND INTERPRETATION

2.01 The masculine pronoun wherever used herein shall include the feminine pronoun where applicable, and the singular shall include the plural and vice versa, as the context shall require. References to a paragraph, Section or an Article, mean a paragraph, Section or an Article in the Retirement Agreement.

2.02 The Retirement Agreement and all the rights and obligations hereunder shall be construed, governed and administered in accordance with the laws of the Province of Ontario, except for those rights and obligations which are solely within the jurisdiction of Canada.

2.03 All monetary references in the Retirement Agreement are to be construed as being expressed in terms of the lawful currency of Canada.

DEFINITIONS

In this Retirement Agreement the following terms shall, unless the context clearly indicates otherwise, have the following meanings:

2.04 "Actuarially Equivalent" means a benefit of equivalent value but of different form of payment to a specified benefit, as determined on a basis of calculation adopted by the Company on the advice of the Actuary and in effect on the date such determination is being made, provided that such basis is in accordance with Applicable Pension Laws and provided further that the basis used for purposes of determining the commuted value of a benefit shall be the fair market value of such benefit on the date such determination is being made.

2.05 "Actuary" means an individual from time to time appointed by the Company to carry out actuarial valuations

and provide such actuarial advice and services as may be required from time to time for the Purposes of the Retirement Agreement. The Actuary shall at all times be a person who is a Fellow of the Canadian Institute of Actuaries.

2.06 "Applicable Pension Laws" means The Pension Benefits Act of the Province of Ontario and any regulation pursuant thereto and any amendments or substitutes therefor as well as any similar statute applicable to the Retirement Agreement and any regulation pursuant thereto adopted by the federal government.

2.07 "Basic Benefit Rate" means the Basic Benefit Rate as described in Section 6.01.

2.08 "Basic Pension" means the Basic Pension as described in Section 6.01.

2.09 "Beneficiary" means that person last designated by the Member to receive any benefit under this Retirement Agreement in the event of the death of the Member according to the provisions of Article 10 or in the absence of an effective designation of a Beneficiary, the estate of the Member.

2.10 "Collective Labour Agreement" means the collective labour agreement between the Union and the Company effective September 13, 1987, as amended from time to time.

2.11 "Company" means Uniroyal Chemical Ltd., Elmira, Ontario. Administrative action required to be taken by the Company shall be performed by the Pension Committee in accordance with Article 15.

2.12 "Continuous Service" means the service of a Member as defined in Section 4.01, used to determine eligibility for benefits.

2.13 "Credited Service" means the service of a Member as defined in Section 4.05, used to determine the amount of benefits for which a Member is eligible.

2.14 "Date of Determination" means the date as of which a benefit is to be calculated under the Retirement Agree-

ment, as specified in each relevant Section, and being one of:

- (a) a Member's Retirement Date,
- (b) a Member's date of termination of employment,
- (c) a Member's date of death, and
- (d) the date of amendment or discontinuance of the Retirement Agreement or the date of consolidation or merger of the Retirement Agreement with another pension plan.

2.15 "Disability Retirement Date" means the date specified in Section 5.05.

2.16 "Early Retirement Date" means the date specified in Section 5.03.

2.17 "Effective Date" means July 1, 1987.

2.18 "Employee" means a person who is employed on a regular full-time or regular part-time basis by the Company at the Uniroyal Chemical Ltd., Elmira, Ontario operations and who is a member of the Union or is a member of any other class of employees designated by the Company as being eligible to be covered under the terms of the Retirement Agreement.

2.19 "Fund" means the fund established for the purposes of the Retirement Agreement as set forth herein and established in accordance with the terms and provisions of the Funding Agreement, to which all contributions in respect of the Retirement Agreement shall be made and from which all benefits and expenses under the Retirement Agreement shall be payable.

2.20 "Funding Agency" means the trust and/or insurance company and/or any group of individual trustees designated by the Company and holding the whole or a portion of the assets of the Fund at any time pursuant to the terms of a Funding Agreement.

2.21 "Funding Agreement" means any trust deed, agreement or agreements executed from time to time between the Company and any Funding Agency, including any insurance or annuity contract or contracts issued by a Funding Agency and including any amendments which are

from time to time made to any such documents, pertaining to the custody of the Investments of the Fund.

2.22 "income Tax Act" means the income Tax Act, Statutes of Canada 1970-71-72 and any applicable provincial income Tax Act, as amended from time to time, together with any relevant regulations and application rules made thereunder from time to time.

2.23 "Member" means an Employee who is covered under the terms of the Retirement Agreement in accordance with Article 3.

2.24 "Normal Retirement Date" means the date specified in Section 5.01.

2.25 "Old Age Security Date" means the first (1st) day of the month in which the Member first becomes eligible (or could become eligible but for some act or failure to act by him or by another on his behalf, such as leaving Canada, failing to make timely application or failing to notify the proper authority of his address), for benefit under the Old Age Security Act, Canada.

2.26 "Pension Committee" means the officials of the Company who have been designated and authorized by the Board of Directors of the Company to act on behalf of the Company in accordance with the provisions of Section 15.01.

2.27 "Postponed Retirement Date" means the date specified in Section 5.04.

2.28 "Prior Retirement Agreement" means the agreement established for the Employees, as it existed immediately prior to the Effective Date which is hereby succeeded by this Retirement Agreement as of the Effective Date.

2.29 "Retirement Agreement" means the Uniro Chemical Ltd., Elmir, Ontario Retirement Agreement set forth in this document and includes any amendments which are from time to time made hereto.

2.30 "Retirement Date" means the Early, Special Early, Normal, Postponed or Disability Retirement Date on which a Member actually retires.

2.31 "Revenue Rules" means the rules and regulations adopted from time to time by the Minister of National

Revenue pertaining to registered employees' pension plans or funds under the Income Tax Act as they are applicable to this Plan.

2.32 "Severance Award" means the amount described in Section 11.03.

2.33 "Special Early Retirement Date" means the date specified in Section 5.02.

2.34 "Spouse" means the person who, at the earlier of the commencement of a Member's pension or the date of his death, meets the following eligibility requirements:

(a) the person who is the lawfully wedded spouse of the Member;

or

(b) where a Member does not have a lawfully wedded spouse, the person of the opposite sex who has resided with such Member and has been publicly represented by such Member as his spouse for a continuous period of three (3) years or more immediately prior to the date of the commencement of the Member's pension or the date of his death, as applicable, provided that not more than one (1) person shall be a Spouse hereunder and in the event of more than one (1) person having claims to be such, the determination of the Company as to which person shall be the Spouse, on the basis of evidence available to it and which it considers sufficient for the purposes of such determination, shall be final.

2.35 "Statutory Benefit" means any old age or disability benefit payable under any federal or provincial legislation as now in effect, or under any future federal or provincial legislation, amending, superseding, supplementing, or incorporating existing federal or provincial legislation, but such term does not include Workers' Compensation or a benefit payable pursuant to occupational disease laws, the Blind Persons Act, or a benefit payable on a "needs test" basis or solely on account of service in the Forces or other national service, or a benefit payable to or in respect of dependents, or a benefit payable under the Old Age Security Act, Canada.

For the purpose of this Retirement Agreement, the amount of such Statutory Benefit shall be the amount of Statutory Benefit that a Member shall be eligible to receive as of the date he first becomes eligible to receive such Statutory Benefit, and if the Member either does not apply for or loses part or all of such Statutory Benefit through delay in applying for such benefit, by earnings while eligible for such benefit, or other act or failure to act, the amount of the Statutory Benefit may be estimated and the estimated amount applied where the term Statutory Benefit occurs.

In the event that a member has the option of receiving a Statutory Benefit at a reduced rate prior to the normal date of eligibility, the amount of such Statutory Benefit shall mean the amount which would have been payable had such option not been exercised.

2.36 "Supplemental Benefit Rate" means the Supplemental Benefit Rate as described in Section 6.02.

2.37 "Supplemental Pension" means the Supplemental Pension as described in Section 6.02.

2.38 "Union" means Local Union No. 13691, United Steelworkers of America.

2.39 "Weekly Average Pay" means the weekly average of the Member's highest ten (10) consecutive years of weekly rates of pay. Where a Member's Continuous Service is less than ten (10) years, the weekly average shall be the average of the Member's weekly rates of pay during his Continuous Service.

**ARTICLE 3
MEMBERSHIP**

3.01 Each person who was a member of the Prior Retirement Agreement immediately prior to the Effective Date shall automatically become covered under the terms of this Retirement Agreement as of the Effective Date and shall be classified as a Member from such date.

3.02 Each other person who was an Employee on the Effective Date or who becomes an Employee after the Effective Date shall become covered under the terms of this Retirement Agreement on the later of the Effective

Date or the date on which such person becomes an Employee and shall be classified as a Member from such date.

3.03 Nothing herein contained shall be deemed to give any Employee the right to be retained in the service of the Company or to interfere with the rights of the Company to discharge or lay-off any Employee at any time and to do so without regard to the effect which such treatment might have upon him as a Member.

3.04 While a Member remains in employment with the Company, he may not discontinue his active coverage under the terms of this Retirement Agreement.

ARTICLE 4 SERVICE

4.01 Continuous Service

(a) Continuous Service means the period of uninterrupted, regular, full-time or part-time employment of a Member with the Company, beginning with the date on which he was last hired by the Company and ending on the earliest of:

(i) his ceasing to be actively employed by the Company where as a condition of his employment he shall include, without loss of generality, and subject to 4.03, lay-off

(ii) his death;

(iii) his retirement on pension, including for greater certainty, his retirement on his Disability Retirement Date;

(iv) the discontinuance of the Retirement Agreement without immediate substitution of a successor employees' pension plan.

Continuous Service in respect of an employee whose employment is transferred from temporary to regular, permanent shall include such service as a temporary employee. For greater certainty, such temporary employment shall include periods of vacation employment while pursuing a course of study at a recognized college or

university provided that application for such regular, permanent employment is made immediately after completion of such course of study and further provided that only periods worked shall be included in Continuous Service.

(b) The following shall not constitute interruption of employment, unless and until the Member fails to return to active employment upon expiry of the period concerned:

- (i) leave of absence duly authorized by the Company, including leave on account of sickness, accident or maternity;
- (ii) total disability qualifying for benefits under Section 5.05;
- (iii) lay-off provided that the Member has not received a benefit pursuant to Article 11 and the period of lay-off does not exceed six (6) months. In the event that such period of lay-off exceeds six (6) months but is less than one (1) year, such lay-off shall not constitute interruption of employment but Continuous Service shall exclude the period of lay-off in excess of six (6) months.

4.02 Transfer of Employment

The transfer of a Member within the Company to a category of employment such that the Member ceases to be an Employee for the purposes of this Retirement Agreement, shall not constitute a termination of employment for the purposes of Article 11. In the event of such transfer, the Member's:

- (a) Continuous Service shall include all periods of uninterrupted, regular employment of the Member while he remains in the employment of the Company;
- (b) Credited Service shall exclude those periods of his employment while he was not an Employee.

4.03 Re-Employment

(a) Subject to paragraph 4.03(b), in the event an Employee terminates employment other than by retirement, and is subsequently re-employed with the Company, his periods of Continuous Service shall be treated separately, and the second period shall be considered to start

from the date of ~~said~~ Subsequent re-employment for the purposes of the Retirement Agreement.

~~(b) Different periods of prior Continuous Service of five (5) years or more, together with prior Continuous Service for any Intervening period or periods of service of less than five (5) years which were terminated otherwise than by voluntary resignation or discharge shall be combined with Continuous Service after re-employment and treated as one continuous period of Continuous Service for an Employee who, at his date of termination of employment other than by retirement, had live (5) or more years of Continuous Service to his credit and who subsequent to his date of re-employment remains employed with the Company for a continuous period of at least five (5) years. For greater certainty, the period during which the Employee was not employed by the Company shall be excluded in the calculation of Continuous Service. This paragraph 4.03(b) shall not apply to an Employee who has received a benefit pursuant to the terms of Article 11.~~

~~4.04 In the calculation of Continuous Service, a period of fifteen (15) days or more shall constitute one (1) month of Continuous Service; a period of fourteen (14) days or less shall be disregarded in its entirety.~~

~~4.05 Credited Service~~

~~(a) Subject to Section 4.06, Credited Service with respect to a Member means the Member's Continuous Service.~~

~~(b) Notwithstanding any other provisions of the agreement in respect of eligible periods of employment during which the Member was employed regularly on a part-time basis, Credited Service shall be reduced to an amount which will have the same proportionate relationship as the regular hours of such a Member have to the normal hours of a Member in full-time employment.~~

~~4.06 Exclusions from Credited Service~~

~~Notwithstanding the provisions of Section 4.05, Credited Service shall not include:~~

~~(a) any period of active membership in any other plan of the Company for which a benefit is credited under such other plan, except as provided in the Retirement Agreement;~~

(b) any period of temporary absence as described in paragraph 4.01(b) (i) during which such Member is not receiving earnings from the Company or income under Section-5.05 unless the Member returns to employment with the Company to Normal Retirement Date upon cessation of This paragraph does not apply to short periods of leave of absence not exceeding one (1) year, unless the Member fails to return to active employment, in which case such leave of absence will not be included in Credited Service

(c) Continuous Service after the Member's Normal Retirement Date.

ARTICLE 5 RETIREMENT DATES

5.01 Normal Retirement

The Normal Retirement Date of a Member is the first (1st) day of the month next following the attainment of age sixty-five (65).

5.02 Special Early Retirement

A Member may retire or may be retired on a Special Early Retirement Date which shall be the first (1st) day of any month following or coincident with the Member having both attained age sixty-two (62) and completed ten (10) years of Credited Service.

5.03 Early Retirement

A Member may retire or may be retired on an Early Retirement Date which shall be the first (1st) day of any month following or coincident with the Member either:

(a) having attained age sixty (60), but not age sixty-two (62), and having completed ten (10) years of Credited Service,

or

(b) having attained age fifty-five (55), but not age sixty-two (62), and having combined years of age and Credited Service total eighty-five (85).

5.04 Postponed Retirement

A Member may, with the consent of the Company, continue in the employ of the Company beyond Normal Retirement Date but. In any event, the Member shall retire, or be deemed to have retired for the purposes of the Retirement Agreement, not later than the first (1st) day of the month immediately prior to the Member's attainment of age seventy-one (71). The date of the Member's actual retirement in accordance with this paragraph shall be his Postponed Retirement Date.

5.05 Disability Retirement

(a) A Member, who through no fault of his own as described below, suffers a total and permanent disability, shall be retired, provided he has completed ten (10) years of Credited Service. For this purpose, a Member shall be deemed by the Company to be totally and permanently disabled if it is certified by a qualified medical practitioner that, as a result of bodily or mental injury or disease, he is wholly and presumably permanently prevented from engaging in any regular occupation or employment for remuneration, except that no Member shall be deemed to be totally and permanently disabled if such disability resulted from engaging in a criminal enterprise, or an intentionally self-inflicted injury, or injuries received due to service in the armed forces of any country, or if such disability resulted from or consists of chronic alcoholism or addiction to narcotics. The date from which such certification is effective shall be deemed to be the Member's Disability Retirement Date.

(b) A Member in receipt of retirement income as a result of disability is required from time to time, but not more frequently than at six (6) month intervals, to report at a reasonable place for physical re-examination. In the event that a Member refuses or neglects to be so re-examined, the Member's disability retirement income shall be discontinued until such time as the continuance of his disability, as described in paragraph 5.05(a) is so verified by such examination.

(c) In the event that a Member in receipt of retirement income ceases to be totally and permanently disabled as described in paragraph 5.05(a) or engages in any work

Similar to that described in the job requirements of any job in the bargaining unit as defined in the Collective Labour Agreement, the retirement income in respect of such a Member may be terminated at the Company's discretion and such Member shall be rehired by the Company in a capacity consistent with his seniority and his physical and mental ability, provided the Member promptly applies for such work.

**ARTICLE 6
RETIREMENT INCOME FORMULA**

6.01 Basic Pension

The monthly amount of Basic Pension as of a Member's Date of Determination shall be equal to the Basic Benefit Rate multiplied by his years of Credited Service. The Basic Benefit Rate shall depend on the Member's Date of Determination and as follows:

Date of Determination	Basic Benefit Rate
On or after July 1, 1987	\$14.25
On or after May 13, 1988	15.00
On or after May 13, 1989	16.00

6.02 Supplemental Pension

(a) The monthly amount of Supplemental Pension as of a Member's Date of Determination shall be equal to the Supplemental Benefit Rate multiplied by the Member's years of Credited Service to a maximum of thirty (30) such years. The Supplemental Benefit Rate shall depend on the Member's Date of Determination and shall be as follows:

Date of Determination	Supplemental Benefit Rate
On or after July 1, 1987	\$8.00

The Supplemental Pension shall be reduced by the amount of Statutory Benefit to which the Member may be or becomes eligible for prior to his Old Age Security Date.

Notwithstanding the foregoing, the Supplemental Pension shall not be reduced by the amount of Statutory Benefit which the Member may be eligible to receive in a reduced amount at his option, prior to his normal earliest date of eligibility for Statutory Benefit.

(b) The Supplemental Pension shall be payable in the form of monthly instalments beginning on the last day of the month in which the Member's Retirement Date occurs and continuing thereafter up to and including the month in which the Member's Old Age Security Date occurs or his earlier death.

ARTICLE 7 AMOUNT OF RETIREMENT INCOME

7.01 Normal Retirement

A Member who retires on his Normal Retirement Date will receive an amount of retirement income computed in accordance with Section 6.01, using the Member's Normal Retirement Date as his Date of Determination.

7.02 Special Early Retirement

(a) A Member who retires on a Special Early Retirement Date will receive an amount of retirement income computed in accordance with Section 6.01 using the Member's Special Early Retirement Date as his Date of Determination.

(b) In addition to the retirement income in paragraph 7.02(a), a Member who retires on a Special Early Retirement Date will receive a Supplemental Pension computed in accordance with Section 6.02 using the Member's Special Early Retirement Date as his Date of Determination.

7.03 Early Retirement

(a) A Member who retires on an Early Retirement Date will receive an amount of retirement income computed in accordance with Section 6.01 using the Member's Early

Retirement Date as his Date of Determination, multiplied by the applicable early retirement factor, in accordance with paragraph 7.03(c).

(b) in addition to the benefit in paragraph 7.03(a), a Member who retires on a Early Retirement Date will receive a Supplemental Pension computed in accordance with Section 6.02 using the Member's Early Retirement Date as his Date of Determination, multiplied by the applicable early retirement factor, in accordance with paragraph 7.03(c).

(c) The early retirement factor referred to In paragraphs 7.03(a) and 7.03(b) shall be determined by the following table:

Period in Months by Which Pension Commencement Precedes Age Sixty-Two (62)	Percentage Payable
0	100.0
12	95.2
24	90.4
36	85.6
48	80.8
60	76.0
72	71.2
84	66.4

For periods not shown above, the appropriate percentage payable shall be determined on a pro-rata basis.

7.04 Postponed Retirement

A Member retiring on a Postponed Retirement Date shall be entitled to receive an amount of retirement income payable from the Member's Postponed Retirement Date and computed in accordance with Section 6.01 using the Member's Normal Retirement Date as his Date of Determination.

7.05 Disability Retirement

(a) A Member who retires on his Disability Retirement Date will receive an amount of retirement income computed in accordance with Section 6.01, using the Member's Disability Retirement Date as his Date of Determination and,

subject to paragraph 7.05(d), commencing on his Disability Retirement Date.

(b) In addition to the retirement Income in paragraph 7.05(a), a Member who retires on his disability Retirement Date will receive a Supplemental Pension computed in accordance with Section 6.02 using the Member's Disability Retirement Date as his Date of Determination and, subject to paragraph 7.05(d), commencing on his Disability Retirement Date.

(c) A Member who is in receipt of retirement Income under the terms of the Retirement Agreement shall not be entitled to any other retirement Income or allowance under the Retirement Agreement; allowance under this paragraph 7.05(c) includes Severance Awards.

(d) Notwithstanding the foregoing, retirement Income in the event of disability shall not commence during a period when the Member is on approved leave of absence from the Company and is in receipt of or is eligible to receive indemnity benefits from an Insurance or compensation plan to which the Company contributes.

ARTICLE 8

REVENUE CANADA MAXIMUM PENSION

8.01 In no event shall the total amount of Basic Pension payable at an annual rate under the terms of the Retirement Agreement or such similar retirement income payable from any other pension plan of the Company upon termination of retirement or discontinuance of the Retirement Agreement exceed the amount stipulated under paragraphs 9(g), 10(c) and 21 of Revenue Canada's Information Circular 72-13R7.

ARTICLE 9

PAYMENT OF RETIREMENT BENEFITS

9.01 Normal Form

Unless a Member elects an optional form of Basic Pension as provided below, payment thereof shall be in the form of monthly instalments beginning on the last day of the month

in which his Retirement Date occurs and continuing thereafter up to and including the month of death, or earlier cessation of disability (as defined in paragraph 5.05(c)).

Notwithstanding the foregoing, the Basic Pension payable to a Member who retires on his Normal Retirement Date and retirement income payable under Section 11.02 which is locked-in pension as defined under Applicable Pension Laws, will be payable as above, with a guarantee that not less than sixty (60) monthly payments shall be made to the Member and the Member's Beneficiary combined.

9.02 Election of optional Guaranteed Form

(a) With the approval of the Company, a Member who is retiring at his Normal Retirement Date and who is entitled to a guaranteed retirement income under Section 9.01 may elect, in lieu of such retirement income payable in the normal form as described in Section 9.01, any optional form of retirement income contained in this Section 9.02 as may be applicable. Such written election in prescribed form must be filed with the Company prior to his attainment of age sixty (60). Such written election may be filed with the Company after the Member's attainment of age sixty (60) and prior to his Normal Retirement Date provided that the Member accompanies such election with evidence of good health which is satisfactory to the Company. The retirement income payable under the elected option shall be the Actuarial Equivalent of the retirement income payable under the normal form as described in Section 9.01.

(b) An election made under paragraph 9.02(a) may be revoked by the Member at any time prior to the Member's Normal Retirement Date. Such revocation shall be made by filing written notice thereof with the Company. Subsequent elections under paragraph 9.02(a) shall not be permitted after such revocation.

(c) In the event of the death of the Member prior to his Normal Retirement Date, elections under paragraph 9.02(a) shall be considered to be inoperative and ineffective.

(d) Life Annuity - Guaranteed Term

A Member may elect to receive retirement income payable to him during his lifetime, with the provision that should he

die before he has received payments for the available guaranteed term (in complete years only) elected by him, then either the remainder of the payments shall be paid to his Beneficiary or to the estate. At the election of the Member's estate or, if applicable, the Beneficiary's estate, the Actuarial Equivalent Value of the remaining payments shall be paid to the applicable estate. The guaranteed terms available are one hundred and twenty (120) months and one hundred and eighty (180) months.

9.03 Election of Joint and Survivor Optional Form

(a) In respect of Basic Pension commencing on a Member's Normal Retirement Date, Early Retirement Date or Special Early Retirement Date, a Member who has attained age fifty-five (55), is in active employment with the Company or is in a non-active employment period which would qualify as Credited Service if the Member had returned to work on the date of his death, and has had a Spouse for at least one (1) year, may elect in writing, in lieu of the normal form of Basic Pension as described in Section 9.01, an optional form of retirement income contained in paragraph 9.03(e). The retirement income payable under the elected option shall be the Actuarial Equivalent of the retirement income payable under the normal form as described in Section 9.01.

(b) Such written election, in prescribed form, must be filed with the company, together with acceptable proof of marriage and proof of age of the Member and his Spouse prior to the Member's Retirement Date. Such election shall be effective upon its filing with the Company if the application provided to the Member submits evidence of good health of the Member which is satisfactory to the Company. In the absence of such evidence of good health, the election shall be effective on the earlier of;

(i) the expiration of a two (2) year period from the date of submission of the application to the Company; and

(ii) submission of such evidence of good health and proof of age and of the marriage.

In no event shall such election become effective after the Member's Retirement Date.

(c) An election made under paragraph 9.03 (a) shall be irrevocable.

(d) In the event of the death of the Spouse or in the event of the dissolution of the marriage or if the Member no longer has a Spouse, the election under paragraph 9.03(a) shall be nullified with effect from the date on which such event occurred.

(e) Joint and Survivor Option

A Member who has in effect an election under paragraph 9.03(a) shall receive the retirement income as described in paragraph 9.03(a) payable to him during his lifetime, with the provision that on his death fifty (50) percent of such retirement income shall be continued to his surviving Spouse during her lifetime. In addition to the reduction in paragraph 9.03(a), the Member's retirement income will be reduced by five-hundredths of one percent (.05%) for each complete month during which the Member's election is in effect. For greater certainty, where such election is in effect for more than one period of time, the reduction shall be cumulative.

ARTICLE 10 DEATH BENEFITS

10.01 Death Benefits Prior to Normal Retirement Date

If the death of a Member who has elected a joint and survivor option under Section 9.03 occurs while he is in active employment or is in a non-active employment period which would qualify as Credited Service if the Member had returned to work on the date of his death prior to his Normal Retirement Date and while he is eligible to retire under Section 5.02 or Section 5.03, his surviving Spouse will receive a retirement income. The amount of such retirement income shall be fifty (50) percent of the Basic Pension calculated in accordance with Section 7.02 or Section 7.03, as applicable, as if the Member retired on the first (1st) day of the month coincident with or immediately preceding the date of his death and further adjusted in accordance with Section 9.03. Payment of such retirement income shall commence on the last day of the month

following the month in which the Member's death occurs and shall continue for the lifetime of the Spouse.

10.02 Death Benefits After Normal Retirement Date and Before Postponed Retirement.

If the death of a Member occurs after the Member's Normal Retirement Date but before the Member's Postponed Retirement Date for the purpose of determining any death benefit payable thereunder, the Member shall be deemed to have died on the first (1st) day of the month coincident with or immediately preceding the date of the Member's death.

10.03 Death Benefits for Terminated Employees

If a Member has terminated employment and has an entitlement to retirement income benefits in accordance with Article 11, and if the death of such Member occurs prior to the commencement of such retirement income, no benefit shall be paid from the plan.

10.04 Death Benefits After Retirement Date

If the death of a Member occurs after his Retirement Date there shall be paid to his Beneficiary any benefits due in accordance with the retirement income option elected by the Member under Article 9. In the case of a Member who did not elect an optional form of retirement income, payment shall be made to the Member's Beneficiary in accordance with Section 9.01.

10.05 Beneficiary Designation

A Member shall designate in writing a Beneficiary to receive any benefits payable under the Retirement Agreement upon the death of such Member and may change such designation from time to time. Such designation or change must be in accordance with any law applicable to the Member and shall be in such form and executed in such manner as the Company may, from time to time, determine. Any designation or change must be filed with the Company. In the absence of an effective designation of a Beneficiary, the company shall instruct the Funding Agency to make payment of any death benefits under this Retirement Agreement to the estate of the Member and any such payment shall completely discharge all liability with respect to the amount paid. Any Beneficiary designa-

tions under the Prior Retirement Agreement that are on record with the Company as of the Effective Date shall remain in effect for the purposes of this Retirement Agreement.

ARTICLE 11 TERMINATION OF EMPLOYMENT

11.01 Subject to Section 11.03, a Member whose employment with the Company is terminated prior to the completion of ten (10) years of Credited Service, for any reason other than death or retirement (including disability retirement as described in Section 5.05), shall not be eligible to receive any benefit under the terms of this Retirement Agreement.

11.02 A Member whose employment with the Company is terminated after the completion of ten (10) years of Credited Service, or after the attainment of age forty-five (45) and completion of ten (10) years of Continuous Service for any reason other than death or retirement (including disability retirement as described in Section 5.05), is entitled to receive retirement income, payable in accordance with Section 9.01 and commencing at Normal Retirement Date. Application for such retirement income must be made by the Member not earlier than sixty (60) days prior to his Normal Retirement Date.

11.03 Severance Awards

A Member shall be entitled to a Severance Award after completion of five (5) years of Credited Service upon termination of employment prior to his Normal Retirement Date because of the permanent closing of the local plant, or of a section thereof (one wherein a Member's seniority rights cannot be recognized in another area because of contractual commitments between the Union and the Company), or because he is no longer able, through no fault of his own as described in Section 5.05, to meet the demands of his job and cannot qualify for transfer to another job within the local plant, except that no such Member shall be granted a Severance Award if he shall be eligible for income under the disability provisions of the Retirement Agreement, or if he shall be eligible for, and

elect to receive, a special early retirement pension under Section 5.02 or an early retirement pension under Section 5.03 or is entitled to a retirement income under Section 11.02.

Notwithstanding the foregoing, a Member eligible for retirement income under Section 11.02 whose age and service are such that his rights on termination of employment are not locked-in or are partially locked-in under Applicable Pension Laws may, in lieu of such retirement income which is not locked-in, elect to receive a Severance Award. The Severance Award shall be reduced in respect of a Member whose rights are partially locked-in under Applicable Pension Laws; the percentage reduction shall be based on the ratio of the years of the Member's Credited Service from January 1, 1965 to the Member's total Credited Service.

The amount of Severance Award shall be based on the following:

Number of Years of Credited Service	Number of Weeks of Weekly Average Pay for Each Year of Credited Service
5 but less than 10	1/2 week
10 but less than 15	1 week
15 but less than 20	1 1/2 weeks
20 or more	2 weeks

ARTICLE 12 CONTRIBUTIONS AND FUNDING

12.01 Fund

(a) The retirement income and other benefits provided under the terms of the Retirement Agreement, shall be financed by a Fund established for the purposes of the Retirement Agreement under which all contributions and investment income are held to pay such retirement income, other benefits and expenses.

(b) The **Trustee** shall be responsible for the selection of a **Trustee** and its **appointment** by the Board of

Directors of the Company. The Fund or a portion thereof shall be maintained and administered by the Funding Agency in accordance with the terms of a Funding Agreement entered into between the Company and the Funding Agency. The Company and the Funding Agency may agree to amend the form and the terms of the Funding Agreement at any time. The Board of Directors of the Company may further appoint an organization licensed to provide investment management services to manage the investment of any portion of the Fund. The Board of Directors of the Company may replace any Funding Agency or investment manager at any time, in accordance with the terms of any applicable agreement or contract.

(c) Subject to applicable law, the retirement benefits provided by this Retirement Agreement payable hereunder shall only be paid to the extent that they are provided for by the assets held under the Fund, and the liability is obligated to make any payments therefrom or otherwise be satisfied upon the Funding Agency or the Company other than in accordance with Section 2.02.

(d) The Investment of the Fund shall be made in accordance with Applicable Pension Law and Relevant Rules so as not to subject the Fund to income tax liability.

(e) Fees of the Funding Agency, fees of an investment manager, investment brokerage, rates of interest and similar costs arising as a result of the making of investments, sale of assets or realization of investment yield, and the expenses reasonably incurred or compensation properly paid in the course of the administration of the Retirement Agreement, including actuarial and other costs and fees, shall be paid by the Company in accordance with the Fund as determined by the Company.

12.02 Company Contributions

Based upon the amounts estimated by the Actuary, the Company will contribute to the Fund such amounts as are necessary after application of actuarial surplus determined by actuarial valuation, or any portion thereof, to provide for the benefits accruing in that year and to fund any unfunded liability and any experience deficiency in accordance with, and within the time limits specified in, Applicable Pension

Laws. Subject to Applicable Pension Laws, the liability of the Company at any time is limited to such contributions as should have theretofore been made by it in accordance with Applicable Pension Laws. The Company contributions shall be in accordance with Applicable Pension Laws.

12.03 Claims on the Fund

No Member or any person claiming through him, by virtue of any provision of this Retirement Agreement shall have any right to, or any interest in, any part of the Fund except to the extent provided from time to time under the Retirement Agreement and the Funding Agreement, and any Member or other person having any claim through him shall have recourse solely to the Fund for payment of any benefits hereunder. In no circumstances shall any liability attach to the Company or Funding Agency, or any director, officer or employee of the Company for payment of any benefits or claims hereunder.

**ARTICLE 13
PROTECTION OF BENEFITS**

13.01 Except to the extent required or permitted under the terms of the Internal Revenue Tax Act or Applicable Pension Laws, or, in the event of a marriage breakdown, under the terms of a legal judgement or agreement between the applicable parties, the retirement income and other benefits under the terms of the Retirement Agreement shall not be capable of assignment, alienation, surrender or commutation, and do not constitute upon any Member, or any other person, any right or interest in the retirement income and other benefits which are capable of being assigned, surrendered, commuted or otherwise alienated, except for payments for incompetents or minors under Section 13.02.

13.02 If the Company shall receive evidence which in its absolute discretion is satisfactory to it that:

(a) a person entitled to receive any payment provided for under the terms of the Retirement Agreement is physically or mentally incompetent to receive such payment and to give a valid release therefor,

(b) another person or an institution is then maintaining or has custody of such payee, and

(c) no guardian, committee or other representative of the estate of such payee shall have been duly appointed, then the Company may direct the payment to such other person or institution, and such payment shall be a valid and complete discharge to the Retirement Agreement for the payment.

In the absence of the appointment of a legal guardian, any benefit payable to a minor may be paid to such adult or adults as have, in the absolute discretion of the Company, assumed the custody and principal financial support of such minor.

ARTICLE 14 DISCLOSURE

14.01 Retirement Agreement Copy

On or before the date an Employee becomes eligible for coverage under the terms of the Retirement Agreement, the Company shall provide to such Employee a copy of the Retirement Agreement.

Not later than six (6) months after the effective date of any amendment to the Plan, the Company shall provide a copy of the amendment or the revised agreement to each Employee affected by the amendment.

14.02 inspection

The Company shall permit a Member or his authorized agent to inspect, or make extracts from, documents required to be made available under applicable Pension Laws, at any reasonable time at such offices of the Company including its principal office as designated by the Company.

14.03 Benefits Statement

Upon cessation of employment of a Member or upon termination of his active service under the terms of this Retirement Agreement, the Company shall provide the Member with a written statement of the benefits to which he is entitled.

14.04 Other Information

The Company shall provide such other information regarding the Retirement Agreement, statistical or otherwise, as is required under Applicable Pension Laws.

14.05 Limitation

Such statement or other information provided shall have no effect on the rights or obligations of any person under the Retirement Agreement, and shall not be referred to in interpreting or giving effect to the provisions of the Retirement Agreement. The Company shall not be liable for any loss or damage claimed by any person to have been caused by any error or omission in such statement or other information.

**ARTICLE 15
ADMINISTRATION**

15.01 The Retirement Agreement shall be administered by the Company. To facilitate any action required to be taken by the Company under the provisions of the Retirement Agreement, the Board of Directors of the Company has established the Pension Committee to act on behalf of the Company.

15.02 The Pension Committee may from time to time direct that appropriate records be maintained and may establish rules for the administration of the Retirement Agreement. The Pension Committee shall have the exclusive right to interpret the Retirement Agreement provisions and to decide any matters arising hereunder in the administration and operation of the Retirement Agreement. All interpretations and decisions shall be applied as nearly as may be possible in a uniform manner to all Members similarly situated.

15.03 The Pension Committee is empowered to execute certificates of amendments to the Retirement Agreement.

15.04 The Company shall indemnify and save harmless the members of the Pension Committee and any other employees who are involved in the administration of the Retirement Agreement from the effects and consequences of their acts, omissions and conduct in their formal capacity

to the extent permitted by law except for their own wilful and Intentional malfeasance or misconduct. No part of the Fund shall be used for Indemnification payments.

15.05 The Company and members of the Pension Committee shall be entitled to rely upon all tables, valuations, certifications of and reports which shall be furnished by an actuary, its legal counsel or other professional person who shall be "employed or engaged for such purposes.

15.06 Whenever the records of the Company are used for the purposes of the Retirement Agreement, such records shall be conclusive of the facts with which they are concerned.

15.07 An eligible Employee, a Member, a Beneficiary, or a Spouse shall sign such application forms prescribed by the Pension Committee and furnish proof of age and furnish such Other data and sign such documents as the Pension Committee deems necessary or desirable for the proper administration of the Retirement Agreement or to evidence initial or continued eligibility for a benefit hereunder.

ARTICLE 16 GRIEVANCE PROCEDURE - INFORMATION

16.01 If any dispute shall arise between the Company and any Employee, former Employee or retired Employee represented by the Union with reference to eligibility, age, Continuous Service, Credited Service or amount of retirement Income or allowance, or suspension or termination of retirement Income or allowance, such dispute may be taken up as a grievance under the grievance procedure of the Collective Labour Agreement then in effect between the Company and the Union omitting, however, all steps prior to the presentation of the grievance to the Industrial Relations Manager of the Company.

If any such grievance shall be taken to arbitration in accordance with such procedure, the appointed arbitrator or appointed board of arbitration shall have only the authority to interpret and apply the provisions of this Retirement Agreement, and of any applicable provisions of the Collective Bargaining Agreement relating to grievance

procedure. but shall have no authority to alter, add to or subtract from any such provision in any way. The decision of the arbitrator or board of arbitration on any grievance properly referred shall be binding upon the Company, the Union, and such Employee, former Employee or retired Employee represented by the Union. If any dispute shall arise as to whether any such Employee, former Employee or retired Employee represented by the Union, is or continues to be permanently or totally disabled as defined in Section 5.05, such dispute shall be resolved as follows:

Such Employee, former Employee or retired Employee represented by the Union shall be examined by a physician appointed for that purpose by the Company and by a physician appointed for that purpose by the Union and their decisions, if they shall be in agreement, shall be final and binding. If they shall disagree, the issue shall be submitted to a third physician selected by the said physicians. The decision of such third physician in examination of the person concerned and consulted with the other two physicians appointed by the parties shall be binding upon the Company, the Union and such Employee, former Employee or retired Employee represented by the Union concerned. The fees and expenses of any such third physician shall be borne equally by the Company and the Union.

16.02 The Union shall be furnished with such pertinent information as it may reasonably request, from time to time, concerning the operation of this Retirement Agreement and the administration of this Retirement Agreement insofar as it affects such Employee, former Employee or retired Employee represented by the Union thereunder whom it has represented.

ARTICLE 17 UNDERTAKINGS

17.01 The Company undertakes that during the term of this Retirement Agreement or any extension thereof as described in Article 18, this Retirement Agreement shall, subject to applicable Pension Laws, continue in effect without modification or change insofar as it may be applicable to Members represented by the Union, except as provided in Section 17.03.

17.02 The Union undertakes that during the term of this Retirement Agreement or any extension thereof, neither the Union nor any of its representatives shall:

(a) make any demands that this Retirement Agreement be changed in any respect or terminated or that a new Retirement Agreement or additional Severance Awards be established for the Members represented by the Union or that the Company contribute or pay any greater amount for such Members than it is required to pay under the provisions of this Retirement Agreement;

(b) engage in or continue to engage in or in any manner encourage or sanction any strike or other action which will interfere with work or production in the Company's plant for the purpose of securing any such change, increase or termination; and

(c) except during the last seventy-five (75) days of the term of this Retirement Agreement or any renewal thereof the Company shall not have any obligation to negotiate or bargain with the Union with respect to any of the matters contained in the Retirement Agreement, except as provided in Section 17.03.

17.03 In the event that federal or provincial legislation is made effective after the Effective Date, providing for contributions by the Company or changes in the present method of financing Company pension payments and accrual of funds, or should changes be made in the Old Age Security Act, the Company shall have the option to amend, and/or integrate the benefits provided under the Retirement Agreement by notice in writing to the Union, provided that the aggregate benefits payable to a Member under such amended agreement is not thereby reduced in amount, so that the amount such individual shall receive from the Company when added to that part of the benefits provided by any government plan which are financed or paid for by a compulsory contribution from the Company, shall not be less than the amount of benefits provided under this Retirement Agreement.

17.04 Should the Company elect not to amend, and/or integrate the benefits provided under the Retirement Agreement as provided in Section 17.03 and as a result benefits to a Member in the aggregate are lessened

thereby, the Union shall have the right to re-open the Retirement Agreement for re-negotiations, with respect only to the affected benefits, sixty (60) days after the official proclamation of such change, modification, or supplementation; negotiations with respect only to the affected benefits will commence within fifteen (15) days, and if negotiations are not completed before termination of the notice period, this Retirement Agreement shall continue in full force and effect thereafter, subject to termination upon thirty (30) days written notice. Such notice shall be given only on such date as will allow for termination of this Retirement Agreement to coincide with the termination of the collective Labour Agreement then in effect. In the event of such termination, the provisions of this Retirement Agreement shall continue to operate in the same manner as provided under Applicable Pension Laws and under the Labour Relations Act of Ontario.

ARTICLE 18 DURATION AND TERMINATION

18.01 This Retirement Agreement shall remain in full force and effect in respect to all its terms until midnight May 12, 1990, and shall continue in effect thereafter from year to year for further periods of one (1) year unless either the Company or the Union gives written notice of termination or written notice of proposals for amendment to the other party prior to, but not more than three (3) months prior to the expiry date or any yearly period thereafter. In the event of written notice having been given by either party as provided herein, negotiations shall commence within fifteen (15) days of receipt of such notice with a view to completing a new Retirement Agreement. Should such negotiations extend beyond the expiration date, this Retirement Agreement shall not expire, but shall continue in force and effect in accordance with Applicable Pension Laws and the Labour Relations Act of Ontario, or until a new Retirement Agreement is entered into by the parties, whichever date shall occur first.

18.02 It is understood that amendment of this Retirement Agreement, is subject to the approval of the Board of Directors of the Company, subject to obtaining and retaining such acceptance of the Retirement Agreement under

Applicable Pension Laws and Revenue Rules to establish that the Company is entitled to deduct the amount of its contributions to the Fund as an expense before taxes under the provisions of the Income Tax Act, or any other applicable tax laws, as now in effect or as hereafter amended or adopted. Any amendment to the terms of this Retirement Agreement shall not adversely effect any right with respect to benefits which have accrued immediately prior to the time such action is taken, except as provided in Section 18.05. The accrued benefits will be computed using as the applicable Date of Determination, the earlier of the date the Member's employment is terminated and the date of the amendment.

18.03 The Company agrees with the Union that, subject to the sufficiency of the assets in respect of the Agreement in the Fund and to Applicable Pension and Revenue Rules, the Company will provide the retirement income and pay the Severance Awards provided for herein which are awarded to those who become eligible therefore during the term of this Retirement Agreement or any renewal thereof. No action in performance of the terms of this Retirement Agreement and consistent with shall be construed or interpreted to be a violation of any provisions of any Collective Labour Agreement between the Company and the Union.

18.04 Should such approval or acceptance under Applicable Pension Laws and Revenue Rules be refused, or withdrawn, negotiations will be started by the parties in an effort to make such changes as are required to obtain approval. In the event of failure in such negotiations, but in any case not later than the effective date of such refusal or withdrawal, this Retirement Agreement will be terminated. In such event, either the Union or the Company may apply to the Ontario Labour Relations Board for permission to terminate the Collective Labour Agreement then in effect (solely for the purpose of obtaining conciliation service as defined in the Collective Labour Agreement on the matter in dispute) and the other party shall join in such application. If subsequent to notice of termination of the Collective Labour Agreement or subsequent to termination of this Retirement Agreement under these circumstances, the parties settle any difference between them, then the Collective Labour Agreement, if terminated, shall be rein-

stated to continue in full force until termination according to its provisions.

18.05 In the event the Retirement Agreement shall be terminated at any time either in whole, or in part with respect to a specified group of Members only, the assets of the Fund (or the interest therein of Members affected by a partial discontinuance) shall be allocated to provide to the extent of said assets subject to Applicable Pension Laws, the retirement income and other benefits then accrued under this Retirement Agreement. The accrued benefits will be computed using the date the Member's employment is terminated as the applicable Date of Determination. Such allocation shall be made in accordance with an allocation schedule then established by the Company in consultation with the Actuary and filed with and approved by the appropriate authorities in accordance with the Applicable Pension Laws.

18.06 The provisions for the accrued retirement income and other benefits described in Section 18.05 may be in the form of cash or annuity contract, or a combination thereof, at the discretion of the Company and as permitted under Applicable Pension Laws.

18.07 Upon termination of the whole Retirement Agreement, any assets of the Fund remaining after full provision has been made for the accrued retirement income and other benefits as described in Section 18.05 may be returned to the Company or, at the option of the Company, used to increase such benefits, subject to Article 8, in such manner as the Company in its discretion shall determine, subject to Revenue Rules.

Dated at Elmira, Ontario, this thirteenth day of September, 1987.

Signed on behalf of the parties hereto by their duly authorized representatives:

For the Company

W. K. Ruck
Manager of Manufacturing

R. F. Hooper
Production Manager

G. C. Martin
Associate Project and Design Engineer

R. M. McKinnon
Industrial Relations Manager

For the Union

G. H. Parson
President

E. O. Vannatter
Vice-President

B. S. Goodwin
Recording Secretary

C. A. Price
Financial Secretary

G. W. Schaefer
Treasurer

D. C. Wilton
International Representative