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EFF.	96	04	01
TERM.	99	03	31
NO. OF EMPLOYEES	90		
FORMER EMPLOYEES	BA		

AGREEMENT

BETWEEN

THERATRONICS INTERNATIONAL LIMITED

and

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA

LOCAL 1541

For the period

April 1, 1996 to March 31, 1999

OTTAWA, ONTARIO

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AGREEMENT

BETWEEN

THERATRONICS INTERNATIONAL LIMITED

hereinafter known as "the Company"

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA

LOCAL 1541

hereinafter known as "the Union"

and

WHEREAS the Company and the Union have a common understanding and sympathetic interest in the progress of the Company; therefore a working system and harmonious relations are necessary to maintain a good relationship between the Company and the Union. All will benefit by a continuous peace and by adjusting any differences by rational methods.

Now therefore this Agreement witnesseth and it is hereby agreed between the parties hereto as follows:

**Article 1 - RECOGNITION**

- 1.01 The Company recognizes the Union as the sole bargaining agent for all fulltime, continuing employees at its Kanata and Ottawa establishments in those classifications listed in Appendix "D".
- 1.02 This unit shall include all employees as defined in Article 1.01 except Foremen and employees of higher rank, salaried personnel, and security guards.

**Article 2 - LEGISLATION**

- 2.01 Should any provision of this Agreement be found to be in conflict with an applicable statute then the parties shall meet and arrive at a satisfactory settlement of that provision in conformity with the statutes. The remaining provisions shall continue to be operative and binding on both parties.

**Article 3 - NATIONAL SECURITY**

- 3.01 Nothing in this Agreement shall be construed to require the Company to do or refrain from doing anything contrary to any directive given, made by, or on behalf of the Government of Canada in the interest of the national security of Canada.

**Article 4 - RESERVATION OF MANAGEMENT RIGHTS**

- 4.01 The Union acknowledges that it is the exclusive function of the Company subject to the specific provisions of this Agreement to:
- (a) Maintain order and efficiency, and to this end to make and alter from time to time the rules and regulations to be observed by the employees.
  - (b) Hire, retire, discharge, discipline, promote, demote, suspend, lay off, and transfer employees, subject to the conditions outlined in Article 9.01. In the interests of mutual understanding and the efficient administration of this function, the Company agrees that in case of demotion, layoff, discharge, or suspension, it will notify the President of the Union of the action taken and the reason for this.
  - (c) Generally manage the enterprise in which the Company is engaged, and without restricting the generality of the foregoing to determine the number and location of plants, the products to be manufactured, methods of manufacturing, schedules of production, kinds and locations of machines and tools to be used, processes of manufacturing and assembling, the engineering and designing of its products, and the control of material and parts to be incorporated in the products produced.

**Article 5 - COMPANY RULES AND REGULATIONS**

- 5.01 The Company agrees to discuss with the Union changes in rules **and** regulations, and will not introduce changes which are in conflict with any specific provisions of this Agreement.
- 5.02 The Company will forward to the Secretary of the Union a copy of all new Standard Operating Procedures and amendments thereto affecting members of the bargaining unit as soon as they are issued.
- 5.03 The Company will not change without prior discussion with the Union, where this is practicable, existing practices or privileges falling within Company policy which are not specifically dealt with in this Agreement (other than in the Management Rights Article). It is recognized, however, that what is covered by the foregoing is open to interpretation, and the Company will discuss with the Union any specific

case in which the **Union** feels that such a change has been made without prior discussion and that it adversely affects employees in the bargaining unit.

## **Article 6 - UNION ACTIVITY**

- 6.01 The **Union** agrees that there will be no Union activities or meetings on Company premises except **as** contemplated by this Agreement, or as may be specifically approved by the Company.
- 6.02 The Union agrees that there will be no intimidation, interference, restraint, or coercion practised upon employees **of** the Company by any members or representatives of the Union.
- 6.03 The Company agrees that there will be no discrimination, interference, restraint, or coercion exercised or practised by the Company or any of its representatives with respect to any employee's participation or non-participation in the Union.
- 6.04 The Company acknowledges that from time to time it will be necessary for employees serving as Union Officers or Stewards to leave their work in order to perform functions provided for in this Agreement on behalf of the Union. The Union agrees that such employees will not leave their duties without obtaining the permission of their foreman or supervisor. Permission will not be unreasonably withheld. **On** completion of the function **for** which permission to leave was granted, they will report to their foreman or supervisor before resuming work.
- 6.05 **In** accordance with the above understanding, the Company will compensate Union Officers and Stewards for the time spent in handling grievances of employees to a reasonable amount of time in any week at their regular rate of pay, but this will not apply to time spent on such matters outside of their regular working hours.
- 6.06 Designated non-employee representatives of the Union required to visit the Company in connection with this Agreement will be allowed to do so, provided the visit is confined to the specific purpose and areas for which permission is granted.
- 6.07 (a) Leave without pay to a total of 60 days each year shall be granted to members of the Union for the purpose of attendance to Union business distant from the plant.
- (b) Leave without pay, for a period not exceeding one year, will be granted to employees when elected or appointed to a fulltime Union office. Such leave shall be limited to one employee at a time. The employee shall continue to accumulate seniority, as provided for in this Agreement, during the authorized period of absence. Upon return to active employment with

the Company, the employee will be placed in the job classification he was in immediately prior to the commencement of the leave without pay, and upon such return the period of absence will not be considered broken service for purposes of benefits contained in this Agreement. In the vacation year commencing 1 April following the date of return to active employment with the Company, the employee will be entitled to vacation leave as outlined in the Vacation Plan Table (Appendix "B"). This vacation leave will be reduced by one-twelfth for each month in which the employee was absent on leave without pay for more than 10 days in the twelve months preceding April 1. Thereafter on each 1 April, vacation leave will be granted in accordance with the effective Vacation Plan Table for all periods of eligible service.

- 6.08 The Company agrees to provide a bulletin board for the use of the Union, but no bulletin shall be placed on this board by the Union without the permission of the appropriate supervision. Such permission shall not be unreasonably withheld.
- 6.09 If at any time during the term of or after the termination of this contract, the employees represented by the Union should engage in a stoppage of work, the Union will protect the Company's property from damage or destruction by requiring sufficient qualified employees to remain at work during the period of such work stoppage.
- 6.10 The Company and the Union agree there will be no discrimination against any employee on any of the proscribed grounds of discrimination under the Canadian Human Rights Act.
- 6.11 Leave with pay shall be granted to up to five employees of the Bargaining Unit to participate in negotiations with the Company but this will not apply, except as modified below, to any negotiations in the presence of a third party following application for conciliation.

In the event of an application for conciliation and further negotiations in the presence of a third party, additional leave with pay of up to two days shall be granted.

#### Article 7 - NO STRIKES OR LOCKOUTS

- 7.01 It is agreed there shall be no strikes, walkouts, lockouts, slowdowns, or other similar interruptions of work during the period of this Agreement.

**Article 8 - UNION-MANAGEMENT CO-OPERATIVE COMMITTEE**

- 8.01 The Company and the Union recognize that co-operation between the Company and the employees is indispensable to the accomplishment of the purposes for which the Company has been established.
- 8.02 The Union-Management Co-operative Committee shall consist of up to four Union representatives and up to four Company representatives. A meeting will normally be held each month and the subjects for discussion shall be provided to the secretary of the Committee at least one week in advance of each meeting. Minutes and proceedings of all meetings shall be kept, and each meeting shall be limited to a period of no longer than two hours' duration, except by mutual agreement.
- 8.03 This Committee shall give consideration to matters such as the elimination of waste in construction and production, the conservation of materials and energy, the promotion of education and training in the plant, the betterment of employment conditions and matters affecting employee welfare.
- 8.04 Notwithstanding 8.01, 8.02 and 8.03, the Company and the Union will continue to address workplace redesign improvements through a continuing dialogue program. The objectives will be to provide an enriched working environment and to maximize productivity. All aspects of workplace design that meet these objectives will be appropriate for review and consideration in carrying out these objectives.

**Article 9 - GRIEVANCE**

## 9.01 Definition of Employee Grievance

For the purpose of this Agreement, a grievance of employees is defined as a dispute or controversy between the Company and one or more of its employees which:

- (a) Affects such employees in their work, pay, or relations with the Company and arises under and by virtue of the application or interpretation of the provisions of this Agreement as to wages, hours, working conditions, or the terms of their employment; or
- (b) Arises from alleged abuse of discretion by Company supervisors in their treatment of employees with respect to matters provided; or
- (c) Alleges that the Company has discriminated in respect of promotion, demotion, transfer, compulsory retirement, and discharge or disciplinary action without good, just, or sufficient cause, excepting discharge or



disciplinary action concerning an employee who has not been credited with seniority. The parties are cognizant of ~~Part~~ V, Section 155 of the Canada Labour Code.

## 9.02 General Grievance Regulations

- (a) The word "days" as used in this article shall mean working days.
- (b) The Company may request a more specific statement of a grievance or of subsequent replies if the statement or reply does not clearly and sufficiently state the problems or the reasons. The Union agrees that the discussion on each grievance shall be limited to the subject specified in the written grievance.
- (c) Grievance forms shall be provided by the Company and the established format shall not be amended except by mutual agreement of the Company and the Union. Triplicate copies shall be made of each grievance. After final disposition of a grievance is effected, the Company shall have one copy, the Union the remaining two copies.
- (d) Any grievance not filed in writing with the Foreman or Supervisor within ten days after the occurrence which is the basis of the grievance shall be deemed to have been waived and shall not be considered. (Grievance relating to discharge or disciplinary suspension must be filed within five days - see Article 9.04 (d).)
- (e)
  - (i) Failure to take any successive steps herein provided for, within the specified number of days from the day the grievance is presented to the Union, shall be deemed as acceptance of such decision as final.
  - (ii) If the Company representative fails to reply to a grievance within the specific time limit, at any step, the grievance may proceed to the next step.
- (f) Wage or classification adjustments granted as a result of a grievance will be made retroactive to the date on which the job change giving rise to the grievance occurred but not earlier than ten days prior to the filing of the grievance.
- (g) Any or all of the time limits applicable to grievance procedures may be extended by mutual agreement of the Union and the Company.

### 9.03 Normal Employee Grievance Procedure

The normal employee grievance procedure shall be as follows:

#### Discussion of Complaint

A complaint must be discussed orally with the foreman or supervisor by the aggrieved employee either done or, at the request of the employee, in the presence of a Union Representative.

In the event the complaint is not settled in this manner, it then becomes a grievance.

#### Step 1 - Written Submission to First Line Management

- (a) The grievance shall be reduced to writing on a standard grievance form in triplicate setting out the date of the event giving rise to the grievance, the names of any persons involved, other relevant facts and the remedial action requested. The grievance shall be signed by the employee and a Union representative and then presented to the foreman or supervisor by the Union representative for transmission to the next level of Management.
- (b) Within two days of receipt of a grievance a hearing shall be had thereon if requested by either party. The appropriate Management representative shall write his decision on, sign, and return the forms within two further days.
- (c) Within two days after the Union representative has received an answer, the grievance forms shall be returned to the Management representative by the Union representative appropriately marked as satisfactory or unsatisfactory.

#### Step 2 - Division/Department Manager

- (a) Where a first step grievance answered by the appropriate Management representative is marked unsatisfactory by the Union, a second step meeting with the Division/Department Manager will be arranged for by the Company or at the request of the Union as soon as possible, but not later than three days after return of the grievance. The Union Representatives (up to two), the aggrieved employee (up to two in the case of a group grievance), and the Communications, Energy and Paperworkers Union of Canada representative may attend. The Division/Department Manager will answer in writing within three days of the meeting.

### Step 3 - Company-Union Meeting

- (a) Should the reply in the second step be unsatisfactory to the Union, it will then decide whether to process the grievance further. If the Union decides to process further, then the Union shall, within fifteen days of the date of the second step answer, submit a request for a Company-Union meeting.
- (b) The Union Representatives (up to three), the Communications, Energy and Paperworkers Union of Canada representative, and the aggrieved employee (up to two in the case of a group grievance) may attend.
- (c) A written decision, addressed to the Union, shall be made within ten days after the meeting.
- (d) If no response is made by the Union to this decision within ten days, the grievance shall be considered as settled.

### 9.04 Grievance Procedure for Discharge or Disciplinary Suspension

In any case of discharge or disciplinary suspension, the employee and the Union shall be advised of the reason for such discharge or disciplinary suspension. The Union may request that the reason be put in writing. The grievance procedure in all cases of claimed wrongful discharge or disciplinary suspension shall be as follows:

- (a) The alleged grievance shall be reduced to writing, signed by the employee, and submitted to the Director, Human Resources, or other designated Company representative, who shall arrange a meeting within three days following presentation of the matter. This meeting will be attended by the Union representatives (up to three), the Communications, Energy and Paperworkers Union of Canada representative, and by the aggrieved employee. The Director, Human Resources, or other designated Company representative will submit a decision in writing to the Union within three days of the meeting. A Union representative may act for an employee who is unable to present the case in person.
- (b) The sole question to be determined by such procedure shall be whether or not such employee was discharged *or* suspended for improper or insufficient cause. If it is decided that the employee was wrongfully discharged or suspended, there shall be an award of reinstatement to the former job without loss of seniority and with full compensation for time lost at the regular wage rate less any earnings received from other sources during the period of discharge or suspension. The grievance may also be settled by deciding that the discharge or suspension given was for proper or sufficient

cause. It is also understood that such a grievance may be settled by deciding that the penalty given to the employee was excessive and that the employee should be reinstated with or without loss of some seniority rights and with partial compensation for **time** lost.

- (c) It is understood that discharge shall not embrace a layoff due to lack of work, or suspension of operations in the Plant.
- (d) Cases of claimed wrongful discharge or disciplinary suspension shall be final and not entitled to consideration or made the basis of a grievance unless **filed** within five days after the employee and an officer of the local Union have received notification (or all reasonable steps have been taken to notify the employee) of discharge or disciplinary action.

#### 9.05 Company Grievance

It is understood that the Company may request a meeting with the Union for the purpose of presenting any complaints with respect to the conduct of the Union. If such a complaint by the Company is not settled it may be treated as a grievance provided that it is submitted in writing within ten days of the complaint meeting. The grievance **will** then be discussed with the Union. **If** such grievance is not settled it may be referred to arbitration under the provisions of Article 10.

#### 9.06 Union Grievance

Any difference arising directly between the Union and the Company involving the interpretation or alleged violation of this Agreement which cannot otherwise be dealt with under Clauses 9.03 and 9.04, because of the inability or refusal of an employee to submit a grievance, or where the grievance affects a group of employees, or a department, or the Plant as a whole, may be submitted by the Union in writing, at the second step, and dealt with as a proper grievance under the grievance procedure.

### **Article 10 - ARBITRATION**

- .0.01 Within ten working days after a final decision or disagreement has been announced on any grievance properly processed under the grievance procedure involving the application or interpretation of any provision of this Agreement or involving the discharge of any employee, and one of the parties hereto is not satisfied with the same, a request for arbitration may be made of the other party. Notice requesting arbitration in a case against the Company shall be served by providing a copy to the Director, Human Resources and in a case against the Union, by providing a copy to the President of the Union.

- 10.02 Wage rates (except as provided for in 19.01), negotiations, and modifications of this Agreement shall not be arbitrable.
- 10.03 Within ten working days after any specific issue has been properly submitted for arbitration, each of the parties hereto shall appoint and compensate one arbitrator and the two arbitrators so appointed shall choose a *Chairman*.
- 10.04 Upon failure to agree on the selection of the third arbitrator, the matter shall be referred to the Minister of Labour of the Government of Canada, with the request that the Minister appoint the third arbitrator who shall act as Chairman.
- 10.05 The cost of the services of the third arbitrator and all other incidental costs shall be borne equally by both parties.
- 10.06 The decision of any two arbitrators shall be final and binding on all parties concerned. In the case that a majority decision of any two arbitrators cannot be rendered, the decision of the Chairman shall be considered the decision of the Arbitration Board, and will also be final and binding.
- 10.07 The decision of the Arbitration Board shall be rendered as soon as possible following the completed hearing.
- 10.08 The arbitrators shall have no power to add to nor to subtract from nor to modify the terms of this Agreement or any Agreement made supplementary hereto, and shall render a decision not inconsistent with the terms of this Agreement. It is further agreed that any difference arising incident to negotiations of terms of a new Agreement or amendment to this Agreement shall not be subject to arbitration.

**Article 11 - SENIORITY, TRANSFER, PROMOTION, LAYOFF, RECALL AND JOB POSTINGS**

11.01 Governing Principles

- (a) The skill and experience of an employee and the employee's capacity to perform the required task shall be the determining factors in all cases of appointment, promotion, reclassification, transfer and in the advancement to a higher classification covered by the Agreement, but when these are approximately equal, seniority will be the determining factor. In the event that the Union is not satisfied that the Company's selection is in accordance with the foregoing, this issue may be a proper subject for grievance and if necessary, arbitration. In such circumstances, the arbitrator selected must be one who has recognized qualifications in the area in dispute.

- (b) In assessing the skill, experience and capacity of an employee to perform, it will be considered that employees in a higher classification are more highly qualified than those at a lower level for purposes of promotion, demotion, and transfer. It ~~is~~ recognized, however, that there can be individual exceptions; the Company will discuss any such cases with the Union. Nevertheless, in all cases, an “A” level employee will receive first consideration over a “B”.
- (c) Employees will be reviewed at the conclusion of their probationary period and will be formally advised of the result.

## 11.02 Seniority

- (a) Effective Date

An employee shall be on probationary service until 65 days have been worked. Employees will be reviewed during and at the conclusion of the probationary period and formally advised of the result. On successful completion of this period, the employee shall be placed on a seniority list, and shall be credited with service since date of hire (first day at work).

- (b) Seniority Group and Credits

- (i) For the purposes of this Article, classifications will be grouped as outlined in Appendix A, forming part of this Agreement. The seniority of an employee shall include the employee’s full period of service in the seniority group with the Company or its predecessors, since February 1, 1947, and as provided in Article 11.02 (c). Such service must be unbroken by termination except as provided for in Article 11.05.
- (ii) Should an apprentice succeed in entering the job classification for which he served his apprenticeship, immediately upon completion of his apprenticeship and with no break in service, he will be placed in the applicable seniority group as defined in Appendix A, and credited with seniority in that group equivalent to 100% of actual unbroken service with the Company as an apprentice to the trade.
- (iii) The establishment or revision of seniority dates for special cases will be determined by the Company and the Union. Disputes shall be subject to the grievance and arbitration provisions of this Agreement.

(iv) Should two or more employees have the same seniority date seniority standing will be established by the following criteria which will be considered in the listed order until seniority is established.

- 1) An employee hired in the morning will be deemed senior to the employee hired in the afternoon.
- 2) An employee with the greater length of continuous employment with the Company will be deemed senior.
- 3) An employee with the greater length of non-continuous employment with the Company will be deemed senior.

(c) Retention of Credits

- (i) Except as provided in 11.02(c)(ii), when a reclassification places an employee in a new seniority group, the employee shall retain seniority in the former seniority group(s) for a period of time equal to that seniority or 10 years, whichever is the lesser.
- (ii) Effective April 1, 1992, employees reclassified to Mechanical Inspector from another seniority group, will retain seniority in their former seniority group equivalent to the seniority they had at the time of reclassification to Mechanical Inspector.
- (iii) When an assignment to a temporary position places an employee in a classification in a different seniority group, the employee will continue to accrue seniority in the employee's former group.
- (iv) An employee who accepts a position within the Company outside the bargaining unit shall retain seniority for a period of 9 months.

(d) Seniority Lists

Seniority lists shall be maintained by the Company for each seniority group. The current seniority lists will be made available to the Union quarterly.

### 11.03 Layoff

- (a) The Company will notify the Union and employee 10 days in advance of a layoff.

- (b) (i) Layoffs will be in reverse order of seniority in the seniority group concerned, except as provided in 11.03(b)(ii), provided that the senior employees have the capacity to perform the remaining work after a reasonable period of familiarization. It is further recognized that on-the-job training may be required in some cases due to technological changes which have occurred since the senior employee last carried out the work in question.
- (b) (ii) Should there be a reduction of work in the Mechanical Inspector classification, layoffs from this classification will be in reverse order of entry into the classification.
- (c) No employee with seniority will be laid off while a probationary employee is retained in the same seniority group.
- (d) In the event of layoff in the trade for which an apprentice is being trained, apprentices will be retained only if they have greater service with the Company than the employee(s) who are being laid off. Notwithstanding, the Company and the Union may, by mutual agreement, retain apprentices for the purpose of completing their training.
- (e) An employee in a classification which is part of a seniority group, and who is designated for layoff in accordance with Article 11.03(b) will have the alternative of being laid off or displacing an employee with less seniority within the seniority group, provided the employee designated for layoff has the capacity to perform the required work.
- (f) An employee who is designated for layoff, but who retains seniority in a former seniority group in accordance with Article 11.02(c)(i) or (ii), will have the alternative of being laid off or of displacing an employee with less seniority in the former seniority group provided the employee designated for layoff has the capacity to perform the required work.
- (g) For the purposes of this Article, the provisions of 11.05 will apply to an employee who is offered and elects reclassification to alternate work in lieu of layoff and, while on a recall list, the employee will retain seniority.
- (h) Where practicable, employees who are laid *off* will be given their Unemployment Insurance Records form, wages and vacation pay owing on the day of termination.



#### 11.04 Severance Pay on Layoff

**An** employee who has one year or more of continuous service and who is laid off shall be paid severance pay at the time of layoff **as** follows:

- (a) The amount of severance pay shall be two weeks' pay for the first completed year of continuous service since last date of hire, and one week's pay for each succeeding completed year of continuous service, less any period in respect **of** which he has already been granted severance pay, **up** to a maximum of 30 weeks' pay.
- (b) For this purpose, one week's pay is defined as the employee's basic hourly rate times 40.

#### 11.05 Recall

- (a) When an employee on **a** seniority list is laid off due to lack of work or suspension of operations **and** does not otherwise voluntarily resign the employee shall be retained on a recall list for a period equal to **the** employee's length of service but not more than 2 years unless recalled within that period to work at the same classification level from which **the** layoff took place. A recall list shall be maintained for each seniority group from which a layoff has occurred in the preceding 2 years. **Recall** will be made from the lists in order of seniority *to* any job for which that person has recall rights.
- (b) While on a recall list the person on layoff will retain seniority standing but, with the exception of 11.06 Job Postings, **will** not be considered an employee for the purpose of this Agreement.
- (c) Notification of recall will be by registered letter to the last known address of the person concerned. In all such cases notification will also be provided to the Union. **If** the person does not report for work within 10 working days after recall, without acceptable excuse, the employee shall be terminated. It is the responsibility of those on recall *to* keep the Human Resources Office informed of their current addresses.
- (d) (i) **A** person on a recall list will be given first opportunity to fill *a* temporary position provided that the laid-off employee has the ability *to* perform the required work. That person will, however, remain on the recall list.

- (ii) **A** person on a recall list who returns to work to fill a temporary position for a term of six months or less is not eligible for coverage under the Public Service Superannuation Act, the Long Term Disability Insurance Plan, the Dental Plan, Article 6.07, Article 12.02 Sickness and Accident Indemnity Plan, or Article 16 - Leave of Absence. However, if the term **is** for a period of at least one month, Life Insurance will be provided in accordance with Article 12.04. Enrolment in the Health Care Plans, Article 12.01, is optional and coverage for those **who** enrol will be effective on the first day of the month following employment in the temporary position. Article 12.03 Sickness Supplement will not be applicable, however, sickness supplement credits may be earned at the rate of one-half day per month of employment in the temporary position.

#### 11.06 Job Postings

All vacancies, additional positions in existing job classifications, and positions in new job classifications to be filled in classifications covered by the bargaining unit shall be posted on the plant bulletin boards for five (5) days. The Company agrees to record and acknowledge all written applications. First consideration will be given to applications from employees within the bargaining unit where they are received within the specified time. Bargaining unit members who meet the basic qualifications of the job posted will be interviewed.

#### 11.07 Transfers

Temporary assignments to a different classification in situations resulting from fluctuating workload, absences of employees due to illness or accident, and/or to avoid a layoff, will be discussed with the Union and the following provisions will apply.

- (a) Temporary assignments due to fluctuating workload and/or to avoid layoff
  - (i) Assignments to a different classification to meet periodic fluctuations in work requirements and/or to avoid a layoff will not exceed 65 working days' duration. Should this fluctuation in work requirements be extended, alternate employees will be assigned, each for individual periods of up to 65 working days' duration, or the position will be posted. Whenever possible, the most senior employee from the transferring classification will be given first opportunity.

- (ii) Assignments to a different classification expected to be of more than 65 working days' duration due to fluctuating workload and/or to avoid a layoff will be considered fulltime, continuing and will be subject to the provisions of Article 11.06, unless otherwise agreed by the Company and the Union.
  - (iii) Temporary assignment to a different classification to avoid a layoff will be kept to a minimum.
- (b) Temporary assignments due to employee illness or accident:
- (i) Temporary assignments to a different classification due to illness or accident will not exceed 65 working days' duration. Should the sick leave absence extend beyond 65 working days' duration, the vacancy will be filled by reassignment of alternate employees, each for individual periods of up to 65 working days' duration, or the position will be posted. Whenever possible, the most senior employee from the transferring classification will be given first opportunity.
  - (ii) If it is anticipated to be longer than 65 working days' duration, the temporary position will be filled through the Job Posting procedure. In all cases employees reassigned will continue to accrue seniority in their former seniority group.
- (c) 11.07 (a) and (b) will not apply to classifications where there are employees on a recall list unless:
- (i) The transfer is to cover employees absent or on vacation for period: anticipated to be 10 days or less, or
  - (ii) The employee(s) on the recall list are offered and do not accept the temporary assignment, or
  - (iii) Fluctuating workload requires reassignment of current staff for brief periods to classifications where there are employees on a recall list. In such cases the reassignment will be for a period of not more than two days at any one time. The total number of days for any such reassignments will not exceed 30 working days in a twelve month period, or
  - (iv) The Company finds it necessary to consider reassignment of current staff for longer periods than outlined in 11.07 (c)(iii). In such case: the Company and the Union will meet to resolve the circumstance:

in question and the Company may utilize 11.07 (a) for a period of up to 65 working days, or longer if the parties so agree. During the period of application of 11.07 (c)(iv), the recall rights of employee(s) on layoff from the classification concerned will be extended, subject to 11.05(a), equivalent to the period of application of this section 11.07 (c)(iv).

- (d) When an employee is temporarily assigned to a different classification, he will receive wages for that classification or his regular wages, whichever is higher. The hours worked at the higher rate of pay may be totalled and paid on a monthly basis.

## **Article 12 - EMPLOYEE BENEFIT PLANS**

### 12.01 Health Care Plans

The Company will pay 100% of the premium cost of the Company Group Liberty Health Semi-Private Hospital Supplement, Extended Health Care, and Deluxe Travel Plans for employee subscribers in these plans.

### 12.02 Sickness and Accident Indemnity Plan

- (a) The Company agrees to pay 100% of the cost of the Sickness and Accident Indemnity Plan. When an illness is equal to or exceeds 20 calendar days, the waiting period (3 days) will subsequently be paid for by the Company.
- (b) Where a Plant holiday occurs during an employee's waiting period, the holiday will count as an illness waiting day.
- (c) The weekly benefits (maximum 26 weeks) under this plan shall be based on 75% of the employee's basic hourly rate times 40.

### 12.03 Sickness Supplement

- (a) An employee unable to work a regularly scheduled working day because of illness shall receive 100% of the normal straight time hourly earnings for each day to a maximum of six days in each fiscal year, when it is established that the employee will not otherwise receive compensation for the day concerned, whether by taking vacation leave or from Sickness and Accident Indemnity Plan or any other source except an individual's private insurance plan. If any of these days are not used in any year, they may be carried forward to the following year.

(b) Pro-rating of sickness supplement credits for employees hired during the fiscal year will be made on the following basis:

- ~~Hired~~ prior to July 1; 6 days
- ~~Hired~~ July 1 to September 30 inclusive; 5 days
- ~~Hired~~ October 1 to December 31 inclusive; 4 days
- ~~Hired~~ January 1 to March 31 inclusive; 3 days

#### 12.04 Group Life Insurance

The Company will provide a group life policy under which each employee (excepting those who elected not to participate when the plan was first introduced) is insured for an amount equal to one times the employee's basic annual earnings but if this amount is not a multiple of \$250., the benefit is adjusted to the next higher multiple of \$250., the Company will pay 100% of the premium. (In the death of an employee not covered by this plan, the spouse will receive a gratuity equal to two months' wages at the rate the employee was earning immediately prior to death.)

#### 12.05 Long Term Disability

The Long Term Disability Insurance Plan will apply to all employees commencing employment on or after 1979 September 1 and those on strength prior to this date who have elected for coverage. Upon expiration of the Sickness and Accidents Indemnity Plan, participating employees will receive long term disability benefit in accordance with Mutual Life Policy No. 26249. The Company will pay 50% of the premium cost of this Policy.

#### 12.06 Dental Plan

The Company will continue to provide a Dental Plan with premiums fully paid for by the Company. The Plan will provide:

- (a) Basic preventative care with 80% reimbursement of eligible services, up to a maximum payment of 80% of the amount shown in the 1996 Dental Association Fee Guide (1997 Fee Guide effective April 1, 1997 and the 1998 Fee Guide effective April 1, 1998).

- (b) Major Restorative Care. This includes Prosthodontic Services - Removable (dentures once every five years), Restorative Services including Porcelain repair and Crowns, Prosthodontic Services Fixed (once every 5 years). Reimbursement is 50% of eligible services, up to a maximum payment of 50% of the amount shown in the applicable Dental Association Fee Guide referenced in 12.06 (a), with an annual maximum of \$1500. per insured individual,

#### 12.07 Employment Beyond Age 65

Employees working beyond age sixty-five will be subject to all provisions of the collective agreement except for Article 12.05, Long Term Disability Insurance, which does not provide coverage beyond age sixty-five. Employees working beyond age 65 are advised to see the Employment & Benefits Officer in the Human Resources department to be advised of their benefits and various options.

### **Article 13 - SUPERANNUATION AND RETIREMENT COMPENSATION**

- 13.01 Employees will be covered by the Public Service Superannuation Act (Parts I, II, and III), the Supplementary Retirement Benefits Act, and the Statute Law (Supplementary Retirement Benefits) Amendment Act of 1973, the terms of which are not subject to collective bargaining. Any changes made in these Acts shall be considered under Article 2.
- 13.02 An employee, who on retirement is entitled to an immediate Annuity or an Immediate Annual Allowance under the Public Service Superannuation Act, will be paid 100% of a week's pay for each completed year of continuous service less any period of service in respect of which he was previously granted severance pay, up to a maximum of 30 weeks' pay.

For this purpose, one week's pay is defined as the employee's basic hourly rate times 40.

## Article 14 - PLANT HOLIDAYS

14.01 (a) There shall be eleven Plant holidays each calendar year, to fall on Monday to Friday inclusive. During the life of this Agreement, the Plant holidays will be as follows:

New Year's Day	Civic Holiday
Additional Plant Holiday	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Christmas Day
Victoria Day	Boxing Day
Canada Day	

(b) The dates for observance of the holidays will be determined through Company discussions with the Union.

14.02 (a) **An** employee who does not work on a Plant holiday will be paid **as** follows, provided the employee is entitled to be paid by the Company for any of the 16 calendar days immediately preceding the holiday, or returns to work after illness or injury, on the working day next following the holiday:

(i) Where the Plant holiday falls on a day on which the employee would normally work - normal pay for normal hours, including shift premiums if applicable.

(ii) Where the Plant holiday coincides with *the* employee's scheduled day of rest - normal pay for normal hours.

(b) Equipment Production Plant employees scheduled to work the Evening Shift, for any week in which a Plant holiday occurs, will be paid for the holiday in accordance with the following provisions, provided the employee is entitled to be paid by the Company for any 16 calendar days immediately preceding the holiday, or returns to work after illness or injury, on the working day next following the holiday: where the Plant holiday falls on a day on which the employee would normally work the employee's basic hourly rate, including shift premium, for ten hours.

14.03 A shift employee (i.e. Heating Plant) who is scheduled to work on a Plant holiday, and does work, shall, in addition to the pay as set out in 14.02 (a)(i) and (ii) above, be paid at the rate of double time both their normal rate and shift differential, if applicable, for the hours worked.

**Article 15 - VACATION WITH PAY PLAN**

## 15.01 Definition of Terms

- (a) The vacation year shall extend from April 1 to March 31 of the following year.
- (b) Continuous employment, excluding ail periods of layoff, shall date from 1947 February 1, or date of employment, whichever is the later.
- (c) One week shall consist of five days for both day and shift employees.

## 15.02 Regulations Concerning Taking of Vacation

- (a) Scheduling of vacations is subject to plant workload and the taking of vacation leave requires the advance approval of the employee's foreman or supervisor. Exceptions to this requirement will be considered under extenuating circumstances.
- (b) (i) The Company has the right to shut the entire plant down at a fixed period for vacation purposes provided the Company informs the employees of its intention by April 1<sup>st</sup> of the year involved. Under this condition, ail employees except those required for maintenance and other essential work during the shutdown period will be obliged to take their annual vacation during the fixed vacation period.  
  
(ii) The fixed period for vacation referred to in 15.02(b)(i) above will not be greater than two weeks except by mutual agreement of the Company and the Union.
- (c) Vacation leave credits may be carried over from one year to the next to the extent that such carryover is not greater than the vacation leave credits earned in respect of the vacation year just completed.
- (d) It is not permissible to omit ail or part of the vacation and draw vacation pay in lieu thereof. However, employees with less than one month of service at the **start** of the vacation year, who are not entitled to any vacation, receive vacation pay as shown in the Vacation Plan Tables.
- (e) **An** employee may not draw vacation pay for a period of absence for which the employee is receiving benefits under the Sickness and Accident Indemnity Plan.



## 15.03 Compensation for Vacation

- (a) Employees shall receive vacation leave according to length of service as set out in the Vacation Table, Appendix "B" forming part of this agreement.
- (b) Each day of vacation taken by an employee will be paid at the employee's current rate for normal working hours for that date. No premiums or bonuses will apply.
- (c) Employees hired after 1987 April 01, on attaining six or more months of service, will be advanced the number of days of vacation they will have earned by the end of the vacation year (March 31).

Each April 1 thereafter, they will be advanced the number of days of vacation they will have earned by the April 1 immediately following.

Employees who terminate before having earned the vacation credit advanced to them will reimburse the Company for advanced credits used but not earned.

- (d) On the first April 1 following a date of re-employment, current service will be used in calculating vacation entitlement. Effective on the April 1 following one full year of re-employment, employees who have prior service with the Company will be credited with annual vacation as provided in the Vacation Plan Table on the basis of their total accumulated service. Total accumulated service shall be the sum of current service which is eligible for vacation credit and service in previous periods of employment with the Company which was eligible for vacation credit as outlined in Article 15 - Vacation With Pay Plan.

## 15.04 Advance Payment

An employee can receive vacation pay up to one week in advance of vacation leave subject to the following conditions:

- (a) The amount of vacation pay advance shall be in proportion to the number of vacation days to be taken.
- (b) The minimum amount of leave for which advance payment may be made is one week. For those employees whose entitlement is one week or less the amount of pay advance shall be for the full time available to the employee.

- (c) The vacation request forms shall provide for the employee to request vacation pay advances. The vacation pay advance will only be assured where it was requested twenty working days in advance. Where, due to an emergency, **an** employee is unable to provide the twenty working days' notice, efforts **will** be made to provide the pay advance within a reasonable time frame.
- (d) No more than two such advance payments will be made to an employee in a vacation year.

#### 15.05 Payment in Case of Termination of Employment

An employee who terminates employment or who is laid off indefinitely will, provided such employee has not caused a revision to the compensation referred to in 15.05(a) and (b), be paid at the time of termination or layoff

- (a) Any earned vacation compensation in accordance with Article 15.03, which the employee has not received; and
- (b) Compensation on a pro-rata basis for vacation earned during the vacation year in which the individual terminates.

### **Article 16 - LEAVE OF ABSENCE**

#### 16.01 Special Leave

- (a) Marriage

Five days with pay will be granted to an employee who is required to be absent for the purpose of being married, provided that the employee has 6 or more months of service.

- (b) Death in Family

Employees shall, to the extent specified below, be granted leave with pay in the following circumstances:

- (i) In the case of death in the family, employees will be granted leave with **pay** to a maximum of 3 days to attend the funeral or settle the estate within one year of the testator's death. **An** additional special leave of up to 2 additional days may be granted due to the length of the trip involved to attend the funeral and/or settle the estate. Family is defined for this purpose as father, mother, foster parent, brother, sister, spouse, or child or grandchild of the employee;

father or mother of the employee's spouse; or other relative living with the employee.

- (ii) Leave up to one day with pay will be allowed to attend the funeral of an employee's grandparent, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, at the discretion of the employee.

(c) Birth or Adoption of Child

Employees shall be granted **up** to one day's leave with pay when their spouse gives birth, or to arrange for the adoption of a child.

(d) Rate of Pay

Wages paid to an employee for a period of Special Leave shall be the employee's pay at normal rate for the regular working hours which the individual missed on the day or days of Special Leave.

#### 16.02 Jury and Witness Duty

The Company will pay to an employee who is required to serve on a **jury**, or who is subpoenaed as a witness (except as a litigant) in a court of law, the employee's pay at normal rate for the regular working hours which the individual missed due to this cause. Fees, travelling and other expenses paid in connection with jury/witness duty will be retained by the employee.

#### 16.03 Maternity Leave

- (a) **An** employee having six consecutive months of employment, at the time the leave is to commence, is entitled to maternity leave without pay and car qualify for it by:
  - (i) Submitting her application at least four weeks before the day on which she wishes to commence such leave,
  - (ii) Providing a medical certificate that certifies she is pregnant and specifies the estimated date of confinement.
- (b) The leave to be provided is:
  - (i) A period of up to seventeen weeks, plus
  - (ii) Anytime between the estimated date and the actual date of confinement, if confinement occurs later than the former.

- (c) The entitlement period may commence no earlier than eleven weeks preceding the estimated date of confinement and end no later than seventeen weeks following the actual date of confinement.

16.04 Leave for Employees With Child Care Responsibilities

An employee, who has completed **six** consecutive months of employment and who has the actual care and custody of **a** new-born child, or on adoption of a child, is entitled to leave without pay of up to twenty-four weeks in accordance with the provisions of the Canada Labour Code.

16.05 Leave for Personal or Special Circumstances

Eight hours paid leave per fiscal year will be credited to employees for use in personal or special circumstances. The granting of such personal leave will be subject to normal approval by supervision subject to Operational requirements, and will not be unreasonably withheld. Any unused leave may be carried over to the next fiscal year.

**Article 17 - HOURS OF WORK**

17.01 The plant work week shall commence at 0001 hours Monday and extend to midnight the following Sunday. Nothing in this Article shall be construed as a guarantee of work.

	<u>Shift Schedules</u>	<u>Break Periods</u>	
(a)	(i) Days	8:00 a.m. - 12:30 p.m. 1:00 p.m. - 4:30 p.m.	10 minutes 10 minutes
	(ii) Evenings	4:30 p.m. - 2:30 a.m.	10 minutes
(b)	(i) The hours outlined in (a)(ii) above will be in effect subject to the continued authorization of the Minister of Labour as required under the Canada Labour Code, Part III. The parties agree that neither will unilaterally seek to change the hours of work described in (a)(ii). Furthermore, should such hours not be approved by the Minister of Labour, or subsequently be revoked after such approval, a 4:30 p.m. to 12.30 a.m. evening shift shall apply until the matter is resolved to the mutual satisfaction of the parties.		
	(ii) A day scheduled on evenings, where the normal hours of work are ten hours, shall be considered one and one-quarter days for the purpose of Articles 11.02(a), 11.03(a), 11.05(c), 11.07, 12.03(a) and 12.03(b), 15, and 19.01(b).		

## 17.02 Installation and Service on Equipment

The Company is engaged in supplying equipment to hospitals, other public service institutions, and industry. From time to time, it is necessary to send employees to other centres to install and service such equipment, usually at times dictated by the user. The principle governing the payment of such an employee is that the employee shall receive in pay not less than the individual would have earned working normal hours at normal rate of pay in the shop, together with reasonable expenses incurred in travelling and living away from home. The following rule shall apply:

- (a) An employee assigned to service work shall receive a minimum of 8 hours pay at regular rate for each calendar day away from Ottawa or Kanata except when the individual remains in other centres over normal days of rest for which the individual shall not be paid unless actually working on these days.
- (b) The provisions of Article 18 - Overtime will apply for employees on assignments at other centres.
- (c) When an employee is travelling from one centre to another, the employee shall be paid for such time spent in travelling to a maximum of eight hours per calendar day at the employee's regular rate for travel during Monday to Friday, and time and one-half for travel during Saturday and Sunday. For travel on holiday, the employee shall receive time and one-half plus pay for the holiday.

When the employee works and travels on the same day and the time spent in travelling extends beyond the individual's normal hours of work, such individual will receive compensation for the travel time beyond the normal hours of work at the rate of straight time to a maximum of six hours.

- (d) Charge Hands **will** receive an additional hourly premium when carrying out Installation and Service work at another centre. The additional hourly premium will be the difference between the Charge Hand Rate and the base rate for the assigned classification.

**Article 18 - OVERTIME**

## 18.01 Day Employees

- (a) Overtime worked by day employees, computed on a daily basis, shall be paid at the rate of time and one-half.

- (b) The first 8 hours of authorized work performed by day employees on their first day of rest (Saturday), except as provided in 18.01(c), shall be paid at the rate of time and one-half. Work performed beyond 8 hours shall be paid at the rate of double time.
- (c) All authorized work performed by day employees on the second day of rest (Sunday) shall be paid at the rate of double time.
- (d) In addition to pay for the holiday, all work performed by day employees on a Plant Holiday shall be paid at the rate of double time.
- (e) Double time shall be paid for all time worked in excess of 10 hours beyond the employee's basic scheduled work week. (Scheduled hours worked at double time on Plant holidays will not be counted towards the 10 hour minimum.)
- (f) When an employee is required to work through normal lunch period, the employee will be paid for this period only at the rate of time and one-half and will be required to take an unpaid lunch period at the first opportunity.

#### 18.02 Shift Employees

- (a) When a shift employee is required to work prior to or beyond the end of the normal shift, the extra time shall be paid at the rate of one and one-half times both the normal rate and the shift differential (if any) applicable to the shift involved, subject to 18.02(c). If by the previous mutual agreement between the employees concerned and the Company, arrangements are made for an exchange of shift, straight time including shift bonus shall be paid.
- (b) Shift employees who are required to work on their second or subsequent days of rest shall be paid at the rate of double time both their normal rate and shift differential, if applicable.
- (c) In addition to pay for the holiday, overtime worked on Plant Holidays shall be paid at the rate of double time both the normal rate and shift premium, if applicable.

8.03 Overtime shall be distributed as equitably as practical among employees in each classification. A record shall be kept and supplied to the Union President on a monthly basis.

No employee will be required to work overtime when a sufficient number of qualified employees are willing and available to do the work.

- 18.04 Employees shall be permitted a ten-minute break after each two-hour period worked beyond their normal shift.
- 18.05 Employees required to work overtime in excess of 2 hours without at least one day's notice will be paid a \$9.00 lunch allowance (\$9.50 effective April 1, 1997 \$10.00 effective April 1, 1998) and will be permitted to leave 5 minutes prior to the normal quitting time.
- 18.06 Callouts

Employees who have completed their regular work period, if called in for extra service before their next regular work period, shall receive:

- (a) A travelling time allowance of one hour at base rates if the employee return home prior to commencement of their next regular work period;
- (b) A minimum time worked allowance of 2 hours at time and one-half. Where the employees commence work less than 2 hours in advance of their regular work period and continue without break into that period, they shall be paid for the first 2 hours following the start of the callout at the rate of time and one-half.

## Article 19 - WAGES

- 19.01 (a) The wage rates to be paid during the term of this Agreement are set out in the Job Classification and Rate Schedule Table, Appendices "C" and "D" forming part of this agreement.
- (b) Provision is made for the payment of starting wage rates for trade classifications, at one wage level below that of the trade, for a period not exceeding 65 days worked. Any exceptions will be discussed with the Union.
- 19.02 It is agreed that there shall be no changes in the rates paid for each classification as set out in the Job Classification and Rate Schedule Table during the life of this Agreement, except as provided hereafter for new or substantially changed jobs. In determining the rate to be applied to a new or substantially changed job, the criteria to be used will be the skill, effort and responsibility required in the performance of the work and the conditions under which the work is performed
- (a) New Jobs
 

The Company will advise the Union as to what rate it intends to pay any new job which may develop, and will carefully consider any alternative

proposal which the Union may wish to make. In the event of the failure of the parties to agree on the grouping or the rate of either a new or substantially changed job, the matter shall be subject for grievance procedure and/or arbitration.

(b) Changed Jobs

No jobs shall be downgraded during the life of the Agreement. In the event of an apparent substantial increase in the content of any existing job, the Union may present a case for upgrading. The Company will give such proposal its careful consideration.

It is understood that the Company may, on its own initiative, upgrade any job.

19.03 Shift Differentials

(a)	<u>July 1, 1996</u>	<u>April 1, 1998</u>
Evening Shift (10 hours)	\$1.50	\$2.00
#1 Shift (night)	\$2.00	\$2.50
#3 Shift (evening)	\$1.50	\$2.00

(b) Employees working a Day shift which commences prior to 7:00 a.m. will be paid the Evening Shift Differential for hours worked prior to 7:00 a.m. This does not apply to "Callouts" which will be compensated as provided in Article 18.06.

19.04 Premium for Scheduled Sunday Shift Work

A premium of \$1.25 per hour shall be paid for each regularly scheduled hour worked on Sunday.

**Article 20 - UNION SECURITY**

20.01 Deductions from Wages

(a) The Company will deduct from all employees a sum equal to the regular monthly dues of the Union from the first pay in each month, provided that such deductions will not start until the calendar month following the date of hire, and to the extent that sufficient unencumbered earnings are payable to the employee.



- (b) The Company will remit the sum deducted, together with a list of the employees from whom deductions have been made to the Union Treasurer within fifteen days of the pay date.
- (c) It is the responsibility of the Union to advise the Company in advance of any change in its monthly dues.

20.02 Each new employee will be furnished with a copy of the collective agreement informed of the name of the Union Steward and President, and introduced to the Union President or Union Steward assigned to the area.

## **Article 21 - APPRENTICESHIP**

- 21.01 The Company and the Union acknowledge that they have a mutual interest in the promotion of apprenticeship training and, to this end, will maintain a joint Apprenticeship Committee, as required, whose terms of reference are contained in a separate document dated 1982 April 22 or revisions to this document as may be mutually agreed by the Company and the Union.
- 21.02 (a) Apprentices will be paid at the applicable rate of pay as outlined in the pertinent Appendix to the Agreement, subject to the requirements of the apprenticeship program.
- (b) Twenty-one months after the completion of the probationary period, each apprentice will be assessed and credit will be given to reflect the individual's progress on practical and educational achievement which, with the approval of the appropriate authorities of the Province of Ontario, serves to reduce the apprentice's training program.
- 21.03 Apprentices will not work overtime except by mutual agreement of the Company and the Union.
- 21.04 Apprentices may be assigned to shift work only during the final year of their training. Exceptions to this will be subject to mutual agreement by the Company and the Union.
- 21.05 The number of apprentices to be hired each year will not exceed the greater of 1 person or 7% of the budgeted complement for each trades classification in the Company.
- 21.06 It is understood that apprentices may be terminated at the completion of their training program if vacancies or additional positions in the job classification for which they have been trained are not available. There is no right to grievance in this regard nor will layoff (excepting proper notice) and recall provisions apply.

**ARTICLE 22 - HEALTH AND SAFETY**

- 22.01 The Company and the Union recognize the benefits to be derived from a healthy and safe work environment. It is agreed that the Company and the Union will cooperate fully to promote health and safety in the work place and encourage compliance with health and safety rules and regulations.
- 22.02 The provisions of the Canada Labour Code apply in the area of Occupational Health and Safety.
- 22.03 The Company will continue to form joint health and safety committees at appropriate locations throughout the Company; at least half of the members of these committees will be non-management personnel.

These committees shall:

- (a) give consideration to and make recommendations on such matters as the safeguarding of health and prevention of hazards to life and property. Particular attention will be paid to questions involving alleged hazardous or unsanitary working conditions. Regular meetings will be held and minutes of all meetings will be issued;
  - (b) include two Union members on the Theratronics Occupational Health and Safety Committee.
- 22.04 A Union representative will participate in the investigation of all accidents involving the bargaining unit.

**ARTICLE 23 - CHRISTMAS - NEW YEAR'S LEAVE PERIOD**

- 23.01 Employees not required to work on the three working days which fall between Christmas and New Year's will be on approved leave with pay. Employees who are required to work on any of the three working days which fall between Christmas and New Year's, will receive normal pay for the period worked and will in addition be permitted an alternate day off with pay for each day worked. Alternate days off are to be taken within 12 months following the day(s) worked, at a time which is mutually agreeable to the employee and the supervisor. Where the alternate days off cannot be taken during this 12 month period because of operational requirements, the employee shall receive pay in lieu,

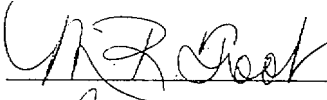
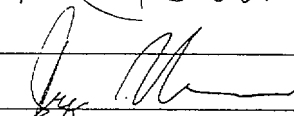
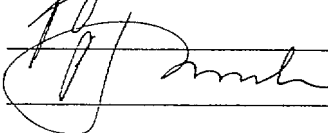
Note: In accepting the above provision, it is understood and agreed that the practice of an additional one-half hour time off at lunch break on paydays is discontinued.

**Article 24 - DURATION AND AMENDMENT OF AGREEMENT**

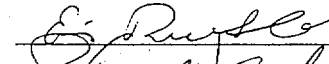
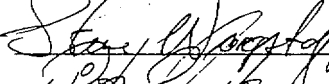
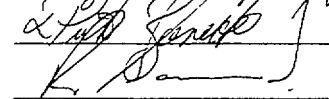

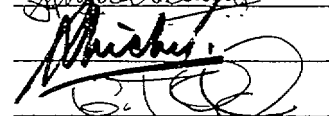
- 24.01 (a) This Agreement, when signed by the parties hereto, shall become effective on April 1, 1996, except as otherwise specified herein, and shall remain in full force and effect until March 31, 1999, and from year to year thereafter unless amended or terminated in the manner provided herein.
- (b) All new or changed provisions shall become effective on date of ratification unless otherwise specified.
- (c) If either the Company or the Union desire to terminate or amend the Agreement, it must *notify* the other party in writing in accordance with the provisions of the Canada Labour Code. Whenever notice is given, proposed amendments must be specified in the notice and until satisfactory conclusion is reached in the matter of the proposed amendment, the original provisions shall remain in effect.

24.02 IN WITNESS WHEREOF the parties hereto have this <sup>9<sup>th</sup></sup> day of December, 1996 executed this Agreement by the hands of their proper officers.

On Behalf of  
THERATRONICS INTERNATIONAL  
LIMITED

  
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On Behalf of  
COMMUNICATIONS, ENERGY  
AND PAPERWORKERS  
UNION OF CANADA,  
LOCAL 1541

  
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APPENDIX "A"

- А) Machinist  
Mechanical Inspector  
Maintenance Mechanic
- Б) Welder
- В) Sheet Metal Worker
- Г) Electronic Production Technician  
Electrical/ Electronic Inspector
- Д) Building Maintenance Mechanic
- Е) Heating and Power Service Mechanic  
Stationary Engineer Class III
- Ж) Spray Painter Finisher
- З) Carpenter  
  
Packaging Mechanic  
Packaging Operator А, В  
  
Assembler А, В
- И) Electrical/Electronic Assembler, А, В
- Й) Leadpourer/Machine Operator
- К) Building Maintenance Helper А, В
- Л) Storeskeeper А, В
- М) Heating Plant Helper А, В  
  
Labourer-Cleaner
- Н) Plant Maintenance Electrician

APPENDIX "B"VACATION PLAN

Employee's Length of Service At start of Vacation Year (April 01)		Number Of Days Available In the New Vacation Year
Less than 1 month	(Started March )	
1 month but less than 2	{ " February )	
2 months but less than 3	{ " January )	
3 months but less than 4	{ " December )	
4 months but less than 6	{ " Oct. or Nov. )	
6 months but less than 7	{ " September )	5
7 months but less than 8	{ " August )	6
8 months but less than 9	{ " July )	7
9 months but less than 10	{ " June )	8
10 months but less than 12	{ " April or May )	9
1 year but less than 1-1/4		10
1-1/4 years but less than 1-1/2	{ " Oct./Nov./or Dec. )	11
1-1/2 years but less than 1 3/4	{ " July/Aug./or sept.)	12
1 3/4 years but less than 2	{ " April/May or June )	13
2 years but less than 7		15
7 years but less than 8		16
8 years but less than 9		17
9 years but less than 10		18
10 years but less than 11		19
11 years but less than 15		20
15 years but less than 17		21
17 years but less than 20		22
20 years but less than 23		
23 years but less than 25		24
25 years but less than 26		25
26 years but less than 28		26
28 years but less than 30		27
30 years but less than 32		28
32 years but less than 34		29
34 years or more		30

## NOTE:

- (i) For the purpose of this Plan, an employee who begins work on the first working day of the month will be considered to have started in the previous month.
- (ii) Effective 1 April in the year following employment, an employee will be entitled to vacation credits in accordance with the above Vacation Table, thereafter they will be credited with any eligible previous service.

APPENDIX "C"MACHINISTAPPRENTICESHIP RATE SCHEDULE TABLE

<u>LEVEL</u>	<u>PERIOD</u>	<u>PERCENTAGE OF JOURNEYMAN RATE</u>
I	First 6 months	55%
II	After 6 months	62%
III	After 12 months	69%
IV	After 18 months	76%
V	After 24 months	83%
VI	After 30 months	90%

**APPENDIX "D"****JOB CLASSIFICATION AND RATE SCHEDULE TABLE**

Level No.	Hourly Rate			Classification
	July 1/96	Apr. 1/97	Apr. 1/98	
1	\$20.66 (\$21.70)	\$21.18 (\$22.56)	\$21.71 (\$23.34)	Electronic Production Technician Heating & Power Service Mechanic Electrical/Electronic Inspector Machinist Maintenance Mechanic Mechanical Inspector Sheet Metal Worker Welder Plant Maintenance Electrician
2	\$17.60 (\$18.48)	\$18.04 (\$19.21)	\$18.49 (\$19.88)	Building Maintenance Mechanic Spray Painter Finisher Stationary Engineer <b>Class 3</b> Carpenter Leadpourer/Machine Operator, Senior
3	\$16.47 (\$17.30)	\$16.88 (\$17.98)	\$17.31 (\$18.60)	Assembler A Electrical/Electronic Assembler A Packaging Mechanic Leadpourer/Machine Operator, Advance
3(a)	\$16.04 (\$16.84)	\$16.44 (\$17.51)	\$16.85 (\$18.12)	Contamination Monitor
4	\$15.66 (\$16.45)	\$16.05 (\$17.10)	\$16.45 (\$17.69)	Assembler B Building Maintenance Helper A Electrical/Electronic Assembler B Heating Plant Helper A Packaging Operator A Storeskeeper A Leadpourer/Machine Operator, Basic
5	\$14.65 (\$15.38)	\$15.01 (\$15.99)	\$15.39 (\$16.54)	Building Maintenance Helper B Heating Plant Helper B Packaging Operator B Storeskeeper B Decontamination Operator A Leadpourer/Machine Operator, Trainee
6	\$13.45 (\$14.12)	\$13.78 (\$14.68)	\$14.13 (\$15.19)	Labourer-Cleaner Decontamination Operator B Decontamination Custodian

**NOTE: ( )**

Bracketed figures indicate Charge Hand Rates and rates for employees sent to other centres to install, inspect, or service Company products.

December 9, 1996

Mr. Erwin Reitenbach,  
President,  
Communications, Energy and Paperworkers  
Union of Canada,  
Local 1541,  
Kanata, ON

Dear Mr. Reitenbach:

This will confirm the understanding reached during negotiations, covering certain areas and/or **aspects** of articles supplementary to the Union Agreement signed today.

1. Article I - RECOGNITION

- (a) 1.02 "This unit shall include all employees as defined in Article 1.01 except Foremen and employees of higher rank, salaried personnel, and security guards."

Working Charge Hands do not have the basic supervisory authority vested in the first lines of Company Management. Charge Hands are expected by the Foremen to pass along instructions and coordinate **work** for satisfactory completion. On occasion, a Charge Hand may relieve a Foreman for brief periods due to illness, vacation, etc.; however, the individual will not be expected to assume the disciplinary authority of the Foreman whom the employee has relieved.

- (b) Notwithstanding any provision to the contrary in the Collective Agreement this item will confirm the understanding reached between the Company and the Union as follows:

413 March Road  
P.O. Box 13140  
Kanata Ontario Canada  
K2K 2B7  
(613) 591-2100  
Fax (613) 591-0518



- (i) A "temporary employee" is defined as any person hired on a temporary basis in a classification listed in Appendix D of the Collective Agreement. It is understood that such employees are included in Article 1 of the Collective Agreement. It is further understood that temporary employees for the purposes of this provision ~~are~~ not considered to mean employee on a recall list who have returned to work to fill a temporary position.
- (ii) The Company may hire temporary employees for either of the following purposes:
  - a) To fill temporary vacancies caused by the absence of fulltime continuing employees. Prior to hiring of such employees, the Union will be informed and advised of the expected duration of the temporary vacancy.
  - b) To meet heavy workload situations that are not expected to exceed 65 working days. If such situations, with the exception of student hired during ~~and~~ for the summer vacation period, are expected to exceed 65 working days, the position ~~will~~, for the purposes of the Collective Agreement, be regarded ~~as~~ "fulltime, continuing" and will be posted in accordance with the Collective Agreement.
- (iii) Temporary employees shall be subject to all of the provisions of the Collective Agreement except ~~as~~ hereinafter provided:
  - a) Subsection 6.07 (a) and (b) of Article 6 - Union Activity are not applicable to temporary employees.
  - b)
    - (1) Temporary employees are excluded from Article 11 in its entirety.
    - (2) With respect to 11.03(c), it is understood that no employee with seniority will be laid off or prevented from being recalled while a temporary employee is retained or hired in a classification in the Same seniority group.
    - (3) A temporary employee may apply for a posted fulltime continuing position. Such an application ~~will~~ be given the Same consideration as that of an external candidate. ~~1~~

temporary employee **hired** into a fulltime, continuing position **will** be credited with seniority from the date of employment in the fulltime, continuing position or such earlier date **as** the Company and the Union by mutual agreement **may** determine.

- c) Temporary employees, with the exception of those who under the provisions of (ii) a) exceed six consecutive months of employment, are excluded from ~~the~~ provisions of Articles 12, 13, and 15 in their entirety,
  - d) With the exception of 16.01 (b) "Death in the Family", the provisions of Article 16 - Leave of Absence are not applicable to temporary employees.
  - e) Items 1(b), 6, 9, 12, 13, 14(b), 17 (if employed more than six months), 18, 19, 24 and 27 of the Supplementary Letter are applicable to temporary employees. The remaining items of the Supplementary Letter are not applicable.
- (iv) Except as provided in Article 11.07, where temporary help is required in a classification listed in Appendix D of the Collective Agreement and where the job does not exceed thirty (30) consecutive working days, the provisions of Article 11.06 will not be applicable. Such thirty (30) day period will be exceeded ~~only~~ by mutual agreement of the Company and the Union.
- (v) The Company may utilize persons, not to exceed 5 in number at any one time, supplied by outside personnel agencies on a rental basis to fill Job Classifications in Level Numbers 4, 5 and 6 and the Stationary Engineer Job Classification for the following reasons/conditions:
- a) To avoid delays caused by the Job Posting procedure.
  - b) To fill jobs not expected to exceed thirty (30) working days in duration with respect to classifications contained in Appendix D of the Collective Agreement.

- c) Prior to the retention of such personnel the Union will be informed and advised of the intended action. The number of such personnel and duration specified will be exceeded only by mutual agreement of the Company and the Union.
- d) It is understood that personnel contemplated in a) and b) above are excluded from the bargaining unit but will receive the applicable hourly rate contained in Appendix D of the Collective Agreement through the Agency.

2. Article 11 - SENIORITY, TRANSFER, PROMOTION, LAYOFF, RECALL AND JOB POSTINGS

This clause is subject to the terms and conditions as set out in the letter of understanding on Technological Change effective until 1999 March 31 as described therein.

Should it become necessary to lay off employees due to technological changes, the Company will discuss the situation with the Union and give those affected first consideration for job vacancies within the Bargaining Unit for which they have the basic qualifications. Employees so placed will be given training as required.

3. Article 12 - EMPLOYEE BENEFIT PLANS

- (a) Continuation of Employee Benefit Plans during Periods of Absence Without Pay
  - (i) Employee Benefit Plans will normally be maintained during periods of absence without pay. The employee will be informed in writing of an discontinuance of coverage and it will be discussed with the Union President.
  - (ii) Where coverage continues, the Company will continue to pay its contributions to the premium costs of these plans in absences which do not extend through a full calendar month (from first day to last day inclusive and in other cases where the absence is due to illness or injury (covered under S&AI - including where S&AI has been exhausted - or Workers Compensation). In other cases of absence without pay, the employee will normally be required to pay the full cost of these plans.

(iii) ~~Unless~~ an alternative arrangement is made, the monies owing will be recovered either:

- (1) Via pro-rated payroll deductions on the employee's return to work; or
- (2) from termination credits such as vacation pay if the employee terminates: or
- (3) other appropriate sources; or
- (4) by being rebilled monthly for either the employee's share or the total premium costs, as applicable.

(b) In conjunction with representatives from other employee groups, the Company and the Union may periodically review Employee Benefit Plans.

It is understood that any proposed changes impacting Article 12 of the collective agreement will be subject to mutual consent of the Company and the Union as outlined in Item 28 of *the Supplementary Letter*.

(c) The Company and the Union may discuss alternative providers for life insurance benefits. Should there be a change in life insurance carriers, coverage will not be less than two ~~times~~ annual salary. The premiums for one times annual *salary* will be paid by the Company as provided in Article 12.04 of the collective agreement. Premiums for additional life insurance will be cost shared by employees and the Company on the same basis ~~as~~ under the Supplementary Death Benefit of the Public Service Superannuation Act.

#### 4. Employee Assistance Fund

The Company will arrange to collect from the pay of each employee an annual deduction of \$3.00 as of 1 June, and will remit the total together with a matching amount to the fund. The fund will be jointly administered by the Company and the Union.

## 5. Retraining

Employees are encouraged to improve ~~their~~ skills and qualifications so ~~as~~ to place themselves in a position to fit themselves for the future such that they may be considered for vacancies at higher levels. Where an employee undertakes an evening correspondence course which, in the opinion ~~of~~ Management, is likely to increase the employee's value to the Company, the individual will on ~~successful~~ completion be reimbursed for 50% or 100% of the cost of tuition and required textbooks.

## 6. (a) Eyeglasses

Standard Operating Procedure, SOP No. 1.07-EG 07, ~~will~~ apply with respect to the Company issuing of prescription and non prescription Safety **Glasses**.

## (b) Safety Shoes

Effective **April 1, 1997**, the Standard Operating Procedure which addresses the purchase and wearing of safety shoes will be amended to provide reimbursement level of up to \$100.

## 7. Dental Plan

Should the Dental Plan referred to in article 12.06 be upgraded during the term ~~of this~~ agreement, for employees of the Company, such upgrading will be extended to the bargaining unit.

## 8. Contracting Out

(a) It is the intent of the Company that contracting out will not adversely affect employees in the Bargaining Unit, or prevent the recall of laid-off employees should the work available ~~equal~~ or exceed sixty-five working days and ~~which~~ would otherwise be contracted out.

(b) The Union will be informed when the Company contracts out work normally performed in Equipment Production by Bargaining Unit employees and will, requested, advise the Union why it is taking such action.

9. Work Stoppage

The Company will not expect employees to cross a legal picket line if to do so would place their lives, limbs, or personal property in jeopardy.

10. Letters of Reprimand

A disciplinary notation on an employee's file will be removed after three years of employment following the incident giving rise to the notation, provided there has been no further disciplinary action during the period.

In the case of a suspension, the disciplinary letter outlining the circumstances of the suspension will be removed from the employee's file after five years of employment following the incident giving rise to the suspension, provided there has been no further disciplinary action during the period.

11. Supervisory Salaried Employees and Other Employees Excluded from the Bargaining Unit

Supervisory salaried employees and other employees excluded from the bargaining unit will not normally do work regularly performed by members of the Bargaining Unit.

12. Medical and Dental Appointments

Subject to work requirements, foremen may permit employees up to four hours' absence, without loss of pay, for the purpose of attending medical or dental appointments.

**An** employee may wish to use this leave with pay to cover more than one medical or dental appointment, and may do so with the authorization of his/her foreman provided that the period taken is for one-half hour or more and the total of such absences does not exceed four hours per fiscal year.

Note: It is understood that the practise of allowing up to two hours, where required for the fitting of safety glasses, is discontinued.

13. Employee Files

An employee will be able to review his/her Personnel file **once per** year in the presence of a Human Resources Department representative. Any employee wishing to review his/her Personnel file must make the request in writing to the Human Resource Department and an appointment will be arranged.

14. Article 22 - HEALTH AND SAFETY

- (a) It is understood that a Union representative will **participate** in the monthly safety inspection of the **areas** under the jurisdiction of the Theratronics Occupational Health and Safety Committee. It is further understood that the non-management personnel on the Theratronics Occupational Health and Safety Committee will be composed of salaried employees and other personnel from the certified unions.
- (b) The Company and the Union recognize that the **preferred** means of dealing with Health and Safety matters is for the employee to discuss such matters with his/her supervisor. However, the parties also recognize that employees may communicate their concerns through their Union safety representative.

15. Vacation Pay

For employees of 10 or more years of service, vacation pay will be a *minimum* of 8% of the employee's earnings in the previous vacation year.

16. Job Descriptions

The Company will continue to provide the Union with a copy of each job description.

17. Intermediate Term Disability

The provisions of the Sickness and Accident Indemnity Plan, (Article 12) previously provided by Great West Life will remain unchanged except that the Company will administer the plan.

18. Continuance of Modified Day **Shift** Arrangements

The Company and the Union agree to renew the letter of understanding dated 1987 October 02 to extend its application to the collective agreement which will take effect April 1, 1996.

## 19. Grievance and Arbitration

The provisions of this supplementary letter shall be considered part of the Agreement for the purpose of the grievance and arbitration procedures.

## 20. Other Centres

The bracketed figures contained in Appendix "D" indicate Charge Hand Rates and Rates for employees sent to other centres to install, inspect, or service Company products. For this purpose, other centres is considered to mean locations other than those occupied by Theratronics.

21. In anticipation of the sale of the Company, the Company and the Union agree to participate with representatives of other employee groups in the development of a new pension plan. Representatives will recommend a pension plan suitable for effect in *the* event the Company is purchased by the employees. Further, if this pension plan is implemented, it is agreed that management, the Union, and other employee representatives will participate in the ongoing review and monitoring of the plan.

## 22. Hours of Work

- a) The Company and the Union agree that up to two employees in the Labourer-Cleaner and Building Maintenance Helper A and B Classifications may be required to commence work up to one hour **prior** to the *start* of a shift. However, no employee will be required to do so if there is an alternate employee in the classification concerned who is **qualified**, willing, and available to carry out the work for the assigned period.
- b) Up to two Storeskeepers may be scheduled an alternate normal lunch and break period to ensure adequate coverage.



- c) (i) It is agreed that one Storeskeeper position may be assigned to work the following Shift Schedule: 8:00 a.m. to 6:00 p.m., Tuesday through Friday.
- (ii) it is further agreed that the provisions in effect for the modified evening shift as referenced in 17.01(b)(i) and (ii) and in 14.02(b) will apply to the Storeskeeper Shift Schedule referenced above.
- (iii) No employee will be assigned to the above shift when another qualifia employee is willing and available to be assigned.

### 23. Trades

Competition in the world and domestic markets in which we do business requires ever increasing attention to quality and productivity. It is recognized that improved productivity is necessary for the ongoing viability of Theratronics' manufacturing operation.

Increased productivity can, in particular, be achieved through improved utilization of skilled trades personnel. Improved utilization of skilled trades personnel will be achieved, technology permitting, through concurrent operation of more than one machine. In addition, employees in classifications in Level Number 1 may be assigned to work other than in their principle trade ~~area~~, when work is unavailable in their own classification. It is understood that such assignments would fall within the meaning and application of the provisions of 11.07.

### 24. Workers' Compensation Payments For Temporary Total Disability

It is the Company's intent to review the administration practices related to the payment of Workers' Compensation for temporary total disability claims. Should any changes result from this review, they will be discussed with the Union before implementation. The employee's compensation for approved temporary total disability claims will not be less than 100% of the employee's net average earnings before the injury. (Net earnings is defined as the employee's normal basic earnings less normal payroll deductions.) In addition, the amount of compensation paid to the employee while awaiting approval of a claim will be an amount not less than 75% of the employee's normal basic earnings less normal payroll deductions.

25. Workers' Compensation - Re-employment of Injured Workers

The Company and the Union will, during the term of the collective agreement, meet to develop suitable provisions to facilitate re-employment of **injured** workers.

26. Automatic Pay Deposit

Effective not later than the first pay period of March 1997, employees will be paid through automatic pay deposit. As pay will automatically be transmitted to each employee's personal bank account, there will no longer be automatic across-the-board advancing of pays during periods of shutdown.

The provisions for individual Advance Payment as may be required under Article 15.04 will continue to apply.

27. Should workload necessitate the addition of a third shift in one or more **areas**, the parties will ~~meet~~ in order to establish the applicable provisions for the third shift and determine any modifications necessary to the day and evening shift schedules in the affected area(s). The Union will be given at least one month's notice in advance of the anticipated need for a third shift. It is understood that the provisions of Item 28. of the Supplementary Letter will apply to resolution of the shift provisions.

28. Notwithstanding Article 24 of the collective agreement, the Company and the Union may, by mutual consent, amend provisions of the agreement during its term.

Yours very truly,



A. R. Foot  
Director, Human Resources  
Aertronics International Limited.

ACCEPTED: COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF  
CANADA, LOCAL 1541

BY: 

**HERATRONICS**  
International Limited

October 3, 1996

Mr. E. Reitenbach  
President  
Communications, Energy and  
Paperworkers Union  
Local 1541  
Kanata, Ontario

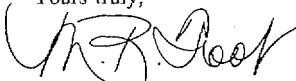
Dear Mr. Reitenbach:

RE: **CHRISTMAS - NEW YEAR'S SCHEDULE  
FOR EMPLOYEES ON SHIFT WORK**

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Attached is the schedule for the Christmas - New *Year's* period for 1996-07 and 1997-98. The schedule for the Christmas - New Year's **period** for 1998-99 will be determined through Company discussions with the Union and the resulting schedule will be provided to the Union not later than **April 1, 1998**.

Yours truly,



M.R. Foot  
Director, Human Resources

Attach.

413 March Road  
P.O. Box 13140  
Kanata Ontario Canada  
K2K 2B7  
(613) 591-2100  
Fax (613) 591-0518

ISO 9001-1994



Kanata, Ontario, Cana

1996-97	Evening Shift:	Day Shift:
Mon. Dec. 23	Day <del>Shift</del> :	
Tues. Dec. 24	Working day	Working day
<b>Wed. Dec. 25</b>	Working day	Working day
<b>Thurs. Dec. 26</b>	<del>Christmas</del> Day	Christmas Day
<b>Fri. Dec. 27</b>	Boxing Day	Boxing Day
Sat. Dec. 28	weekend	weekend
Sun. Dec. 29	weekend	weekend
Mon. Dec. 30	*	*
<b>Tues. Dec. 31</b>	*	*
Wed. <b>Jan. 1</b>	New <b>Year's</b> Day	New <b>Year's</b> Day
Thurs. Jan. 2	Working day	Working day
<b>Fri. Jan. 3</b>	Working day	Working day

1997-98	Evening Shift:	Day Shift:
<b>Wed. Dec. 24</b>	Working day	Working day
Thurs. Dec. 25	Christmas Day	Working day
Fri. Dec. 26	Boxing Day	Christmas Day
Sat. Dec. 27	Normal day off	Boxing Day
Sun. Dec. 28	weekend	weekend
	weekend	weekend
Mon. Dec. 29	Day Shift:	*
Tues. Dec. 30	*	*
Wed. Dec. 31	*	*
Thurs. <b>Jan. 1</b>	New <b>Year's</b> Day	New <b>Year's</b> Day

Mr. E. Reitenbach  
 President,  
 Communications, Energy, and  
 Paperworkers Union of Canada  
 Local 1541  
 Kanata, Ontario

December 9, 1996

Dear Mr. Reitenbach:

Re: **1996 and 1997 PROFIT SHARING PLAN**

Following approval of the audited financial statements, the Company will pay to eligible employees, normally by May of the following year, a lump sum as outlined below:

<u>Net Income Achieved After Payment of Profit Sharing and All Other Expenses</u>	<u>Lump Sum Payment on Base Salary as of December 31</u>
less than 100%	0
100%	3.0%
120%	4.0%
150% and above	5.0%

The lump sum payment will be pro-rated to the nearest 0.1% for net income falling between the points above (i.e. for a net income of 110% of Plan, the lump sum payment would be 3.5%).

The total amount payable Company-wide will not exceed 50% of "Net Income Achieved" nor will any payout be made if this would result in a negative net income position. Therefore, if *necessary*, the total amount payable will be reduced to meet these provisions.

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(613) 591-2100  
Fax (613) 591-0518



**1996-97 PROFIT SHARING PLAN**

The lump sum payment is based on **the** employee's December 31 hourly rate times 2080. Eligibility for receipt of this payment further requires:

1. **That** the employee has been employed for a minimum of 6 continuous months in the **fiscal year** for which the payment was **earned**. Where such employment **is** 6 months but **less** than one full year, the payment will be pro-rated (i.e. employment commenced April 1, payment reduced by **25%**);
2. The employee **must** continue to be employed by Theratronics **at the** end of the **fiscal year** for which the payment is being made. However, the employee shall be **entitled** to receive payment proportional to the length of employment during the applicable fiscal year (i.e. worked to June 30, payment reduced by 50%) if he/she on termination was entitled to an immediate PSSA annuity or an immediate PSSA annual allowance;

With respect to 1998, it is the Company's intent to continue a Company-wide profit sharing plan. The applicable provisions of such plan will be determined and offered to **the** Union on behalf of members of the bargaining unit.

Yours truly,



M. R. Foot  
Director, Human Resources

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