

Collective Agreement

between

ADM Milling Co.
Midland Elevator

and

United Steelworkers of America, Transportation Communications
National Amalgamated, Local 1976

Begins:
08/01/2002

Terminates:
08/01/2005

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AGREEMENT

Midland

Between

ADM MILLING CO.
Midland, Ontario

And

UNITED STEELWORKERS OF AMERICA -
TRANSPORTATION COMMUNICATIONS
NATIONAL AMALGAMATED LOCAL 1976

TERM: August 1, 2002 to August 1, 2005

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THIS AGREEMENT, made and entered into this 9th day of December, 2002, by and between ADM MILLING CO. hereinafter referred to as the "Company" and the TRANSPORTATION COMMUNICATIONS NATIONAL AMALGAMATED LOCAL 1976, affiliated with the Canadian Labour Congress, hereinafter referred to as the "Union."

PREAMBLE

This Agreement is entered into by the parties hereto in order to provide for the orderly collective bargaining relations between the Company and those employees who come within the bargaining unit as hereinafter set forth. In consideration of the mutual promises herein contained, the parties hereto mutually agree as follows:

ARTICLE I RECOGNITION

Section 1.01 Recognition

The Company recognizes the Union as the exclusive bargaining agent of employees of the Company's Grain Elevator located in Midland, Ontario, excluding employees not covered by the Certification issued by the Wartime Labour Relations Board (National) under the date of the 13th of November, 1944.

Section 1.02 Union Membership

It is hereby agreed that all such employees who are Members of the Union shall continue their Membership as a condition of employment, and all new employees hired into the service during the life of this Agreement shall become Members of the Union within 60 working days from the date of their entry into the service and shall remain members of the Union as a condition of employment.

Section 1.03 Union Dues

A - The Company shall deduct on the payroll for the pay period of each month in which the 24th day of the month falls from wages due and payable to each employee within the bargaining unit of this collective Agreement, an amount equivalent to the uniform monthly dues of the Union, subject to the conditions and exceptions set forth in this Article, and shall remit such amount to the designated Union Officer.

B - The amount of dues to be deducted shall be equivalent to the uniform, regular dues payment of the Union, and shall not include such payments as initiation fees and special assessments. The amount to be deducted shall not be changed during the term of this Agreement except to conform with a change in the amount of regular dues in accordance with the constitutional provisions of the Union. The provisions of this Section shall be applicable on receipt by the Company of notice in writing from the Union of the amount of regular monthly dues. Dues can only be deducted if it conforms with the Company's uniform

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dues deduction policy. Annual union dues payments will be reported on the employee's T4 slip.

C- Dues will not be deducted from the pay of any employee for whom membership in the Union is not available under the same terms and conditions as for all other applicants. Membership in the Union shall not be denied for reasons of race, national origin, colour, or religion.

D- Deductions for new employees shall commence on the first pay period which contains the 24th day of the month.

E- If the wages of an employee payable on the payroll in which the 24th day of the month falls are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such employee in such month. The Company shall not, because the employee did not have sufficient wages payable to him on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.

F- Payroll deductions now or hereafter required by law, deductions of monies due or owing the Company and deductions for provident funds shall be made from wages prior to the deduction of dues.

G- The Company shall not be responsible financially or otherwise either to the Union or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances.

H- In the event of any action at law against the parties hereto or either of them resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to paragraph A, both parties shall cooperate fully in the defense of such action. The Union shall indemnify and save harmless the Company from any losses, damages, costs, including legal fees, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

ARTICLE II MANAGEMENT RIGHTS

Section 2.01 Management Rights

A - The Company retains any and all management rights not expressly limited by the specific terms of this collective Agreement. Among these rights, but not intended as a wholly inclusive list shall be the right to manage the plant and direct the workforce; to plan, direct and control plant operations; to determine the means, methods, processes and schedules of production; to determine the products to be manufactured or processed, and the plant or facility at which they are to be manufactured or processed; to determine the location of its plants/grain terminals and the continuance of its operating departments; to transfer work temporarily or permanently between plants/grain terminals; to temporarily or permanently close the grain terminal or any portion thereof during the term of the collective Agreement; to promote, demote or transfer employees from one job to another;

to decide on "make" or "buy" decisions; to determine the number of personnel needed; to determine schedules, shift assignments, and hours of work including overtime; to determine the number of shifts; to demote, discipline, suspend or discharge employees for just cause; to maintain order; to hire, rehire, or recall employees; to lay off or relieve employees from duty because of lack of work or any other legitimate reason; to make and enforce reasonable plant rules and regulations; to make and enforce safety rules; to assign employees to work and designate the duties of the employees; to change, modify, eliminate or re-assign job duties; to set the wage rates for newly created jobs; to contract work out or in, including maintenance and construction work, or to have such work performed by other Company personnel; to use contract labourers; and to make any decisions or changes which in the opinion of management, the efficient operation of the grain terminal requires.

B- The Company agrees that it will not exercise its functions in a manner inconsistent with the specific provisions of this Agreement, and an alleged violation thereof shall be subject to the grievance procedure. It is understood that the express provisions of this Agreement constitute the only limitations upon the Company's rights.

ARTICLE III GRIEVANCE & ARBITRATION PROCEDURE

Section 3.01 Grievance Procedure

if an employee has a grievance or dispute with the Company, the parties agree to the following procedure:

The aggrieved employee shall bring the matter in writing to his immediate supervisor within 7 calendar days of the occurrence of the grievance. A discussion must take place between the supervisor and the employee.

The supervisor shall render his decision in writing within 7 calendar days following such discussion.

Should the supervisor's response be unsatisfactory to the grievor, the matter shall be brought up in writing to the Plant Manager's attention within 7 calendar days following Step 1.

The Plant Manager shall then convene a meeting including the grievor and the Union grievance committee to discuss the matter. He should render his decision in writing within 7 calendar days after such meeting.

Step 3

In the event that the grievance is not settled to the employee's satisfaction, the matter should be referred in writing within 7 calendar days to a representative of the President of the Company and the representative of the President of the Union to be discussed

with the parties involved. The parties shall communicate within a reasonable period of time to resolve the grievance.

Should there be no agreement, the matter shall be referred to arbitration in writing within 30 calendar days following the said communication.

Section 3.02 Arbitration Procedure

A - In the notice to the other party, the party requesting arbitration must submit a list of names of individuals that it proposes to act as a sole arbitrator. The other party has 14 calendar days to either agree to one of the names submitted or submit its own list.

B - Should there be no agreement in the choice of a person to act as the arbitrator, the Federal Minister of Labour will be requested to appoint one.

C - The cost of the arbitrator shall be shared equally by the parties. Each party shall pay their own costs.

D - No matter may be submitted to arbitration which has not been carried through all steps outlined in the grievance procedure. However, time limits may be extended by mutual agreement.

Section 3.03 Jurisdiction Of The Arbitrator

The Arbitrator shall not be authorized to make any decision inconsistent with the provisions of this Agreement, nor to alter, modify or amend any part of this Agreement. The decision of the Arbitrator shall be final and binding on the Company, the Union and the employees.

ARTICLE IV JOB CLASSIFICATIONS AND RATES OF PAY

Section 4.01 Job Classifications And Rates Of Pay

The following hourly rates will apply during the term of this Agreement:

<u>Job Classification</u>	<u>Hourly Rates Effective</u>		
	<u>8-1-02</u>	<u>8-1-03</u>	<u>8-1-04</u>
Maintenance	16.36	16.69	17.02
Operator	16.03	16.35	16.68
Grain Distributor	15.44	15.75	16.07
Probationary	15.12	15.42	15.73
Temporary	10.77	10.77	10.77

NOTES APPLICABLE TO JOB CLASSIFICATIONS

1. Employees in any job classification will perform any jobs or duties to which they may be assigned. Each "job classification" may include a wide variety of different jobs, tasks and duties, some of which may cross job classification lines. Maintenance, housekeeping and lubrication duties may be required of any employee. Employees who either perform maintenance duties or assist in performing maintenance duties will be paid at the rate of their own regular job classification. There is no contractual obligation for establishing light duty job classifications.
2. There are no minimum crew or job manning requirements. The Company has the sole right to determine the number of employees in any job classification as well as the right to determine crew size in the plant or any portion thereof, provided there is no violation of the Canada Labour Code. Classified jobs may be filled, vacated or permanently discontinued at the Company's discretion.
3. If employees within the bargaining unit do not possess the necessary skills to fill a vacancy, the Company may fill such vacancy by hiring from outside.
4. Non-employee, contract labour may be used to supplement the Company's workforce.

Section 4.02 Shift Differentials

2nd or 3rd Shifts - A shift differential is paid in addition to an employee's regular straight time hourly rate if he is scheduled and working on either the 2nd or 3rd shift. The 2nd shift differential is 25¢ per hour. The 3rd shift differential is 50¢ per hour.

Note 1: If an employee is scheduled on a 2nd or 3rd shift and is involved in a continuous work period requiring him to work on more than one shift, then the shift on which he has been scheduled establishes the shift differential, if any, for all hours worked during the continuous work period. An employee who is scheduled on the day or 1st shift does not qualify for shift differential pay even though he works on the 2nd or 3rd shifts. Shift differentials are not applicable to call-ins or call-backs unless such an assignment continues on into the employee's regularly scheduled 2nd or 3rd shift. If an employee is on a regular schedule which requires him to overlap 2 shifts, then the shift on which he is scheduled the greatest number of hours determines the shift differential, if any. Should he be scheduled an equal number of hours on 2 shifts, then the higher shift differential will apply.

Note 2: Vessel unload premiums will be as follows:

Shift A (7 AM to 7 PM) – Fifty cents (50¢) per hour.

Shift B (7 PM TO 7 AM) – Seventy-five cents (75¢) per hour.

Note 3: Shift differentials are not added to an employee's base rate for purposes of computing overtime, or for any unworked hours for which the employee is paid such as holidays, jury duty, and funeral leave.

Section 4.03 Rates Of Pay - Temporary Transfers

A - If an employee is temporarily transferred for Company convenience to a lower-rated job classification, he will continue to receive the rate of pay for his regular job Classification.

B - If an employee is temporarily transferred by the Company to a higher-rated job classification, he will receive the higher rate of pay provided he works on the upgraded job for 4 hours or more. This provision applies only when the employee is specifically assigned to fill a temporary vacancy created by the absence of an employee from work. However, it does not apply to employees who may relieve for breaks or who may be supplementing the workforce performing various tasks or jobs performed by employees in other job classifications.

Section 4.04 Permanent Transfers

An employee who is permanently transferred to a lower-rated job classification will receive the lower rate at the time he begins work in the lower-rated job. If he is permanently transferred to a higher-rated job classification, he will receive the rate of the higher-rated job.

Section 4.05 Creation Of New Job Classification

A - If the Company creates a new job classification, the Company will establish a rate for such classification and, if requested by the Union, shall after no more than 120 days of job experience, negotiate with the Union a permanent rate for such classification.

B - Such negotiated rate will be retroactive to the date that the job was established. If the negotiation of such rate reaches an impasse, there shall be no arbitration of such wage rate. In the event of such impasse, the rate negotiation will be deferred to the next regular negotiation of the contract and the provision of retroactivity shall be as provided in this Section.

ARTICLE V HOURS OF WORK AND OVERTIME

Section 5.01 Intent And No Pyramiding

This Article is intended to set forth the normal hours of work and to provide a basis for computing overtime and premium pay, and shall not be construed as a guarantee or limitation on overtime hours or on **hours** of work per day or per week, nor shall anything in this Agreement be so construed as to permit the pyramiding or duplicating of

overtime or premium payments. Hours for which overtime or premium payments are made shall not be used to compute overtime or premium pay for any other hours. Whenever more than one premium could be applied to the same hours, only the larger will be paid. For purposes of this Section, shift differentials are not considered as premium payments.

Section 5.02 Workday And Workweek

The workday is a 24-hour period running from 8 AM one day to 8 AM the following day. The workweek begins at 8 AM Monday and ends at 8 AM the following Monday. The workday and workweek may be different for some individuals or shifts in the interest of efficient or less costly operations.

Section 5.03 Starting Times, Shifts And Schedules

A - The Company may vary shift schedules, starting times and quitting times for different areas or operations of the terminal or for individual employees.

B - The normal workweek contains 5 workdays. However, the Company may vary or change the number of hours scheduled, the number of shifts scheduled, the manpower requirements of the various shifts and the scheduling of workdays and hours for business reasons or efficient operations. Employees may be scheduled to eat on the job or have a 30-minute unpaid lunch period. Any area of the terminal or portion of the employees may be scheduled in more than one way.

C - Employees scheduled in operations with job classifications requiring 2 or more shifts may be required to rotate shifts. The Company, at its discretion, may from time to time change an individual employee's shift assignment within a given shift rotation. For example, in a 4-shift operation the Company may determine whether an individual employee is assigned to the A, B, C or D shift.

D - During vessel unloading or loading, 12-hour shifts will be established starting at 7 AM or 7 PM on the day of the arrival of the vessel. Starting times of the shifts will be 7 AM or 7 PM.

Section 5.04 Daily And Weekly Overtime Pay

All hours worked in excess of 40 straight time hours in any one workweek or 8 straight time hours in any one workday shall be compensated for at the rate of 1 1/2 times the employee's straight time hourly rate.

Note 1: An employee who works continuously beyond his regularly scheduled shift and continues working into the next day, or his scheduled day off, or into a new workweek shall receive 1 1/2 times his straight time hourly rate (or double time if applicable) for such hours he works beyond the start of a new day. Such hours shall not be used to create overtime or premium payments during the employee's regular scheduled shift.

Note 2: For purposes of satisfying the 40 straight time hour requirement, the following unworked hours shall count as straight time hours of work up to 8 hours per day or 40 hours per week for days the employee was either scheduled to work or was laid off: (1) a worked or unworked holiday for which the employee is paid, provided it falls on an employee's scheduled straight time day of work, or (2) a paid absence resulting from either bereavement leave, jury duty or vacation time off, (3) time spent in negotiations which is paid for by the Company.

Section 5.05 7th Consecutive Day Of Work Premium

During periods when the elevator is scheduled on a 1-, 2- or 3-shift operation (or any combination thereof), an employee will be paid 2 times his regular rate of pay for work performed on his 7th consecutive day of work in the workweek provided he has worked 40 straight time hours during the workweek and 8 hours in the 6th consecutive weekday.

Section 5.06 Reporting Pay Minimum

When an employee reports for work as scheduled without being notified to the contrary, and is assigned less than 4 hours of work, he shall be paid at least 4 hours at the applicable rate.

Section 5.07 Call-In Pay

An employee who is called in for emergency or overtime work on his scheduled day off or called back after he has finished his shift and left the plant and premises, will be paid at his applicable hourly rate for such unscheduled hours worked or 4 hours pay at his straight time hourly rate, whichever is greater. An employee called back or called in to start in advance of his regular starting time and who continues to work on into his scheduled shift, shall not qualify for the 4-hour guarantee provided for in this Section.

Section 5.08 Overtime

Daily overtime work shall be assigned first, to the employee on the job where the overtime is to be worked; second, to the senior, qualified employee in the classification; and third, to the junior, qualified employee in the classification who must work the overtime.

ARTICLE VI SENIORITY AND FILLING PERMANENT VACANCIES

Section 6.01 Seniority

A • Employees' seniority as covered in the Agreement shall apply only to employment at the Company's Midland elevator, Midland, Ontario, and shall not apply elsewhere.

B • The Company will post an updated seniority list every **12** months listing all employees covered by this Agreement.

Note: An initial seniority list is provided as an Appendix to this initial labor Agreement.

Section 6.02 Consideration Of Qualifications

The application of the seniority provisions of this Agreement must be governed by considerations of whether the employee is qualified to perform the job required. Terms referring to "qualified" or "qualifications" when used in this Agreement means qualified to competently perform the job, without further training in a safe, efficient and productive manner. If the employee is not so qualified, the applicable seniority provisions will not apply.

Note: It is recognized that an employee who permanently bids or who is permanently transferred to a new or different job will have a fair trial/training period on such new job.

Section 6.03 Probationary Employees

A new employee will be regarded as probationary until he actually works **60** working days after which the employee shall be placed on the seniority list dating back to his date of hire. A probationary employee shall not have seniority rights and the discharge of such employee will not be subject to the grievance and arbitration procedure of this Agreement.

Section 6.04 Temporary Employees

A - Temporary employees may be used to supplement the workforce. Temporary employees shall not be entitled to Company Benefit Plans, Seniority, Recall Rights or any other provisions of this Agreement. Termination of a Temporary employee is not subject to the arbitration procedure.

B - Employees on layoff will be offered temporary work, at their regular rate of pay, before such work is offered to other temporary employees. Temporary work performed by employees not on layoff will be paid the rate specified in Section **4.01** - Job Classifications And Rates Of Pay.

Section Note: Temporary employees are subject to union dues in accordance with Section **1.03** - Union Dues.

Section 6.05 Filling Permanent Vacancies

A - Vacancies which the Company determines are to be filled will be posted for 7 consecutive days. The vacancy will be filled on the basis of seniority and the ability to qualify for the vacancy. Employees absent from work for 90 days or less may, upon their return to work, bid and be awarded any job previously awarded to a less senior employee during the 90-day period.

B - Employees on vacation at the time the bid was posted and employees off work because of sickness or injury of 90 days or less from the time the bid was posted will have, on their return, 7 consecutive days to bid for such job vacancies.

C - Trial Period - An employee permanently assigned a different job classification will have, in the Company's opinion, a fair trial and training on such job. If after the trial period, the employee is considered qualified and capable of performing the job, he will be assigned to the job. If however, the employee is considered, in the Company's opinion, to be unqualified and incapable of performing the job, he will return to the classification from which he came.

D - Qualifications - The decision regarding an employee's ability and qualification to perform the job shall be the sole decision of the Company.

Section Note: For entry into Maintenance, see Section 6.06 - Filling Permanent Vacancies (Maintenance).

Section 6.06 Filling Permanent Vacancies (Maintenance)

A - Entry into the Maintenance job classification will be made at the Company's discretion by either hiring from outside or by the assignment of an employee of the Company's choice to be trained in the job. The following criteria, among others, may be used in the selection of an employee for these job classifications.

1. Results from a Company-designated test battery to measure maintenance aptitude, interest and other skills and characteristics.
2. Physically able to perform all types of plant maintenance work.
3. Willing and able to perform high work.
4. Willing and able to continually work overtime and emergency call-in or call-back work subject to applicable law.
5. Willing and able to take formal trade school courses as selected by management and to take such courses on a continuing basis during the training period.
6. Must have shown good job proficiency, had a good attendance record and have been a productive employee in previous jobs performed in the plant.

B - An employee in training must advance through 3 training grades and into the Maintenance classification or be disqualified. Time spent in each training grade will be approximately as follows:

Training Grade 3 -- 24 months
Training Grade 2 -- 18 months
Training Grade 1 -- 12 months

C - An employee with obvious skills may be advanced at a faster rate. Advancement through the training grades will be based on management's judgment of the employee's skills and job performance. An employee who is not progressing satisfactory to the Maintenance classification may be kept in any grade for longer than the above-listed time, or he may be disqualified. An employee who is disqualified will, if possible, return to his previous job classification.

D - An employee in training will be required to take formal trade school courses applicable to the plant work. Such courses must be approved by Management prior to enrollment. The Company will pay for tuition, books and supplies, but not for time spent at such course.

E - The Training Program shall not restrict the Company from hiring qualified employees from outside.

Section Note: The Company will post a notice when a vacancy is to be filled through the testing program. An employee may indicate his interest by signing the notice. The Company may test all or any portion of those desiring to be tested.

Section 6.07 Layoffs

Layoffs from the plant will be made on a plant seniority basis provided the employees remaining are qualified and capable of performing the operations without further training. It is recognized that exceptions to seniority can be made where specialized skills and experience require that exception be made to insure efficient and continuous plant operations. Employees in the Maintenance classification will be exempt from bumping by other employees affected by a layoff. The Company will give employees 16 hours' notice of a pending layoff if the Company has advance knowledge of reasons for the layoff. Notice of such layoffs will be in accordance with the Canada Labour Code.

1. An employee who is retained according to plant seniority shall remain in his assigned job classification so long as his job operates.

Note: Employees in the Maintenance classification may not be bumped and may be retained or recalled out of seniority order to work in their classification.

Section 6.08 Recalls

Recalls to the plant will be made on a plant seniority basis, provided the employees recalled are capable of performing the Operations without further training. When

recalled, an employee must reply promptly after notification and make satisfactory arrangements for reporting to work.

1. No new employees will be hired until all available, qualified, regular employees on the plant's seniority list have been offered an opportunity to return to work, except if in management's opinion the occasion requires the services of especially qualified persons for jobs which cannot be filled from among the employees of the plant.
2. Employees in the Maintenance classification may be recalled out of seniority order to work in their job classifications.
3. An employee who is laid off must keep the Company advised of his address and where he can be reached by telephone if he desires to be recalled. Failure to do so will result in a forfeit of the employee's rights to be recalled.

Section 6.09 Loss Of Seniority

An employee will lose his seniority rights and employment, and his name shall be removed from the Company seniority list for any of the following reasons. The employee:

1. Voluntarily quits or resigns his employment or retires.
2. Is absent from work for 3 consecutive scheduled working days without good cause or fails to notify the Company of his absence.
3. Fails to report to work at the expiration of a leave of absence without having obtained an extension of his leave of absence for a definite period of time from the Company.
4. Fails to report for work after a recall from layoff and does not notify the Company within 48 hours that he is intending to return to work, and unless he returns to work as soon as possible after receiving notice, and in any event within 7 calendar days after the mailing of the registered letter or telegram to his last known address left with the Company.
5. Is discharged and such discharge is not reversed under the Grievance and Arbitration Procedure.
6. Has been on layoff or off work for any other reason for a period of 24 consecutive months.

ARTICLE VII HOLIDAYS

Section 7.01 Recognized Holidays

For purposes of the Agreement, the following **12** days will be recognized as holidays during the calendar year:

New Year's Day -Jan. 1	Good Friday
Victoria Day	Canada Day – July 1
December 24	Civic Holiday (1st Mon. in Aug.)
Christmas Day – Dec. 25	Labour Day – 1st Mon. in Sept.
Thanksgiving Day – 2nd Mon. in Oct.	Remembrance Day – Nov. 11
Boxing Day – Dec. 26	1 Personal Holiday

Note 1: Holidays will be observed on the days on which they occur except as follows. A holiday occurring on Sunday will be observed on the following Monday. A holiday occurring on Saturday will be observed on the preceding Friday.

Note 2: Personal Holiday: (1) the timing must be agreed upon by the employee and the supervisor, (2) be taken as a day off, (3) does not apply to a new employee until he has completed 12 months of continuous service, (4) granted each year, (5) an employee must be in an active work status to receive a Personal Holiday, (6) unused personal holiday will not be paid to employees who terminate their employment, either voluntarily or involuntarily, for any reason.

Section 7.02 Pay For Holidays Worked

When an employee works on the holiday, he shall receive **1 1/2** times his straight time hourly rate for all hours worked plus **8** hours holiday pay.

Section 7.03 Pay For Holidays Not Worked

A - An employee who is not required to work on a recognized holiday will be paid holiday pay for that holiday equivalent to **8** hours at his regular straight time hourly rate provided he meets **all** of the following requirements:

1. He has earned wages on at least **12** days during the **30** calendar days immediately preceding the recognized holiday.
2. Such employees who were unable to work **12** of the **30** days immediately preceding the holiday will receive **1/20th** of the wages he has earned during the **30** days immediately preceding the holiday.

Note 1A: Unworked holiday pay for which the employee is eligible will be offset by any other pay or other form of Company compensation which the employee may receive for the same day.

B - If an employee is scheduled to work on a holiday and fails to work as scheduled without reasonable cause, he will not qualify for holiday pay as provided in paragraph A of this Section.

Section 7.04 Holidays Considered As Time Worked

Only holidays for which the employee is eligible to receive holiday pay, and which fall on the employee's scheduled day of work, whether worked or not worked, will be considered as time worked for the purpose of computing overtime pay on a scheduled day "off" which the employee works.

ARTICLE VIII VACATIONS

Section 8.01 Vacation Eligibility

A - Vacations will be earned on January 1 each year to be taken between January 1 and December 31 and will be based on the completed years of continuous service by the employee as of January 1, according to the following schedule:

<u>Years of Continuous Service</u>	<u>Weeks of Vacation Time</u>	<u>Vacation Pay</u>
Less than 1	One day for each month of service up to a maximum of 10 days	4%
1 through 5	2 weeks	4%
6 through 10	3 weeks	6%
11 through 18	4 weeks	8%
19 or more	5 weeks	10%

Note 1A: Weeks earned under the schedule as noted in the 1990-1992 Agreement will not be reduced. Additional weeks of vacation must be earned according to the schedule noted above. Employees who have earned 6 weeks of vacation as of January 1, 2001, will retain 6 weeks of vacation. Effective January 1, 2002, the 6th week will be pay only, to be paid when the employee takes his first week of vacation in the calendar year.

Note 2A: Percentage is calculated on the basis of the previous calendar year's earnings subject to the provisions of the Federal Canada Labour Code.

B - An employee shall be eligible for the additional week of vacation or vacation pay, when he has worked past his 6th, 11th and 19th anniversary date of employment.

C - The amount of vacation time off will be reduced by 1/52 for each 40 straight time hours of absence for any reason (except personal illness or Company-approved leaves of absences up to 30 days annually) during the previous calendar year. In the application of this provision, an employee with 1 through 5 years of continuous service will not

have his vacation time reduced to less than 2 weeks. Employees with 6 or more years of continuous service will not have his vacation time reduced to less than 3 weeks.

D - Vacation pay will be paid at the time the employee takes his vacation provided the Company has 7 days of advanced notice.

Section 8.02 **Vacation Pay For Inactive Employees**

On or after January 1 an employee who is in an inactive status because of illness, injury, approved leave of absence, layoff, or for any other reason who has not taken his earned vacation (that vacation to which he became eligible on January 1) may request pay in lieu of such unused earned vacation. Such employee will not be considered to be in a vacation status as a result of receiving his vacation pay, nor will he be granted vacation time off without pay at a later date.

Section 8.03 **Vacation Pay For Terminated Employees**

An employee who leaves the employ of the Company for any reason will receive vacation pay as follows:

1. **Earned Vacation** - Earned vacation is defined as a vacation for which the employee became eligible on the January 1 date prior to his termination and such unused earned vacation shall be paid to him upon his termination of employment.
2. **Prorated Vacation** - Prorated vacation for an employee whose employment terminates for any reason will be calculated from January 1 to his last day of work in the calendar year.

Section 8.04 **Scheduling Of Vacation Period**

A - The choice of vacation time shall be given to an employee according to his seniority for employees who sign the vacation schedule between March 1 and April 30 subject to the operational requirements of the business. After April 30, vacations will be scheduled on a first-come, first-serve basis, subject to the operational requirements of the business.

B - Vacations must be taken in weekly increments of one or more weeks at a time. Vacations cannot be postponed and allowed to accumulate from year to year but must be taken each calendar year.

Section 8.05 **Pay In Lieu Of Vacation**

Pay in lieu of vacation for earned vacation in excess of 2 weeks per calendar year, or any portion thereof may be granted to an individual employee at the employee's option. Holiday pay is not added to vacations paid for under this Section.

Section 8.06 Holiday Pay During Vacations

If a holiday is observed during an active employee's vacation, he will be granted an additional day, with pay at a time mutually acceptable to the Company and the employee.

Section 8.07 Rehired Employees

Employees who have lost their seniority and who are later rehired will be entitled to vacations on the basis of their latest employment date.

ARTICLE IX TIME OFF FROM WORK

Section 9.01 Jury Duty And Crown Witness

A - When an employee is summoned for jury duty or as a Crown witness in a court of law and must lose time from work as a result of such summons, the employee will pay to the Company any monies received for such jury or witness duty (not including expense monies) and the employee will receive the pay he would have received had he been working. Such pay shall not exceed 8 straight time hours per day or 40 straight time hours per week.

B - The employee shall furnish evidence to the Company that he reported for or performed jury duty or appeared as a witness on the days for which he claims payment.

C - The employee is required to report for work on days or part days when he is not required on jury duty or as a witness in a court of law.

Section 9.02 Bereavement Pay

A - Should a death occur in the immediate family of an employee, the employee may request bereavement leave provided the employee attends the funeral. "Immediate family" shall mean spouse, son, daughter, brother, sister, mother, father, mother-in-law, father-in-law, grandchildren, stepson, stepdaughter, stepbrother, stepsister, stepmother, stepfather, and grandparents.

B - The employee shall be granted such time off with pay up to a maximum of 3 days to attend the funeral. This will not include pay for days on which the employee is not scheduled to work. Bereavement pay shall not exceed a maximum 8 straight time hours per day.

C - Should a death occur to a brother-in-law or a sister-in-law of an employee, the employee may request bereavement leave provided the employee attends the funeral. The employee shall be granted such time off with pay up to a maximum of 1 day to

attend the funeral. This will not include pay for a day on which the employee is not scheduled to work. Bereavement pay shall not exceed a maximum of 8 straight time hours.

Section 9.03 Leaves of Absence

A – Leaves of absence up to 30 calendar days, without pay and without loss of seniority may be granted (except for gainful employment elsewhere) by the Plant Manager.

B – Time off without pay and without loss of seniority will be granted to not more than 1 employee for the purpose of attending a Union Convention or similar Union meeting, provided it does not disrupt the Company's business because of lack of available qualified employees. Two weeks' advance written notice must be given for such leaves.

Section Note: The conditions of all leaves of absence shall be in writing with copies for the Company and the Union. If an employee violates the conditions of his leave of absence, it may be just cause for discharge.

ARTICLE X HEALTH AND WELFARE

Section 10.01 Group Insurance

The group insurance program in effect on the effective date of this Agreement is a separate document and will continue in effect during the term of this collective Agreement.

Section 10.02 Pension

The pension plan for bargaining unit employees at the Midland plant is a separate document whose term will run concurrently with the term of this Agreement.

Section 10.03 RRSP/Employee Stock Ownership Plan

The employees covered by this labor Agreement shall be eligible to participate in the ADM RRSP/Employee Stock Ownership Plan for Hourly Employees – Appendix A under the terms and conditions set forth in the Plan for so long as this labor Agreement remains in effect. If any dispute arises with respect to the Plan, the claims procedure set forth in the Plan shall apply to such dispute and this labor Agreement shall not apply to such dispute.

ARTICLE XI GENERAL PROVISIONS

Section 11.01 Non-Discrimination

The Company agrees that there will be no discrimination, interference, restraint, or coercion by the Company or by any of its representatives, with respect to any employee because of his membership in or connection with the Union.

Section 11.02 Supervisors Working

There shall be no restriction on supervisors or other Company personnel performing any type or amount of work at any time.

Section 11.03 Union Stewards

The names of the Union Stewards shall be given to the Company in writing. A Union Steward shall be entitled to leave his work during working hours in order to carry out his functions under the Agreement for the investigations and processing of grievances, attendance at meetings with management, and participation in contract negotiations. Permission to leave work during working hours for such purposes shall first be obtained from the supervisor. All time spent in performing the above duties shall be considered to be time worked; providing payment shall only be made for time actually lost in the regular scheduled straight time hours of work for that day.

Section 11.04 Union Notice Of Written Discipline

The Company will give the Union a copy of any written discipline which is to be placed in an employee's file.

Section 11.05 Union Steward- Disciplinary Meetings

A Union Steward shall be present at meetings, if one is available on Company property, between management and employees when disciplinary measures are to be presented by management to such employees.

Section 11.06 Notice Board

A notice board shall be supplied by the Company, large enough to accommodate Union notices, in the lunchroom. Notices relevant to Union activities may be posted if properly signed by authorized Union personnel and approved for posting by the Plant Manager, or his representative.

Section 11.07 Substance Abuse

The parties desire to maintain a work environment free of illicit drugs and alcohol. The possession, use or sale of alcohol or illegal drugs in the workplace is unacceptable from the standpoint of safety, job performance and efficient operations. The Substance Abuse Policy is a separate document.

Section 11.08 Subcontracting - Contracting Out

A - The Company retains the right to contract work out or in, including but not limited to maintenance and construction work, clean up and trucking operations. The Company also retains the right to use contract labourers or to have such work performed by other Company personnel.

B - There shall be no restriction on the use of outside commercial carriers up to and including the contracting out of the entire trucking operation. This includes contracting with owner-operators.

C - There shall be no restriction on the use of outside companies in the repair and maintenance of all vehicles up to and including the entire maintenance operation.

ARTICLE XII NO STRIKES OR LOCKOUTS

Section 12.01 No Strikes Or Lockouts

During the term of this Agreement, there shall be no strikes, sympathy strikes, curtailment of work, interference with the operations of the Company, or interference with production caused by or engaged in by the Union or any members thereof. Employees may be disciplined up to and including discharge for engaging or participating in any of the foregoing activities in violation of this Section 12.01. The Company will not lockout any of its employees during the term of this Agreement.

ARTICLE XIII SCOPE AND TERM OF AGREEMENT

Section 13.01 Term Of Agreement

This Agreement shall remain in full force and effect from 8 AM August 1, 2002, to 8 AM, August 1, 2005.

Section 13.02 Separability

All provisions of this Agreement shall be subject to the laws of Canada. Should any part hereof or any provision herein contained be rendered or declared invalid by reason of existing or subsequently enacted legislation or by a decree of a court of competent

jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect.

Section 13.03 Complete Agreement

This collective Agreement represents the complete agreement between the parties and shall supersede and replace all prior agreements and understandings, oral or written, expressed or implied, between the parties hereto and shall constitute the entire agreement between the parties. Past practices, procedures and understandings may be changed or eliminated by management unless specifically prohibited by the provisions of this Agreement. This Agreement may be amended in any of its provisions by mutual agreement of both parties. If agreements are made after the effective date of this Agreement, they must be in writing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

UNITED STEELWORKERS OF AMERICA - ADM MILLING CO.
INTERNATIONAL COMMUNICATIONS
LOCAL 1976

/s/ Herbert T. Daniher
International Representative

/s/ Brian Cruise
President, Local 1976

/s/ George H. Oliver
Plant Manager

/s/ David Taylor

/s/ Mike Fenton
Employee and Labor Relations Department

/s/ James E. Quinn
Vice President
Employee and Labor Relations

SENIORITY LIST

<u>Name</u>	<u>Date of Hire</u>
E. Scott	04-27-70
B. Cruise	01-29-75
G. Hawke	06-22-78
E. French	10-09-90
R. Jeannotte	03-12-96
A. Juneau	04-08-96

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Canada Midland Elevator

Your Summary Plan Description

ADM Pension Plan for Hourly Wage Employees

THE KEY TO YOUR FINANCIAL SECURITY

Effective March 1, 2003

Appendix 5

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UnlockSM
Your Potential



SUMMARY OF THE ADM
PENSION PLAN FOR HOURLY EMPLOYEES
-CANADA-

Appendix No. 5 - Midland, Ontario (Midland Elevator)

HIGHLIGHTS

Membership:	You become a member after one year of service.
Benefit Level:	\$31 effective March 1, 2003.
Credited Service:	Based on compensated hours. A year of Credited Service equals 1800 or more compensated hours during a calendar year. Partial credit for less than 1800 hours. See Question #5.
Monthly Pension Formula:	Benefit Level times years of Credited Service. See Question #8.
Vested Pension	100% vested after 2 years of service as a Member. See Question #13.
Normal Retirement:	Age 65 and 2 or more years of service as a Member. See Question #11.
Early Retirement:	Age 55 and 2 or more years of service as a Member. Reduced ½ of 1% for each month before age 65. See Question #11.
Forms of Pension Payment:	Available forms: (1) Life Annuity, (2) Joint and 60% Survivor Annuity, and (3) Joint and 100% Survivor Annuity. See Question #12.

The following pages of this booklet describe the Plan in greater detail. Please read this booklet carefully.

<p style="text-align:center">Note: Special rules apply if you were employed at this location prior to July 1, 2001. (See Supplement section of this booklet for details.)</p>
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SUMMARY

This booklet summarizes the ADM Pension Plan for Hourly Employees - Canada (the "Plan") as it applies to hourly-paid employees of ADM Agri-Industries, Ltd. (the "Company") at the Midland Elevator (the "Elevator"), who are represented by the Transportation Communications International Union, Local 976 (the "Union").

This summary describes the Plan as it applies to eligible employees who terminate employment on or after March 1, 2003.

1. About This Booklet

To help you understand how the Plan works, the following formula illustrates how your pension is calculated:

$$\begin{array}{rcccl} \text{Monthly} & & \text{Years of} & & \text{Monthly} \\ \text{Benefit} & \times & \text{Credited} & = & \text{Pension} \\ \text{Level} & & \text{Service} & & \text{At Age 65} \end{array}$$

The pension is reduced if your benefit payments begin before you reach age 65. If you are married, a Joint and Survivor Annuity benefit is available to provide death benefits for your spouse.

The remainder of this booklet describes the special rules that apply to the various types of benefits.

We have tried to include in this booklet the information necessary to understand how the Plan works. However, it is important to remember that this booklet is only intended to be a summary of the Plan and provides only general information. If this booklet is inconsistent with the Plan document in any way, the Plan document will control. The Plan document is available for your review at the office of your location manager. If you have questions about the Plan after reading this booklet, you should contact your location manager for assistance.

2. Who Is Eligible for Membership in This Plan?

If you are an hourly paid employee of the Company at its Elevator and are represented by the Union, you will become a member after you complete one year of Continuous Service.

3. How Long Must I Work to Get a Pension?

To be entitled to a pension, you must complete two or more years of Continuous Service as an employee of the Company after you become a member. In other words, you will be “vested”. The two years of service required for vesting are in addition to the one year period required to become a member.

4. What Is “Continuous Service”?

“Continuous Service” is used to determine if you are vested (and also when you become a member in the Plan). Your Continuous Service generally will equal your total years of uninterrupted employment with the Company. For this purpose, your employment includes any period during which you receive benefits under any disability program sponsored by the Company. It also includes paid absences for vacation or statutory holiday, leaves of absence authorized in writing by your location manager, and other leaves that do not result in termination of employment.

5. What Is “Credited Service”?

“Credited Service” is used to calculate the amount of your pension. Your Credited Service is based on your Compensated Hours as a member during each calendar year, according to the following table:

<u>Compensated Hours</u>	<u>Credited Service</u>
1800 or more	1.0 Year
1600 - 1799	.9
1400 - 1599	.8
1200 - 1399	.7
1000 - 1199	.6
800 - 999	.5
600 - 799	.4
400 - 599	.3
200 - 399	.2
Less than 200	.0

Only your service at the Elevator on and after July 10, 1992, is included in your Credited Service. However, service during the one year waiting period before you become a member is not included in Credited Service.

“Compensated Hours” includes hours for which you are paid for the performance of duties. It also includes paid hours of absence from work for vacation or holiday, except that Compensated Hours does not include hours attributable to accrued vacation periods for which payment is made in lieu of actual time off from work.

You will receive 40 Compensated Hours (or your normal number of hours, if less) for each week you receive a benefit under any disability program sponsored by the Company, including short-term and long-term disability programs. However, to receive credit for any period of absence for disability, you must provide the Company with a written certification from a medical doctor that you were incapable of working due to the disability.

6. What Is the Current Monthly Benefit Level?

The current monthly benefit level is \$31.

7. When Will My Pension Payments Begin?

Normally, your pension payments begin the first day of the month following your 65th birthday. You may elect to receive reduced monthly pension payments as early as age 55.

Your pension payments generally may not begin prior to your actual termination of employment. This means that if you continue working beyond age 65, your pension will not begin until you actually retire. However, your pension payments must begin by the end of the year in which you reach age 69, even if you are still working for the Company.

8. How Much Will I Receive When I Retire?

This depends on:

- How long you work for the Company.
- The monthly benefit level when you terminate employment.
- Your age when your pension begins.

For example, if you terminate employment after March 1, 2003, the monthly benefit payable at age 65 will be \$31 multiplied by your years of "Credited Service" (defined in Question #5).

9. When Can I Start to Receive a Pension?

- (a) If you terminate employment at age 65 or later, and you are vested, your pension will begin the month following termination (or December 1 of the year in which you reach age 69, even if you are still working).
- (b) If you terminate employment between age 55 and 65, and you are vested, you may elect to begin your pension as of the first day of any month after your

employment ends. If you elect to begin your pension before age **65**, the monthly amount will be reduced because your pension is being paid over a longer period of time. The reduction is $\frac{1}{2}$ of **1%** for each month the pension starting date precedes age **65**. For example, if your pension begins at age **62**, **36** months before age **65**, the monthly amount will be reduced by **18%** ($36 \text{ months} \times \frac{1}{2} \text{ of } 1\% \text{ per month} = 18\%$).

- (c) If you terminate employment before age **55**, and you are vested, you may elect to have your pension begin any month after you attain age **55**. You also have the transfer options described in Question #13. If you elect to begin your pension before age **65**, the monthly amount will be reduced because your pension is being paid over a longer period of time. Your pension will be the actuarial equivalent of the pension otherwise payable to you at age **65**.
- (d) If you terminate employment before you are vested, you are not eligible for a pension.

If you are married when your pension begins, it must be paid as a “Joint and **60%** Survivor Annuity” unless you and your spouse elect a different form of payment. The Joint and **60%** Survivor Annuity will provide a monthly income to your surviving spouse. However, the monthly amount payable to you will be reduced somewhat, and your surviving spouse’s monthly benefit will be **60%** of the reduced amount. (See Question #12 for further details.)

10. Will I Earn Credited Service if I Continue Working After I Attain Age **65**?

Yes. Service after attaining age **65** is included on the same basis as service before that age.

11. What Types of Retirement Are Available Under the Plan?

The Plan provides for two different types of retirement - Normal Retirement and Early Retirement:

Normal Retirement means termination of employment at or after Normal Retirement Age with at least two years of membership service. “Normal Retirement Age” is age **65**.

Example - Normal Retirement Benefit

AI has decided to retire at age **65** (Normal Retirement). AI has **35** years of Credited Service (defined in Question #5) and the benefit level in effect when he retires is **\$31**. AI’s monthly pension is calculated as follows:

Benefit Level		\$ 31
	times	
Credited Service	X	<u>35</u>
Total Monthly Pension	=	<u>\$1,085</u>

If Al is married when his pension payments begin (and he and his spouse do not elect a different form of payment), his benefit will be reduced somewhat because it must be paid in the form of a Joint and Survivor Annuity. This provides benefits for Al's spouse after his death. See Question #12 for details.

Early Retirement means termination of employment between age 55 and 65 with at least two years of membership service. You may either start your pension immediately or leave it in the Plan for payment at any time at or before attainment of age 65. Benefits beginning before age 65 will be reduced by ½ of 1% for each month (6% per year) by which the pension starting date precedes age 65. The reduced amount reflects the longer period of payment.

Example - Early Retirement

Betty turned age 62 and decided to take Early Retirement. She has 35 years of Credited Service and the benefit level in effect when she retires is \$31.

(1) Calculation of Monthly Pension Payable at Age 65

Benefit Level		\$ 31
	times	
Credited Service	X	<u>35</u>
Total Monthly Pension	=	<u>\$1,085</u>

(2) Reduction Because Payments Start Before Age 65

The \$1,085 benefit which Betty would have received at age 65 is reduced by 18% (½ of 1% for each of the 36 months her benefit payments begin before age 65). Therefore, her monthly benefit payable at age 62 is 82% of \$1,085 or \$889.70

The amount of Betty's monthly payment of \$889.70 will be reduced if it is paid in the form of a Joint and Survivor Annuity. See Question #12 for details.

If you terminate employment before age 55 and are vested, see Question #13.

12. In What Form Will My Pension Benefit Be Paid?

Single Participants - Life Annuity

If you are single when your pension starts, it will automatically be paid in the form of a Life Annuity. A Life Annuity is a monthly pension paid to you for as long as you live. After you die, no benefits are paid to anyone.

Married Participants - Joint and Survivor Annuity

If you are married when your pension starts, you may elect to receive it in any one of the following forms:

- Joint and 60% Survivor Annuity — This is a reduced monthly pension paid to you for life, with payments continuing after your death to your surviving spouse in an amount equal to 60% of the monthly amount paid to you.

Your monthly payment will equal the amount you would receive under a Life Annuity multiplied by a “reduction factor” to reflect that your pension is paid over two lives instead of one. The reduction factor is 89% increased at the rate of ½ of 1% for each year in excess of 5 that your spouse is older than you or decreased at the rate of ½ of 1% for each year in excess of 5 that your spouse is younger than you.

- Joint and 100% Survivor Annuity — This is a reduced monthly pension paid to you for life, with payments continuing after your death to your surviving spouse in an amount equal to 100% of the monthly amount paid to you.

Your monthly payment will equal the amount you would receive under a Life Annuity multiplied by a “reduction factor” to reflect that your pension is paid over two lives instead of one. The reduction factor is 84% increased at the rate of ½ of 1% for each year in excess of 5 that your spouse is older than you or decreased at the rate of ½ of 1% for each year in excess of 5 that your spouse is younger than you.

- Life Annuity — This is a monthly pension paid to you only for as long as you live. After you die, no benefits are paid to anyone.

Your pension will automatically be paid as a Joint and 60% Survivor Annuity unless you elect a different payment form. The election of a Life Annuity will be effective only if your spouse gives written consent on the retirement application form. Your spouse’s signature must be notarized.

Remember, your pension under any Joint and Survivor Annuity option is reduced to reflect the value of the possible payments after your death. The following table illustrates the reductions, expressed as a percentage of the amount that would be paid as a Life Annuity, assuming your spouse is older than you, the same age as you, or younger than you.

<u>Age of Your Spouse</u>	<u>Joint and 60% Annuity</u>	<u>Joint and 100% Annuity</u>
6 Years Older	89.5%	84.5%
5 Years Older	89%	84%
Same Age as You	89%	84%
5 Years Younger	89%	84%
6 Years Younger	88.5%	83.5%

No Change in Form of Payment. Once your pension payments begin, you may not change the way in which they are paid. For example, if you are receiving your pension payments as a Joint and 60% Survivor Annuity and your spouse dies before you do, you cannot change to a Life Annuity. Or, if you marry after you begin to receive benefits as a Life Annuity, you cannot change to a Joint and Survivor Annuity.

Payment of Small Amounts. The Company will provide for a one-time payment of benefits that would otherwise be payable in small monthly amounts for life, in accordance with applicable legislation. The amount to be paid will be equal in value (on an actuarial basis) to the monthly payments that you would otherwise receive starting at your Normal Retirement Age.

13. What Benefits *Are* Payable if I Leave the Company Before Age 55?

If you terminate employment before age 55, and you are vested when you terminate employment, you will be entitled to a vested pension. (See Question #3 for a description of when you are vested.) At termination of employment, you will have an opportunity to choose one of four options, as follows:

- (a) transfer the value of your Normal Retirement Age pension to a locked-in registered retirement savings plan (RRSP) or other portability vehicle available in Ontario;
- (b) transfer the value of your Normal Retirement Age pension to a new employer's pension plan, if the new employer will accept it;
- (c) transfer the value of your Normal Retirement Age pension to an insurance company to purchase a deferred annuity; or

- (d) leave the pension in the Plan and receive a monthly benefit at any time after age 55. Benefits beginning before you attain age 65 will be reduced to reflect the longer period of payment. Your pension will be the actuarial equivalent of the pension otherwise payable to you at age 65.

You must make your election within 90 days after your employment ends. If you do not make an election within 90 days after your employment ends, you will be treated as if you had elected (d) above. Any election you make is irrevocable.

You should also be aware that if the funds in the Plan are insufficient to cover the benefits of all employees, the amount which could be transferred may be limited. If the initial transfer under (a) or (b) is less than the full value, the remainder will be transferred later.

14. What Happens if I Die Before I Am Eligible for Retirement?

If you die before you reach age 55, and you were vested immediately prior to your death, your surviving spouse, if any, will be eligible to receive a monthly pension for his or her lifetime that has a value equal on an actuarial basis to the value of your pension. Your spouse can instead elect to have the lump-sum value of that benefit transferred to a locked-in RRSP or other acceptable plan. See Question # 13.

15. What Happens if I Die After I Have Become Eligible for Retirement but Before My Pension Starts?

If you die after you reach age 55, but before your pension starts, your surviving spouse, if any, will receive a monthly pension for his or her lifetime. The monthly pension will be equal to the survivor pension that your spouse would have received if you had elected to retire and start your pension in the Joint and 60% Survivor Annuity form.

16. What Benefits Are Payable if I Become Disabled?

While you are receiving benefits under any disability program sponsored by the Company, you will receive Credited Service as if you were actively employed. You can start your pension only after your disability benefits have stopped, your employment has terminated, and you have reached age 55.

17. What if I Transfer to a Different Job Within the Company?

In general, your Credited Service is based on membership service as an hourly paid employee at the Elevator.

If you transfer to an hourly paid job with ADM at another location or to a salaried position, you will no longer accrue Credited Service under the terms described in this summary. Your benefits normally will remain in the Plan until you retire, terminate or die, and will be based on the benefit rate in effect when you last served as an hourly employee at the Elevator. However, if you transfer to a position where you are covered under another registered pension plan maintained by the Company, your benefit may be transferred to that plan.

18. How Will My Benefit Be Determined if I Terminate Employment and Later Am Rehired?

If you terminate employment and are later rehired, the amount of your benefit and your vesting service will be calculated separately for each period of employment according to the benefit level, vesting requirement, and other Plan provisions in effect during the particular period of employment. No benefit will be paid for a particular period of employment unless your service during that period meets the vesting requirements in effect during that period. If you earned a benefit and left it in the Plan, it will be added to any additional benefit you earn during reemployment.

19. If I Am Reemployed, Can I Count My Prior Period of Employment Toward Eligibility for Membership and Vesting?

No. Your service will be calculated separately for each period of employment for membership and vesting.

20. How Do I Claim a Benefit Under the Plan?

When you leave the Company, you will be advised of the benefits that you are entitled to receive, and the manner in which they may be paid.

If you believe that you are entitled to a benefit, or a larger benefit than the Company says you are eligible for, you must file a written claim.

21. Who Pays for the Plan?

The Company pays for the Plan. Employees are not required to contribute. Company contributions are determined by the Plan's actuary and are at least equal to the minimum required by Canadian law. Company contributions are held in a fund currently managed by Canada Life Assurance Company.

22. Can the Plan Be Amended or Terminated?

The Company may amend the Plan from time to time to comply with changes in applicable law or for any other reason. The Company also may terminate the Plan at some point in the future, subject to the provisions of applicable law. In the event termination occurs while you are employed with ADM or an ADM affiliate, you will have a fully vested right to your accrued pension at termination. There will be no additional accruals after the termination of the Plan, and your pension will be limited to the amount you previously accrued. Any assets remaining after all benefits have been paid upon termination of the Plan will be returned to the Company.

23. What Information Am I Entitled to Receive?

Under the provisions of the Pension Benefits Standards Act, 1985, each member in the Plan is entitled to:

- (a) receive an employee booklet upon joining the Plan;
- (b) receive a written explanation or new employee booklet reflecting any amendments to the Plan within six months after the amendment is made;
- (c) receive an annual personalized pension statement within six months of the close of the plan year indicating, among other things, your normal retirement date, when you will become vested, and how much pension you have earned to date;
- (d) examine upon request, or obtain upon request at a reasonable charge, once in each year, at the office of your location manager, the documents and amendments that created or support the Plan;
- (e) receive a written statement within 30 days of retirement, termination of employment, or death outlining your accrued pension benefit and pension options;
- (f) receive such other information as is expressly required by law.

24. What Government Retirement Benefits Will I Receive?

In addition to the benefits provided by the Plan, there are government-sponsored retirement benefits from the Canada/Quebec Pension Plan (C/QPP) and Old Age Security (OAS) program, for which you may be eligible.

Both of these government-sponsored programs pay you benefits when you reach age 65. You and the Company share in the cost of Canada/Quebec Pension Plan benefits; your contribution comes out of your paycheque regularly. Old Age Security is financed through general tax revenues.

The amount of pension you receive from C/QPP depends on your earnings up to a maximum ceiling. The OAS benefit does not relate to your earnings and is adjusted every three months according to inflation.

Government-sponsored retirement benefits do not begin automatically. You must apply for them at your local C/QPP office and your local OAS office, several months before you are eligible for benefits.

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SUPPLEMENT TO SUMMARY PLAN DESCRIPTION

Appendix No. 5 – Midland, Ontario (Midland Elevator)

Special Rules for Employees at this Location Prior to July 1, 2001

The Company acquired the Elevator from Ogilvie Mills, Ltd. (“Ogilvie”) on July 10, 1992. Prior to that date, the hourly-wage employees at the Elevator who were represented by the Transportation Communications International Union, Local 976, were members in a registered pension plan maintained by Ogilvie. Such employees became Members in this Plan as of July 10, 1992.

The terms and conditions under which Members at the Elevator participated in this Plan after July 10, 1992, and prior to July 1, 2001, were substantially identical to the terms and conditions under which they participated in the plan maintained by Ogilvie. Effective July 1, 2001, Members started to accrue benefits under this Plan under the terms negotiated with the collective bargaining unit and set forth in the Summary.

The following special rules apply to you if you were employed at the Elevator prior to July 1, 2001.

Your Accrued Pension Benefit

Your pension benefit at retirement or termination will be the greater of two amounts:

- A. Preserved/ADM (Add-On) Benefit. This consists of two pieces:
 1. Preserved Benefit. This is your pension benefit calculated using the formula in effect under the Plan on June 30, 2001, as if you had terminated employment on that date.
 2. ADM (Add-On) Benefit. This is your pension benefit calculated using the formula currently in effect under the Plan (and described in this Summary), based on your Credited Service from July 1, 2001. However, if you had attained age 55 as of July 1, 2001, your benefit level will be \$7.00 greater than the benefit level described in the Summary.
- B. Total Service Benefit. This is your pension benefit calculated using the formula currently in effect under the Plan (and described in this Summary), based on your Credited Service from July 10, 1992. However, if you had attained age 55 as of July 1, 2001, your benefit level will be \$7.00 greater than the benefit level described in the Summary.

Your Early Retirement Benefit.

Special early retirement rules apply to your Preserved Benefit under the Preserved/ADM (Add-On) Formula if you retire after you have attained age 55. Under these special rules, the amount by which your Preserved Benefit will be reduced for early commencement will be adjusted depending upon whether your “Special Early Retirement Date” falls (or will fall) before or after you reach age 65.

Your “Special Early Retirement Date” is the later of the date on which you attain age 58, or the date on which the sum of your age plus your years of Continuous Service as of July 1, 2001, total 90.

If your Special Early Retirement Date falls (or will fall) before you reach age 65 and you start your pension benefit on or after your Special Early Retirement Date, your Preserved Benefit will not be reduced for early commencement. If you start your pension benefit before your Special Early Retirement Date, your Preserved Benefit will be adjusted so that it will have a value (on an actuarial basis) that is equal to the value of an unreduced Preserved Benefit starting at your Special Early Retirement Date.

If your Special Early Retirement Date falls (or will fall) **after** you reach age 65, your Preserved Benefit will be reduced as follows:

- A. If you had both attained age 55 as of July 1, 2001, and completed 10 or more years of Continuous Service as of July 1, 2001, your Preserved Benefit will be reduced for early commencement by the percentage shown in the following table for your age when your pension starts **and** your years of Continuous Service as of July 1, 2001:

<u>Age When Pension Starts</u>	<u>Years of Continuous Service as of July 1, 2001</u>		
	<u>30+</u>	<u>20-29</u>	<u>10-19</u>
64	N/A	2%	4%
63	N/A	4%	8%
62	N/A	6%	12%
61	N/A	8%	16%
60	N/A	10%	20%
59	7%*	13%	25%
58	9%	16%	30%
57	12%	20%	35%
56	15%	24%	40%
55	18%	28%	45%

The factor is adjusted for partial years. Where marked with an * the factor decreases 1/6% per month from age 59 years to 59 years, 11 months.

- B. If you either had **not** attained age 55 as of July 1, 2001, or **not** completed at least 10 years of Continuous Service as of July 1, 2001, your Preserved Benefit will be

reduced for early commencement by one-half of one percent (.5%) for each month by which the date your pension starts precedes age 65.

If you were employed at the Elevator prior to July 10, 1992, your Continuous Service will include your last period of uninterrupted employment at the Elevator prior to July 10, 1992, for purposes of determining your Special Early Retirement Date and the early commencement reduction that applies to your Preserved Benefit.

These special rules do not apply to your ADM (Add-on) Benefit under the Preserved/ADM (Add-on) Formula, or to your Total Service Benefit. These benefits will be reduced for early commencement in the manner described in the Summary. **If** your Total Service Benefit produces a higher pension at any age, that pension will be paid.

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