

SOURCE	Union		
EFF.	97	05	01
TERM.	2000	04	30
No. OF EMPLOYEES	170		
NOMBRE D'EMPLOYÉS	170		

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Agreements

between


**GRAHAM PACKAGING CANADA LIMITED
BURLINGTON PLANT**

and

**UNITED STEELWORKERS OF AMERICA,
AFL-CIO, CLC**

LOCAL 1043

May 1, 1997
to
April 30, 2000



[Faint handwritten notes]

**ARTICLE 1
PURPOSE**

1.01 It is the mutual desire of the parties to this Collective Agreement to promote cooperation and harmony, and to provide an amicable method of settling any differences or grievances which may arise between the Company and the Union, keeping in mind at all times that the welfare and prosperity of the employees is contingent upon the Company's ability to carry on a competitive and successful business operation.

1.02 All references to "employee," "employees," "he," or "his" in this Agreement cover both male and female employees. The terms are used for the purpose of brevity only.

**ARTICLE 2
RECOGNITION**

2.01 The Company recognizes the Union as the sole and exclusive bargaining agent for all employees of Graham Packaging Canada Limited, in the City of Burlington, save and except supervisors, persons above the rank of supervisor, office and sales staff, laboratory technician, manufacturing methods technician, draftspersons and engineering technician.

- (a) No Supervisor or Management personnel shall perform bargaining unit work except in an emergency situation, where assistance is required, taking inventory, experimental and development work.

**ARTICLE 3
DISCRIMINATION**

3.01 The Company and the Union agree that there shall be no discrimination, interference, restraint, coercion or intimidation of any sort by either of them or their representatives or members against any person because of their sex, race, colour, creed, nationality, religion, political affiliations, membership or non-membership in the Union or because of activity or lack of activity in the Union.

**ARTICLE 4
MANAGEMENT FUNCTIONS**

4.01 The Union acknowledges that it is exclusively the function of the Company to:

- (a) maintain order, discipline and efficiency;
(b) hire, promote, demote and transfer employees;

- (c) suspend, discipline or discharge, for just cause any employee, subject to the right of the employee to submit a grievance;
- (d) operate and manage its business in all respects, in accordance with its obligations, and to make and alter from time to time, rules and regulations to be observed by employees, which rules and regulations shall not be inconsistent **with** the provisions of this Agreement:
- (e) determine the number and location of plants, the products to be **manufactured**, methods of manufacturing, schedules of production, the number of personnel required from time to time, types 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 materials and parts to be incorporated in the products produced.

The Company agrees that its functions will be exercised so as not to violate the terms and provisions of this Agreement.

4.02 The Company will notify the Union, and agrees to meet to discuss with the Union, any plans to cease operation of the plant, or any department within the plant.

The notice will be given as soon as the Company becomes aware of this condition.

ARTICLE 5 MEMBERSHIP AND CHECK-OFF

5.01 The Company agrees to deduct from every pay Union Dues and fees from each employee as prescribed by the Constitution of the Union.

5.02 The Company agrees that all employees shall become and remain members of the Union as a condition of their continued employment.

5.03 The Union agrees that there will be no solicitation for membership, collection of dues, or other Union activities on Company time or on the premises of the Company, except as expressly permitted by this Agreement.

5.04 Each employee covered by this Agreement and any renewal thereof, will be required to authorize the Company to deduct an amount equivalent to the authorized Union dues in accordance with the Constitution of the Union, from the first pay due in each month.

5.05 The Company shall remit the amounts so deducted, prior to the fifteenth (15th) day of the month following, by cheque, as directed by the Union payable to the International Secretary Treasurer, United Steelworkers of America, P. O. Box 13083, Postal Station "A", Toronto, ON M5W 1V7.

5.06 The monthly remittance shall be accompanied by a statement showing the name of each employee from whose pay deductions have been made and the total amount deducted for the month. This statement shall also show the total gross earnings and total hours worked for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reasons why, along with any forms required by the International Union.

5.07 The Company will on receiving written request from the Union, deduct additional dues in the month requested by the Union. The Company shall put the amount of Union dues deducted on the employee's T4 slip.

5.08 The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise out of, or by reason of, deductions made or payments made in accordance with this Article.

ARTICLE 6 NO STRIKE OR LOCKOUT

6.01 The Union agrees that there shall be no strike and the Company agrees that there shall be no lockout as long as the Collective Agreement continues to operate. **The** words "strike" and "lockout" shall have the same definition as found in the Ontario Labour Relations Act.

ARTICLE 7 HOURS OF WORK

7.01 Nothing contained in this article shall be construed as a guarantee of **hours** per day or days per week.

7.02 The normal scheduled hours will be on the basis of 40 hours per week and 8 hours per shift. Employees required to work shifts shall be scheduled on one of the following rotating shift schedules:

- | | | | |
|-----|-----------------------------|----|-------------------------|
| (a) | 1st shift (night shift) | -- | 11:30 p.m. to 7:30 a.m. |
| | 2nd shift (day shift) | -- | 7:30 a.m. to 3:30 p.m. |
| | 3rd shift (afternoon shift) | -- | 3:30 p.m. to 11:30 p.m. |
| (b) | 2nd shift (day shift) | -- | 7:30 a.m. to 3:30 p.m. |
| | 3rd shift (afternoon shift) | -- | 3:30 p.m. to 11:30 p.m. |

Notwithstanding the above, employees on a single day shift operation **may** be scheduled from 7:30 a.m. to 4:00 p.m.

These shift schedules will **be** worked between 11:30 p.m. Sunday and 11:30 p.m. Friday. Sunday *is* the Monday shift and **so** forth.

Changes to regular shift schedules for the following week shall be posted by 6:00 p.m. Thursday.

Should the Company require an employee to change shifts following the deadline for the posting of the shift schedule changes, the employee shall be given one (1) working day's notice of such change.

Should the employee not be given one (1) working day's notice of the shift change the employee shall be paid unscheduled overtime at time and one-half the base rate for the first shift of the new schedule.

7.03 A total of forty (40) minutes per shift shall be scheduled for paid lunch and rest periods except for employees on a single day shift who shall **be** scheduled a one-half hour unpaid lunch period and a total of twenty (20) minutes paid rest period per shift.

7.04 The Company and the Union recognize the need for a seven day continuous operating schedule.

The Company and the Union agree that all employees within the plant will be given the opportunity to bid on the initial positions created on the said equipment and that normal training practices would apply.

If insufficient manpower is obtained through the **job** posting procedure, then the least senior employees within each of the affected classifications shall be required to work the 7 day continuous work schedule.

The Company shall notify the Union at least 30 days prior to the initial implementation of the continuous work schedule on any given production line, and will advise the Union of the classifications required to accomplish shift coverage.

Should the Company reinstate the 5 day operation, they will notify the Union at least 60 days prior unless unforeseen conditions make it impossible to do so.

The agreed upon schedule can **be** replaced by another schedule by mutual agreement of the parties.

ARTICLE 8 WAGES AND BENEFITS

8.01 The wage rates of all employees covered by this Agreement will be as set out in Appendix "A" which is attached hereto and forms part of this Agreement.

8.02 Health and Welfare benefits shall be as provided for in the separate agreement signed with this Agreement.

8.03 Employees shall receive a shift premium of thirty-three cents (33¢) per hour for hours worked between 3:30 p.m. and 11:30 p.m. (afternoon or third shift) and thirty-eight cents (38¢) per hour for hours worked between 11:30 p.m. and 7:30 a.m. (night or first shift).

Overtime premiums will not be paid on shift premiums.

8.04 If an employee reports for work at the regularly scheduled time for his/her shift, he/she will be entitled to a minimum of 4 hours' work or pay at his/her regular hourly rate, unless previously notified by the Company not to report for work. This provision shall not apply when lack of work is due to conditions beyond the control of the Company.

8.05 An employee who is called to work by the Company on an emergency basis outside regular scheduled hours of work will receive overtime payment at the applicable rate for all authorized work or a minimum of 4 hours pay at the straight time rate, whichever is greater. Such employee shall be entitled to go home when the emergency work is completed.

8.06 An employee who is injured in the plant and receives first aid treatment, in the plant, in a doctor's office, or in a hospital, shall be paid at the regular hourly rate for such time required to be absent from work up to a maximum of the balance of the shift.

ARTICLE 9 OVERTIME

9.01 Authorized overtime shall be paid for on the following basis:

- (a) Overtime shall be paid at the rate of time and one-half for all hours over eight (8) in a twenty-four (24) hour period.
- (b) Time and one-half shall be paid for all hours worked on Saturday.
- (c) Double time shall be paid for all hours worked on the Sunday or on a Specified Holiday unless these hours are part of the employees' regular shift.

9.02 Employees who share overtime between the seven (7) day operation and the five (5) day operation shall do so as follows:

- (a) Only employees who work on the 7 day operation will receive the 7 day premium.

- (b) Employees from the 7 day who work overtime on the 5 day operation will not receive 7 day premium on the 5 day operation; however, they will receive an overtime rate as applicable to the 5 day operation.
- (c) Employees from the 5 day operation who work overtime on the 7 day operation will receive overtime at rates applicable to the 5 day schedule.
- (d) Overtime availability and distribution will otherwise be as provided in the Collective Agreement.

9.03 Overtime work shall not include:

- (a) Time worked by employees substituting for one another at their own request;
- (b) A change of employee's working hours at the employee's own request;
- (c) A regularly scheduled shift change.

9.04 It is agreed that the Company may request employees to perform overtime work in excess of the regularly assigned hours and that overtime work shall be distributed as equally and impartially as possible among those employees who regularly perform the work.

9.05 It is agreed the distribution of overtime will be as follows:

- (a) All overtime work and/or for which payment is received will be charged.
- (b) Overtime charts will be posted by 3:30 p.m. on Thursday to 11:30 p.m., Sunday of each week. Whenever Friday is a holiday, this procedure will be applied a day earlier in the week.
- (c) Employees shall enlist their names on their own shift and classification.

9.06 Overtime will be offered in the following sequence:

- (a) To enlisted employees who normally work in the classification where the overtime is scheduled, with preference given to employees working the shift for which overtime is scheduled.
- (b) To a temporarily assigned enlisted employee in the classification where overtime is scheduled.
- (c) To enlisted employees in the classification on other shifts.
- (d) To departmental enlisted employees where the overtime is scheduled.
- (e) When additional employees are required to supplement (a), (b), (c), and (d), such overtime will be offered to employees outside the department in accordance with the overtime charts.
- (f) When additional employees are required to Supplement (a), (b), (c), (d), and (e), such overtime will be offered to employees at the Supervisor's discretion.
- (g) The Company shall have up to date overtime records in the Shift Supervisor's Office.

In the case of a Mechanic starting a priority repair during his shift, he may complete the job into the next shift without the Supervisor going to the Overtime Chart, unless it is a safety risk.

9.07 Overtime will be offered to enlisted employees on the overtime charts in the following manner:

- (a) The enlisted employees with the least number of hours in each classification or department.
- (b) Whenever 2 or more enlisted employees have an equal number of overtime hours, such overtime will be offered on the basis of the employees' seniority.

9.08 Employees transferred to another shift after the weekly overtime charts are removed, may reassess their overtime availability by contacting the Human Resources Department. An employee who has put his/her name on the overtime sheet shall **be** able to remove his/her name by notifying the supervisor forty-eight **(48)** hours in advance of any overtime requirement.

Employees on vacation, S&A, or W.C.B. during the overtime chart posting period must add their name to the overtime chart on their first day of return to work to be eligible for overtime.

9.09 The actual overtime hours offered and declined by enlisted employees for work in their own classification will automatically be charged to that employee. However, overtime offered after the start of a shift and declined shall not be charged to the employee. Overtime offered and declined by enlisted employees outside their own classification shall not be charged to that employee. Overtime committed to but not worked shall be charged to the employee for the full time not worked.

9.10 Whenever a supervisor attempts to make contact with enlisted employees outside the plant to perform work and such overtime is declined or the enlisted employee cannot be reached, the employee will be charged the equivalent number of hours worked by the next eligible enlisted employee. The enlisted employee shall be informed that overtime has been charged. However, overtime offered after the start of a shift and declined shall not be charged to the employee.

9.11 Overtime records for each classification will be brought to zero the first Monday **of** each month.

9.12 Should it be determined that an inequity has occurred during the distribution of overtime, the inequity shall be corrected by the affected employee being offered equivalent overtime within a *two* (2) week period. This overtime will not affect other enlisted employees' overtime eligibility.

9.13 The employee called in to perform overtime work prior to the start of his/her regular scheduled shift will be paid time and one-half for the hours worked prior to the start of his/her shift. Such overtime payment will not affect the number of hours worked by the employee during his/her regular scheduled shift. Time and one-half will also be paid to the employee for the overtime hours after the completion of the, regular **scheduled shift**.

9.14 The employee who has completed his/her scheduled shift and has left the plant and is then called back into work prior to the next scheduled shift to perform authorized emergency work and returned home, will be paid a minimum of four **(4)** hours **pay** at the straight time rate. However, if calculated overtime payment is greater, the greater will govern.

9.15 Employees who do not normally work overtime will be asked if they wish to sign a waiver stating they **do** not want to work overtime. This can be canceled, by the employee, at any time.

**ARTICLE 10
SPECIFIED HOLIDAYS**

10.01 Provided the individual qualifies an employee will receive the following specified holidays with pay:

1st Year

Specified Holiday	Day of Observance	
Victoria Day	May 19, 1997	
Canada Day	June 30, 1997	
Civic Holiday	August 4, 1997	
Labour Day	September 1, 1997	
Thanksgiving Day	October 13, 1997	
Christmas Eve } Christmas Day } Boxing Day } New Year's Eve } New Year's Day }	Company and Union to discuss and agree upon dates by June 1, 1997	
Floater }		
Good Friday		April 10, 1998

2nd Year

Specified Holiday	Day of Observance
Victoria Day	May 18, 1998
Canada Day	July 3, 1998
Civic Holiday	August 3, 1998
Labour Day	September 7, 1998
Thanksgiving Day	October 12, 1998
Christmas Eve }	
Christmas Day }	Company and Union to discuss
Boxing Day }	and agree upon dates by
New Year's Eve }	June 1, 1998
New Year's Day }	
Floater }	
Good Friday	April 2, 1999

3rd Year

Specified Holiday	Day of Observance
Victoria Day	May 24, 1999
Canada Day	July 2, 1999
Civic Holiday	August 2, 1999
Labour Day	September 6, 1999
Thanksgiving Day	October 11, 1999
Christmas Eve }	
Christmas Day }	Company and Union to discuss
Boxing Day }	and agree upon dates by
New Year's Eve }	June 1, 1999
New Year's Day }	
Floater }	
Good Friday	April 21, 2000

10.02 Holiday pay will be computed on the basis of 8 hours at the employee's straight time rate.

10.03 In order to qualify for specified holiday pay, the employee must have worked his or her scheduled shift on each of the work days immediately preceding and immediately following the specified holiday concerned, unless excused by the Company.

An employee who is laid off within ten (10) working days prior to a specified holiday(s) will be paid for such holiday(s) provided the employee works his or her last regular scheduled shift and would otherwise have qualified for the specified holiday pay had the employee not been laid off.

10.04 An employee who is on sick leave certified by a medical doctor, or on an authorized leave of absence, will be deemed eligible for holiday pay for any holiday occurring during the first 30 days of such absence.

10.05 In order to qualify for the holiday provisions set out in this Agreement, an employee must have worked at least a thirty (30) days qualifying period as a full-time employee.

**ARTICLE III
VACATIONS**

11.01 Each employee who on June 1 of any year has the number of years of service shown on the following schedule will be entitled to the number of weeks of vacation and the percentage of annual earnings applicable thereto. The annual earnings calculation shall include actual wages earned from June 1st to May 31st inclusive, and vacation pay for the preceding year.

Service on June 1	Vacation Time	Percentage Payment
Up to 5 years	1 day per month to a maximum of 10 days	4%
5 years but less than 11 years	3 weeks	6%
11 years but less than 20 years	4 weeks	8%
20 years but less than 28 years	5 weeks	10%
28 years or more	6 weeks	12%

11.02 Beginning in calendar year 1995, vacation will be scheduled as follows:

- one week is seven (7) consecutive days;
- two weeks is fourteen (14) consecutive days;
- three weeks is twenty one (21) consecutive days;
- four weeks is twenty eight (28) consecutive days; and
- five weeks is thirty five (35) consecutive days.

Vacations shall be scheduled from Monday through Sunday.

An employee with 28 years or more service shall on the request of the employee be permitted to take pay in lieu of vacation for one week of their holiday entitlement and receive holiday pay for the same.

When a specified holiday falls within an employee's vacation period such employee will be allowed to take an additional vacation day without pay at a mutually convenient time.

Any vacations not requested and approved by October 1 shall be scheduled by the Company.

11.03 Employees shall receive their vacation pay three (3) days prior to the commencement of their vacation period provided the employee has given the Company Human Resources Department at least fourteen (14) days noticed of such vacation period.

11.04 Notwithstanding the above provisions an employee with at least one year's service with the Company shall receive the sum of \$210.00 per week vacation pay if by reason only of sickness or injury such employee's entitlement does not reach the said \$210.00 sum.

The employee must have worked a minimum of three (3) months during the vacation year to qualify.

11.05 The Company shall post by March 1st of each year, an appropriate notice of partial and/or total plant shut down. The vacation shut down period will be part of an employee's vacation entitlement unless otherwise advised by the Company.

ARTICLE 12 GRIEVANCE PROCEDURE

12.01 The Union may elect from among the employees who have been continuously employed by the Company for at least 1 year, 3 committee members for the purpose of negotiating amendments to or modification of any articles or provisions of this Agreement or for the purpose of assisting employees in presenting grievances to the Company as set forth in this Agreement.

The Union may also elect from among the employees who have been continuously employed by the Company for at least 1 year, 6 stewards for the purpose of assisting employees in presenting grievances to the Company as set forth in this Agreement.

12.02 The Union shall keep the Company notified in writing of the names of the committee members and stewards and the effective date of their appointment.

12.03 It is agreed that committee members and stewards shall continue to perform their regular work in order to maintain efficiency of production. However, in accordance with this understanding, should a committee member or steward be requested to assist an employee in presenting a grievance during working hours, he/she will not leave his/her work without first obtaining the permission of the supervisor and such permission by the supervisor shall not be refused within a reasonable time period. It is also understood that a committee member or steward shall not enter another department without first obtaining the permission of the supervisor of such department and notifying him/her of the nature of the grievance and the employee(s) involved. Prior to returning to his/her own department, a committee member or steward will report to his/her supervisor.

12.04 Any dispute or grievance arising out of the interpretation or application of, or compliance with, the provisions of this Agreement shall be dealt with as follows:

Step 1

The employee shall first discuss the complaint with the supervisor. Failing settlement, the employee, the steward and supervisor shall meet in order to try to settle the said grievance. Failing settlement, the grievance will be reduced to writing and presented to the supervisor. The employee will be entitled to have the assistance of a steward in preparing and presenting the written grievance. It shall be optional to the Company to decline to consider any grievance, the alleged circumstances of which occurred more than 5 working days prior to its presentation for employees working the 5 day schedule and 6 working days for employees working the 7 day continuous schedule. The supervisor shall render a written decision within 4 working days.

Step 2

The employee may appeal the decision within 2 working days to the Plant Manager, and shall be accompanied by a steward or committee member. The Plant Manager shall render a decision within 2 working days.

Step 3

The grievance may be submitted within 3 working days to the Human Resources Department to be taken up at a meeting arranged between Management and the Union Committee. A representative of the International Union shall be present at this step. The Company shall render its decision within 3 working days thereafter.

Step 4 - Arbitration

Should the procedure prescribed by Steps 1 to 3 herein fail to bring about a settlement between the parties with respect to the application, administration, interpretation or alleged violation of this Agreement, including any questions as to whether a matter is

arbitrable, either party may, within 35 working days after completion of Step 3, notify in writing the other party of its desire to have the matter referred to a single impartial Arbitrator selected by mutual agreement of the parties. If, within 5 working days, the Company and the Union fail to agree on an Arbitrator, they shall request the Minister of Labour of the Province of Ontario to nominate one. The decision of the Arbitrator shall be final and binding on both parties. The fees and expenses of the Arbitrator shall be shared equally by the parties hereto.

The parties recognize the arbitration provision under Section 46 of the Ontario Labour Relations Act and that either party may pursue the requirements of that legislation and comply with its provisions as set out in the said Act.

All time limits of the grievance procedure that are extended must be extended in writing and signed by both parties.

12.05 It is agreed that a grievance arising directly between the Company and the Union shall be originated under Step 3. Such grievance will be taken up at a meeting between the Management and Union Committee within 10 working days after the filing of the grievance by either party. A reply to such grievance must be given in writing within 5 working days following such meeting. If the grievance is not resolved as a result of this meeting either party may refer the matter to arbitration in accordance with **Article 12.04, Step 4.**

However, it is expressly understood that the provisions of this section may not be used to institute a complaint or grievance directly affecting an employee or employees which such employee or employees could themselves institute, and the regular grievance procedure shall not be thereby bypassed.

12.06 An employee who is discharged or suspended, may present a grievance in writing within 5 working days through the Union Committee to Management. Such grievance shall be dealt with under the grievance procedure starting at Step 3.

It is understood that a probationary employee may be discharged for reasons substantially less serious than might justify the discharge of a regular employee who has acquired seniority.

All cases of probationary employee discharge shall be discussed with the Union.

12.07 The Company shall pay for all time lost from work in processing grievances at all **steps** of the grievance procedure preceding arbitration. The Company shall also pay the Bargaining Committee for all time lost from work at negotiating meetings. The time shall be separately recorded as such on the employee's time card with the applicable coding inserted.

Notwithstanding the above, the maximum payable by the Company shall be \$1,000.00 per year for each year of this Agreement to a maximum of \$3,000.00 for the life of the Agreement. The Company will provide the Union with a statement every six months as to the status of the above entitlement.

A steward shall be present at all disciplinary meetings involving an employee of the Company.

The Union president (or another person so designated by the Union) shall receive a copy of all disciplinary notations.

The Company agrees to destroy all employees' disciplinary notation notices after a period of 12 months from the issuance of such notation.

The 12 month period shall be extended to 15 months if the employee receives a further disciplinary notation for the same offense within a 12 month period.

The Company shall make available (when requested by the Union) space in the plant for preparation of a grievance by the Union and an employee, provided said space is provided with supervisor's permission. No employee shall be terminated or discharged until 48 hours have elapsed (excluding Saturday, Sundays and holidays) between the notice being given to the employee to punch out and the actual notice of termination or discharge of that employee.

12.08 An arbitrator shall not alter, add to, subtract from, modify or amend any part of this Agreement. The arbitrator shall, however, in respect to a grievance involving the suspension or discharge of an employee, be entitled to modify or set aside such penalty, if, in the opinion of the arbitrator, it is just and equitable to do so. In calculating the amount of pay the employee is to receive if reinstated, the Arbitrator shall deduct therefrom any monies earned by the employee from other employment and Unemployment Insurance benefits received by the employee during the period of layoff, discharge or suspension and retained by the employee.

12.09 When a grievance which affects the rates of pay of an employee is settled in a manner which involves a change in rate, such change shall be limited retroactively up to but not to exceed 30 calendar days prior to the date on which the grievance was first submitted in writing to the Company.

12.10 At any stage of the grievance procedure, including arbitration, the conferring parties may have the assistance of the employee or employees concerned and any necessary witnesses, and all reasonable arrangements will be made to permit the conferring parties to have access to the plant to view disputed operations and to confer with necessary witnesses.

ARTICLE 13
SENIORITY

13.01 Fundamentally, rules respecting seniority are designed to provide to employees an equitable measure of security based on length of continuous service with the Company except as otherwise provided in this Agreement.

13.02 An employee shall acquire seniority rights when the employee has worked a total of 70 working days within the period of 7 consecutive months following the date of hire. The probationary period can be extended by mutual agreement of the parties. If an employee does not accumulate 70 worked days in the first 7 months from the date of hire, then, at such time as the employee does acquire seniority by accumulating 70 worked days, the seniority date will be the date 7 months prior to the date on which the employee acquired seniority. This period may be extended by 30 working days by mutual agreement of the parties.

13.03 An employee shall be a probationary employee until he/she has acquired seniority rights at which time he/she shall become a regular employee.

13.04 Seniority lists shall be posted in the plant. The Union Committee shall be furnished with 3 copies of the seniority list every 3 months.

13.05 Employees in positions outside the Bargaining Unit who are transferred into the Bargaining Unit and who had a minimum of 3 years seniority prior to leaving the Bargaining Unit or what is now the Bargaining Unit can return within five (5) years of leaving the Bargaining Unit to the junior job in his/her previous department within the Bargaining Unit consistent with his/her seniority provided he/she is able to do the work. After completing 3 months continuous service, full seniority accumulated with the Company shall apply.

13.06 An employee shall lose probationary time and seniority, have employment terminated and his/her name shall be removed from the seniority list for any of the following reasons:

- (a) If the employee voluntarily terminates employment with the Company.
- (b) If the employee is discharged and such discharge is not reversed through grievance procedure.
- (c) If the employee is laid off, is notified by registered mail at the last address on record with the Company to return to work, and fails to return as scheduled within 3 working days, and has failed to provide the Company with a reasonable excuse or to make the Company aware of the circumstances beyond his/her control acceptable to the Company that caused the employee to not return within the said 3 working days. The Company will give a copy of the registered letter to the Union.

- (d) If the employee fails to return to work on completion of leave of absence authorized pursuant to Article 16 hereof.
- (e) If the employee is absent from work for 3 or more consecutive working days without notifying the Human Resources Department or his/her immediate Supervisor, and failing then, to furnish the Company with a satisfactory reason.
- (9) if the employee is laid off for a period of 12 months, with the proviso that during such layoff the employee will continue to accumulate seniority. If an employee is rehired after the said 12 months but before 24 months after his or her termination, then the rehired employee shall have his or her seniority and all other rights reinstated as if he or she had not been terminated.
- (g) If the employee is absent due to sickness or injury for a period of 24 months, with the proviso that during such absence the employee will continue to accumulate seniority. This Section does not apply to an employee on Workers' Compensation.
- (h) If the employee retires.

13.07 The Union President and Vice-president shall have top plant seniority, applicable to plant layoff only.

ARTICLE 14 LAYOFFS AND RECALLS

14.01 In the event of a reduction in the work force, layoffs will be carried out in accordance with the following procedure:

- (a) In the event of a layoff for 48 hours or less, employees shall exercise departmental seniority on their respective shifts in the following manner or sequence provided each employee affected has the ability, qualifications and skill to perform the job:
 - (i) Probationary employees shall be removed from the shift.
 - (ii) Junior employees shall be removed from the affected classification on the shift.
 - (iii) The removed employee shall displace the junior employee in the department on the shift.
 - (iv) The removed employee shall be offered available work in the plant and if none is available, will be laid off.
- (b) In the event of a layoff for over 48 hours, but less than six working days, employees shall exercise departmental seniority, in the following manner or sequence provided each employee affected has the ability, qualifications and skill to perform the job:
 - (i) Probationary employees shall be removed from the department.
 - (ii) The junior employee shall be removed from the affected classification in the department.

- (iii) The removed employee shall displace the junior employee in the department.
 - (iv) The removed employee shall be offered available work in the plant and if none is available, he shall be laid off.
- (c) In the event of a layoff for a period of more than five (5) working days, employees shall exercise plant-wide seniority in the following manner or sequence, provided each employee affected has the ability, qualifications and **skill** to **perform** the job within the normal training period:
- (i) Probationary employees shall be laid off.
 - (ii) The junior employee shall be removed from the affected classification.
 - (iii) The removed employee shall displace the junior employee in the department.
 - (iv) Employees in the classification of finisher, when removed from their department, shall displace the junior finisher.
 - (v) The removed employee shall displace the junior employee in the plant.
 - (vi) The surplus employee is laid off.

14.02 The Company will give employees 5 working days notice or pay in lieu of such notice for all or any part of such days (except in the case of a layoff for a period of 5 days or **less**), but this shall not apply when a layoff **is** necessary because of circumstances clearly beyond the control of the Company. Notification will be posted on the Bulletin Boards. The Union will be given a copy.

Employees on the Friday, Saturday, and Sunday shift rotation will not be laid off for any period in excess of two weeks during the Sunday shift.

14.03 In the event of an increase in the work force, laid off employees will **be** recalled in accordance with the reverse order of the layoff procedure in Article 14.01. However, an employee with seniority who during a reduction in the work force **has** not been **laid off**, but has been displaced to another department or classification will be recalled to **his/her** former department or classification.

14.04 Prior to posting of a permanent job vacancy and provided a request for **shift** change was on file with the Human Resources Department prior to the posting period, the request for a shift change shall be considered on the basis of seniority. Shift transfer requests will **be** considered, **on** the basis of seniority, every four months when permanent job vacancies are not available. Such a shift change shall not be considered a transfer. Shift transfer forms will **be** supplied by the Company.

14.05 The Company and the Union recognize that for the purposes of layoff and recall the following shall be considered protected jobs:

- set-up
- set-up specialist

- operator
- line technician
- skilled trades including maintenance trainee, maintenance mechanic, electrician apprentice, electrician, toolmaker.

An employee in a protected classification may be displaced by a more senior employee provided the more senior employee has previously qualified for the job of the less senior employee and has not previously been disqualified from the job of the less senior employee.

ARTICLE 15 TRANSFERS

15.01 In dealing with transfers, each applicant's qualifications, skill, efficiency and ability will be determined by an Aptitude Test provided by the Company. Where the minimum requirements are obtained in accordance with such test by more than one employee, they will be deemed relatively equal **and** seniority shall govern.

15.02 Job posting transfers will ~~be~~ limited to 2 within a 12 month period.

15.03

- (a) The job posting procedure shall not apply in the case of a temporary condition of 3 months or less due to a leave of absence authorized by the Company, vacation, sickness, injury, or special projects. This period may be extended by mutual agreement of the parties.
- (b) Experience gained through the application of Article 15.03 (a) will not count in determining an employee's qualifications under Article 15.01 for a period of ~~six~~ (6) months immediately following a temporary assignment covered by Article 15.03(a).

15.04

- (a) An employee transferred to a higher rated job, will remain on a trial basis for the first 45 working days; however, this period may be extended by mutual agreement of the **parties**. While on such a trial basis a transferred employee will receive a **wage** rate of fifteen cents (~~15¢~~) per hour less than the new job rate, or **his/her** previous **job** rate whichever is higher.

In the case of an employee being transferred to a lower paying job, the employee will receive the rate for the job.

- (b) The Company shall have the right during the trial period to transfer an employee who ~~is~~ not satisfactory back to the **job** from which the employee was transferred. The Union **will** be notified of such transfer back.

- (c) Any other employee who is subsequently removed from his/her job as a result of the application of (b) above shall have transfer rights reinstated.

15.05 When an additional employee is required in a **classification** on a permanent basis or a new classification is established, the vacancy will be posted for a period of one hundred sixty eight (168) hours excluding specified holidays. The Union shall receive a copy of all job postings.

The posting will be by means of a bulletin board located near the punch time clock and will include a general description of the classification in order to **allow** employees to make application, on a form supplied by the Company in triplicate with one copy to the Company, one copy to the employee, and one copy to the Union President.

The posted vacancy will be restricted to applications received during the posting period.

The Company shall post the name of the successful applicant.

If no qualified applicants are found as set out above, the Company shall have the option of hiring from outside the bargaining unit.

15.06 Employees, other than probationary employees, who wish to take outside courses to upgrade their skill and knowledge may take such courses on their **own** time and initiative and be reimbursed for the entire cost of the course including tuition fees, examination fees and textbook costs provided that:

- (a) the course has been applied for by the employee through the Human Resources Department.
- (b) the Company has approved the course prior to its commencement by the employee.
- (c) the employee successfully completes the course and provides acceptable evidence of such completion.

ARTICLE 16 LEAVE OF ABSENCE

16.01 An employee with one or more years of seniority may request in writing a leave of absence without pay for legitimate reasons and, *if* such leave of absence is granted in writing, seniority shall continue to accumulate during the absence. Employees failing to return to work after the expiration of a leave of absence will be considered to have voluntarily terminated their employment, unless they are able to give the Company a satisfactory reason for their failure to return to work.

Notwithstanding the above, employees with less than one **year's** seniority who apply for compassionate leave will be given consideration on an individual basis by the

Company. To **be** valid a leave of absence application must be submitted in writing at least 2 weeks in advance of the requested leave and approved by the Company in writing. The Company will respond to the leave of absence request within 5 working days of receiving such request.

16.02 An employee of the Company who is elected or appointed by the Union to **engage** in Union activity shall be granted a leave of absence in writing for a period not to exceed one year, subject to extension provided the Union has given in advance of such leave of absence reasonable notice to the Company.

Members of the Union Committee will **be** granted leave of absence for Union business upon **two** (2) weeks notice to the Company whenever possible.

Should a problem exist with the granting of such leave, the Company and the Union shall meet to discuss such problem.

Seniority **will** accumulate during such leave.

16.03 An employee who is pregnant shall be granted leave in accordance with Provincial and Federal legislation as amended.

ARTICLE 17 BEREAVEMENT PAY

17.01 When death occurs in the immediate family, i.e., mother, father, brother, sister, husband, wife, son, daughter, or the mother or father of the current spouse, son-in-law and daughter-in-law, an employee will be granted up to 3 days' leave of absence with pay for time lost at the straight time hourly rate for hours an employee is normally scheduled to work immediately following the date of death. The employee shall provide suitable documentation of the death to the Company.

In the event of a death of a grandparent or grandchild, the employee will be granted up to two (2) days leave of absence with pay for time lost at the straight time hourly rate for hours an employee is normally scheduled to work immediately following the date of death.

In the event of a death of a brother-in-law, sister-in-law or spouse's grandparent, the employee will **be** granted up to one (1) day's leave of absence with pay, at the straight time hourly rate.

**ARTICLE 18
JURY DUTY PAY**

18.01 An employee who is summoned and reports for Jury Duty or as a subpoenaed Crown Witness, as prescribed by applicable law, shall be paid by the Company an amount equal to the difference between the amount of wages (excluding shift premium) the employee otherwise would have received by working straight time hours on that day at the applicable wage classification rate and the daily jury duty fee paid by the court for each day on which the employee otherwise would have been scheduled to work for the Company.

18.02 In order to be eligible for payment, an employee must notify the Company within 24 hours after receipt of notice for selection for jury duty or subpoenaed Crown Witness and must furnish a written statement from the appropriate public officials showing the date and time served and the amount of pay received.

**ARTICLE 19
BULLETIN BOARDS**

19.01 Union bulletins and notices, when approved by the Employee Relations Manager or designate, may be posted on designated bulletin boards provided by the Company. The Union also agrees that there shall be no other distribution or posting by employees of pamphlets, advertising or political matter, notices or any kind of literature upon the Company property, other than as approved by the Company.

**ARTICLE 20
SAFETY AND HEALTH**

20.01 The Company will make reasonable provision for the safety and health of employees during working hours and the Union agrees to assist in maintaining proper observation of all safety and health rules.

20.02 It is agreed that there will be a Safety Committee consisting of 4 Company representatives and 4 employees appointed by the Union from among the employees covered by this Agreement. The 4 employees appointed by the Union will be selected in such a manner as to cover all shifts where possible.

20.03 Coveralls will be made available as required for use by the employees as a store item in special job tasks that may from time to time require them due to the nature of the **job** task to be performed.



20.04

(a) The Company will provide an allowance for the purchase of safety shoes and safety glasses to employees who have completed their probationary period. However, once an employee (except a student) has completed the probationary period, he will be eligible for the Safety Shoe and Safety Glass allowances.

(b) **Safety Shoes** -- An allowance will be granted for the purchase of one pair of safety shoes per year by all employees up to a maximum of \$75.00 per calendar year effective May 1, 1997.

This allowance will be granted provided the purchase is made from a recognized supplier and a receipt is supplied to the Company by the employee.

(c) **Safety Glasses** -- Effective May 1, 1997, the Company agrees to provide an allowance on an employee's purchase of a pair of safety glasses or lenses to the sum of \$100.00 payable every 2 years. This allowance will be granted provided the purchase is made from a recognized supplier and a receipt is supplied to the Company by the employee.

(d) Excluding the above, all personal protective equipment deemed to be required by the Company to perform the job safely, will be provided by the Company.

ARTICLE 21
COLLECTIVE LABOR AGREEMENT

21.01 Attached to and forming part of the Collective Labor Agreement are the following: Appendix "A," Appendix "B," Appendix "C," Appendix "D," Life Insurance Plan. and Pension Plan.

ARTICLE 22
DUTIES OF WORK

22.01 Whenever possible, the Union will be notified or informed of changes to the duties of a classification.

ARTICLE 23
DURATION OF AGREEMENT

23.01 This Agreement shall continue in effect until April 30th, 2000, and shall continue automatically thereafter for annual periods of one year each, unless either party notifies

the other in writing during the period of ninety (90) days prior to expiration that it desires to amend or terminate the Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this 2nd day of April, 1997.

FOR THE COMPANY

FOR THE UNION



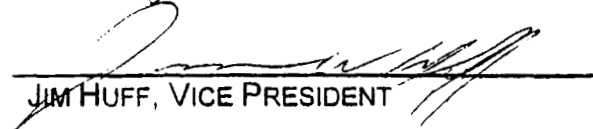
GEORGE M. LANE
VICE PRESIDENT, HUMAN RESOURCES



DOUG CONKLIN, PRESIDENT



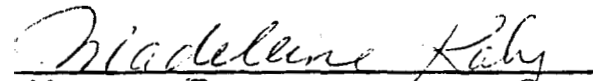
MICHAEL GAUTHIER
PLANT MANAGER



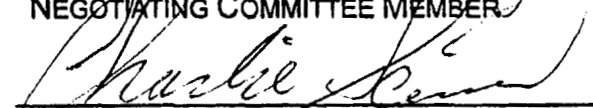
JIM HUFF, VICE PRESIDENT



VALERIE MELANEY
EMPLOYEE RELATIONS MANAGER



MADELEINE RABY
NEGOTIATING COMMITTEE MEMBER



CHARLIE SCIME
INTERNATIONAL REPRESENTATIVE

**APPENDIX A
WAGE RATES**

Classification	April 1, 1997	May 1, 1998	May 1, 1999
Finisher	14.60	14.95	15.30
Inspector	14.86	15.21	15.56
Cleaner	13.97	14.32	14.67
Service	14.86	15.21	15.56
Lift Truck Operator	14.60	14.95	15.30
Operator	14.86	15.21	15.56
Shipper/Receiver	15.32	15.67	16.02
Line Technician	15.29	15.64	15.99
Set-Up	15.86	16.21	16.56
Set-Up Specialist	16.84	17.19	17.54
Stores Attendant	15.29	15.64	15.99
Electrician	19.80	20.15	20.50
Electrician Apprentice	-----	-----	-----
Toolmaker	19.80	20.15	20.50
Maintenance Mechanic	19.11	19.46	19.81
Maintenance Trainee	-----	-----	-----
General Labourer	14.15	14.50	14.85

NOTES:

1. The probationary rate for new employees is \$1.00 per hour less than the Job Rate and applies during the first 70 worked days in the classification. After completion of the probationary period, the employee shall receive the Job Rate for the classification outlined above.
2. A chargehand will receive thirty-five cents (35¢) per hour above his/her own hourly-paid rate.
3. Temporary Supervisor premium -- \$2.00 per hour to cover situations where **supervision** designates an hourly employee on a temporary basis to assume the role of temporary Supervisor.
4. Effective May 1, 1992, a meal allowance of \$4.50 shall be provided by the Company to all employees requested to work 2 or more hours of overtime who were not notified of the overtime prior to the commencement of the shift.
5. General Labourer will be utilized for miscellaneous work on a temporary basis.

GENERAL WAGE INCREASE

1. Effective April 1, 1997 -- 35¢ to all Wage Rates
Effective **May 1**, 1998 -- 35¢ to all Wage Rates
Effective May 1, 1999 -- 35¢ to all Wage Rates

COST OF LIVING ALLOWANCE

In addition to the foregoing increases in wage rates, the Company will pay a cost of living allowance as follows:

1. The interim wage increase amounts will be calculated and recalculated as set forth below based on the Consumer Price Index published by Statistics Canada (1986 = 100).
2. The continuance of interim adjustments shall be contingent upon the availability of the official monthly Consumer Price Index published by Statistics Canada in its present form and calculated on the same basis as the Consumer Price Index of March 1994.
3. The Company will not be obligated to make adjustments retroactive or otherwise due to any revision which later may **be made** in the published figures **for** the Consumer Price index for any month which was the basis for calculations.
4. In the event the appropriate Consumer Price Index is not issued by Statistics Canada on or before the date on which an interim adjustment **is to be made**, said adjustment will be made at the beginning of the first **pay** period following receipt of the Consumer Price Index.
5. Interim increases will be deemed to be earnings, and will be shown separately on the pay stub.

FORMULA

FIRST YEAR OF AGREEMENT

1. The base for calculation **is** the average Consumer Price Index for the months of February, 1997, March 1997, and April 1997, plus a trigger of 4.75%.
2. The first adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of May 1997, June 1997, and **July 1997**, exceeds the base for calculation and will be paid the **pay** period commencing August 24, 1997.

3. The second adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of August 1997, September 1997, and October 1997, exceeds the base for calculation and **will** be paid the pay period commencing November 23, 1997.
4. The third adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of November 1997, December 1997, and January 1998, exceeds the base for calculation and will be paid the **pay** period commencing February 23, 1998.
5. The fourth adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of February 1998, **March 1998**, and April 1998 exceeds the base for calculation and will be paid the pay period commencing May 25, 1998.
6. It is agreed that the maximum amount that can be paid by this Clause in the first year is twenty cents (20¢) per hour.

SECOND YEAR OF AGREEMENT

1. The base for calculation is the average Consumer Price Index for the months of February, 1998, March 1998, and April 1998, plus a trigger of 4.75%.
2. **The** first adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of May 1998, June 1998, and **July 1998**, exceeds the base for calculation and will be paid the pay period commencing August 30, 1998.
3. The second adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of August 1998, September 1998, and October 1998, exceeds the base for calculation and will be paid the pay period commencing November 29, 1998.
4. The third adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of November 1998, December 1998, and January 1999, exceeds the base for calculation and will be paid the pay period commencing February 28, 1999.
5. The fourth adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of February 1999, March 1999, and April 1999 exceeds the base for calculation and will be paid the pay period commencing May 30, 1999.
6. It is agreed that the maximum amount that can be paid by this Clause in the second year is twenty cents (20¢) per hour.

THIRD YEAR OF AGREEMENT

1. The base for calculation is the average Consumer Price Index for the months of February, 1999, March 1999, and April 1999, plus a trigger of 4.75%.
2. The first adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of May 1999, June 1999, and July 1999, exceeds the base for calculation and will be paid the pay period commencing August 29, 1999.
3. The second adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of August 1999, September 1999, and October 1999, exceeds the base for calculation and will be paid the pay period commencing November 28, 1999.
4. The third adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of November 1999, December 1999, and January 2000, exceeds the base for calculation and will be paid the pay period commencing February 27, 2000.
5. **The** fourth adjustment will reflect one cent (1¢) per hour for each full .096 points that the average Consumer Price Index for the months of February 2000, March 2000, and April 2000, exceeds the base for calculation and will be paid the pay period commencing May 28, 2000.
6. It ~~is~~ agreed that the maximum amount that can be paid by this Clause in the third year is twenty cents (20¢) per hour.

Each adjustment specified above, will replace the previous adjustment if any, in its entirety except the fourth adjustment in the first year of the Agreement will be carried over throughout the second year of the Agreement, and: the fourth adjustment in the second year of the Agreement will be carried over throughout the third year of the Agreement. The Cost of Living Allowance amounts in effect as of April 30th each year shall be rolled into the base amounts for the coming year.

**APPENDIX B
DEPARTMENTS**

1. FINISHING, BLOWING AND LAMICON

Finisher
Service
Set-Up
Specialist
Cleaner
Operator
Line Technician
Inspector

2. MAINTENANCE

Mechanic
Toolmaker
Electrician
Maintenance Stores

3. SHIPPING AND RECEIVING

Lift Truck Operator
Shipper/Receiver

APPENDIX C LETTERS OF INTENT

GENERAL

This letter will confirm that understandings reached during recent contract negotiations and put into Letters of Intent or an Appendix will be deemed to form part of this Collective Agreement.

HEAT

When working conditions become unbearable, the Company agrees that measures to alleviate the situation, including additional ventilation and modified breaks, shall be applied on a plant-wide basis where applicable.

R.R.S.P.

The Company agrees to administer the deduction of funds from the hourly payroll for the purpose of employee contribution to personal R.R.S.P. plans. This will be subject to the following conditions:

1. The Union will arrange for (subject to Company's agreement) a suitable financial institution to administer the plans.
2. The Union agrees to save and indemnify the Company from all liabilities relating to the program.
3. Each employee may only sign up/cancel or alter their deduction amount once per calendar year.

STUDENT EMPLOYMENT

Should student employment become necessary, students may be hired at the discretion of the Company between May 1st and September 15th of each year. Students will not acquire seniority and the term of their student employment will not continue past September 15th.

A student can file a grievance as per Article 12 except for a matter involving discharge which is not grievable.

Students will receive a rate which is \$1.00 lower than their job rate throughout the term of employment. Students are not entitled to benefits under the insurance plan agreement.

If retained in employment by the Company after September 15th, a student will become a probationary employee and will not acquire seniority until the conditions of Article 13.02 are met. However, once a student has acquired seniority the student will be credited with all service back to the date of most recent hire as a student. Students will be required to pay union dues as per Article 5.

WAGES

Wages will be paid on a weekly basis and by direct deposits to bank accounts. Vacation pay will be on a separate stub from weekly pay.

UNION EQUIPMENT

The Company will make available a filing cabinet and room for Union purposes.

CONTRACTING OUT

It is the intent of the Company to have work performed by employees, provided the employee is capable and available when the work is required, at no additional cost to the Company. If for any of these reasons an employee cannot do the work, the outside contractor will complete the work.

PROTECTED JOBS

The intent of Article 14, Clause 14.05 is to protect the enumerated protected **jobs** when work is available.

TEN HOUR/FOUR DAY WORK SCHEDULE

The Company and the Union agree to implement a ten (10) hour/four (**4**) day work schedule during the first year of the Collective Labor Agreement, contingent upon the eligibility and provisions of this schedule being mutually agreed upon by the Company and the Union prior to its implementation. Additionally, the schedule will be implemented on a six (6) month trial basis and shall become a part of this Agreement unless either party notifies the other to the contrary prior to the completion of the trial period.

APPENDIX D

This Appendix includes additions/exceptions/changes to the Collective Agreement to cover employees on the 7 day continuous shift schedule.

ARTICLE 7 -- HOURS OF WORK

7.02 The normal scheduled hours will be on the basis of 84 hours worked over a two week period (7 shifts of twelve hours in each two week period) for the continuous operation shift. Employees shall be scheduled on the following rotating shift schedule.

7.02(c) Continuous Shift

First Shift (night shift)	--	7:30 p.m. to 7:30 a.m.
Second Shift (day shift)	--	7:30 a.m. to 7:30 p.m.

This is a 7 day, 2 shift, 4 crew, 12 hour continuous schedule.

7.03 Employees on the continuous shift shall be scheduled a total of eighty (80) minutes for paid lunch and rest periods per shift.

7.04 The agreed upon schedule can be replaced by another schedule by mutual agreement of the parties.

ARTICLE 8 -- WAGES AND BENEFITS

8.04 If an employee reports for work at the regularly scheduled time for his/her shift, he/she will be entitled to a minimum of 6 hours' work or pay at his/her regular hourly rate, unless previously notified by the Company not to report for work. This provision shall not apply when lack of work is due to conditions beyond the control of the Company.

ARTICLE 9 -- OVERTIME

9.01

- (b) Time and one-half shall be paid for all hours worked on the employee's first or third day of rest.
- (c) Double time shall be paid for all hours worked on the employee's second day of rest, or on a Specified Holiday.
- (e) An employee on the 7 day, 12 hour continuous schedule shall be paid at the rate of time and one-half for all work performed in excess of the regular work schedule as per Article 7.02(c) and in excess of 84 hours in a two week period.

9.08 The continuous shift operation shall be considered as separate classifications and department(s) for overtime distribution purposes.

ARTICLE 13 -- SENIORITY

13.02 An employee working the 7 day schedule shall acquire seniority rights when the employee has worked a total of 45 working days within the period of 7 consecutive months following the date of hire.

The probationary period can be extended by mutual agreement of the parties. If an employee does not accumulate the designated days in the first 7 months from the date of hire, then, at such time as the employee does acquire seniority by accumulating the designated worked days, the seniority date will be the date 7 months prior to the date on which the employee acquired seniority.

ARTICLE 15 -- TRANSFERS

15.04

(a) An employee transferred to a higher rated job on the 7 day schedule will remain on a trial basis for the first 30 working days.

The preceding period may be extended by mutual agreement of the parties. While on such a trial basis a transferred employee will receive a wage rate of fifteen cents (15¢) per hour less than the new job rate or the previous job rate whichever is higher. In the case of an employee being transferred to a lower paying job the employee will receive the rate for the job.

PROBATIONARY RATE

The probationary rate for a new employee is \$1.00 per hour less than the **Job Rate** and applies during the first forty (40) worked days in the classification. After completion of the probationary period, the employee shall receive the Job Rate for the classification outlined in APPENDIX A WAGE RATES.

7 DAY PREMIUM

Employees working on the 7 day, 12 hour, 4 crew, 2 shift schedule of continuous operation shall receive a premium of 70 cents per hour for all hours worked.

ELECTION COVERAGE

If during the day when a municipal, provincial, or federal election is held, the Company is forced in accordance with the provisions of the applicable laws in these instances, to excuse the employees assigned to the 7:30 a.m. to 7:30 p.m. shift so that they can

vote, the Company and the Union shall meet prior to the election day to mutually agree upon a method to ensure shift coverage.

INSURANCE PLAN AGREEMENT

between

GRAHAM PACKAGING CANADA LIMITED

Burlington, Ontario

and

UNITED STEELWORKERS OF AMERICA,
A.F.L. - C.I.O., C.L.C.
LOCAL 1043

May 1, 1997

to

April 30, 2000

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INSURANCE PLAN

THE INSURANCE AGREEMENT FOR HOURLY RATED EMPLOYEES between **GRAHAM PACKAGING CANADA LIMITED** (hereinafter referred to as "the Company") and **THE UNITED STEELWORKERS OF AMERICA, LOCAL 1043** (hereinafter referred to as "the Union") as amended from time to time is hereby consolidated to describe generally the benefits thereunder as and from May 1st, 1997 to April 30th, 2000, except as otherwise provided, as follows:

ELIGIBILITY

Employees shall receive coverage for the benefits hereinafter referred to commencing on the first of the month following the completion of seventy (70) work shifts or a period of seven (7) months employment with the Company whichever period is the lesser.

STANDARD GROUP LIFE INSURANCE FOR EMPLOYEES

1. Effective May 1, 1997, the amount of life insurance shall be \$26,000.
Effective May 1, 1998, the amount of life insurance shall be \$27,000.
Effective May 1, 1999, the amount of life insurance shall be \$28,000.
2. The amount of life insurance on the first month following attainment of age 65 shall be \$3,000. for each employee retiring after May 1, 1994.
3. In the event an employee shall, prior to attaining the age of 65 become permanently and totally disabled by bodily injury or disease and upon due proof of such disability, the full amount of the life insurance as set out herein (but not accidental death and dismemberment insurance) shall be continued in force for the period of such disability (subject to the furnishing of due proof of its continuance) until termination of disability or until attainment of age 65 whichever shall first occur.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE FOR EMPLOYEES

1. Effective May 1, 1997, the accidental death and dismemberment insurance shall be \$26,000.
Effective May 1, 1998, the accidental death and dismemberment insurance shall be \$27,000.
Effective May 1, 1999, the accidental death and dismemberment insurance shall be \$28,000.
2. **The** full amount of the accidental death and dismemberment insurance benefit shall be payable if an accident causes the loss of life and/or the **loss** or the **loss** of use of:

both hands
both feet
the sight of both eyes
one hand and one foot
one hand and the sight of one eye
one foot and the sight of one eye.

One half of such amount shall be payable if an accident causes the **loss** of or loss of use of one hand, one foot or the sight of one eye provided, however, that the amount will be paid only once to or on account of any employee.

The accidental death and dismemberment insurance benefit shall be payable only when the death or dismemberment occurs within 365 days of the accident.

SICKNESS AND ACCIDENT INSURANCE FOR EMPLOYEES

1. The weekly benefit for disabilities shall be at the rate of sixty per cent (60%) of the employee's average weekly earnings (based on a forty [40] hour week) multiplied by the employee's base rate to a maximum of the amount payable by the Unemployment Insurance Commission benefit payable to the employee.
2. The minimum amount to be received by an employee under the above shall be \$270.00 per week.
3. Benefits will be paid to eligible employees unable to work due to an accident, or sickness not covered by the Workers' Compensation **Act**. The employee must be under the care of a Doctor licensed to practice medicine as defined in the Ontario Health Disciplines Act.
4. Benefits will be payable from the first day of disability due to accident, and from the eighth day of disability, due to sickness. However, if the employee is confined to a hospital for sickness, the benefits will be paid from the first day the employee is so confined to hospital. For disability due to a surgical procedure performed on an out-patient basis with no confinement to hospital, benefits will start as of the date following such surgery.

Benefits will continue to be paid for the duration of the disability not to exceed fifty-two (52) weeks for each period of disability for all employees. No benefits will be paid for any day on which an employee is eligible to receive holiday pay or while on a maternity leave of absence.

5. Periods of disability due to the same cause will be considered the same period of disability unless separated by return to full-time work for at least thirty (30) days. Periods of disability due to different causes may be considered different periods of disability if separated by return to full-time work.

6. Income tax will be deducted from any cheques paid for benefits set out above at a flat rate.
7. The Company and the Union agree that the sickness and accident plan as mentioned in the Insurance Plan Agreement will be registered with the Unemployment Insurance Commission and the total premium rebate shall be remitted to the Company.

HOSPITAL EXPENSE BENEFITS FOR EMPLOYEES AND DEPENDENTS AND EXTENDED HEALTH CARE PLAN

1. Basic Standard Ward Hospital Benefits otherwise referred to as insured services are provided to employees and dependents in accordance with the Ontario Hospital Insurance Plan as amended.
2. Except as may be herein provided, the Company assumes the cost of the monthly premiums for the insured services on behalf of each eligible employee.
3. The Company will provide coverage towards reasonable and necessary health expenses incurred by an employee or insured dependent as listed herein if not covered by a government plan from the first dollar of expenses, for: Blue Cross Extended Health Care coverage and Blue Cross Semi-Private Hospital Coverage in effect or equivalent with provision for vision care expenses up to the sum of
\$125.00 effective May 1, 1994
in total in any twenty-four month period or its equivalent for eyeglass lenses prescribed by a licensed physician or optometrist and frames for such lenses for the employee or qualified dependent plus hearing aid benefits for a once in a lifetime allowance to a maximum of \$400.00 provided the hearing aid is prescribed by a licensed physician for an employee or qualified dependent.

PRESCRIPTION DRUG PLAN

The Company will provide coverage to an employee and qualified dependents for the payment of expenses for drugs, serums, insulin and diabetic supplies purchased on the prescription of a medical practitioner.

The coverage will be Blue Cross Drug Twenty Cent Prescription Plan in effect or its equivalent and will be the same carrier as the Extended Health Benefits carrier.

DENTAL CARE PLAN

The Company will provide a dental plan equivalent to Blue Cross Dental Plan Number 7 plus coverage for endodontics, relining and rebasing of dentures and periodontal care

excluding periodontal prosthesis charges incurred for necessary dental services provided by a Dentist.

Effective May 1, 1997, the amount charged **shall** be paid to the maximum fees listed in the 1996 Ontario Dental Association fee schedule.

Effective May 1, 1998, the amount charged shall be paid to the maximum fees listed in the 1997 Ontario Dental Association fee schedule.

Effective May 1, 1999, the amount charged shall be paid to the maximum fees listed in the 1998 Ontario Dental Association fee schedule.

GENERALLY

All full-time hourly-rated employees, after the qualification period, shall be covered by the Company in each of the plans as set out herein which include:

1. Standard Group Life Insurance
2. Accidental Death and Dismemberment Insurance
3. Sickness and Accident Insurance
4. Hospital Expense Benefits and Extended Health Care Plan
5. Prescription Drug Plan, and
6. Dental Care Plan.

Coverage commences at the time of enrollment of the employee.

The Company shall pay the entire cost of all coverage, as set out herein.

The eligible dependents referred shall be as follows:

1. A person who is, and has, been living with the employee for an immediately preceding continuous period of at least one (1) year, and publicly represented by the employee as his or her spouse;
2. Unmarried children under 21 years of age dependent on the employee *for support*;
3. A mentally retarded or physically handicapped child of an employee, provided the child is unmarried, 21 years of age or over, dependent on the employee for support and was mentally retarded or physically handicapped and insured as a dependent immediately prior to age 21; and
4. Dependents confined in a hospital when becoming eligible are not insured until released from hospital.

CONTINUANCE OF COVERAGE

Coverage under all plans will be continued while the individual is actively at work as an employee of the Company.

LAYOFF

In the event of layoff, all insurance coverages will be continued by the Company at no cost to the employee until the end of the month following the month in which the layoff occurs. If an employee wishes to continue group coverage for the current benefit package beyond that time the employee may do so provided the premiums are remitted to the Company by the employee in advance of the applicable date. Weekly indemnity benefits and Dental Care coverage may not be continued during layoff. Continued coverage under this arrangement may be maintained only until the end of the twelve (12) month period following the date of layoff (i.e., until loss of seniority occurs).

LEAVE OF ABSENCE WITHOUT PAY

During an authorized leave of absence the Company will continue to keep the employee covered. No premiums will be paid by the Company for any month following the fourth week of an unpaid leave of absence. If an employee is granted a leave of absence in excess of four weeks and wishes to continue coverages, the employee must remit the required premiums to the Company in advance of the applicable due date. (All coverages except Weekly Indemnity Benefit and Dental Care Plan may be continued.) Such continued coverage will be canceled if the employee does not return to work at the time agreed upon at the outset of the leave.

SICKNESS, ACCIDENT AND WORKERS' COMPENSATION

Employees off work due to accident or sickness or Workers' Compensation will continue to be insured subject to the provisions of the Plan during the period in which they accumulate seniority but not to exceed 24 months.

TERMINATION

Except as described in "Layoff," "Leave of Absence," "Sickness, Accident and Workers' Compensation" sections above, all insurance will terminate should the employee's service with the Company terminate. Payment of all benefits will be canceled as of the first day of the month following termination.

The Plan as described herein may be appropriately modified or terminated where necessitated by Federal or Provincial statute or regulation. The benefits provided herein shall be reduced when and to the extent they are hereafter duplicated or supplemented in whole or in part by Federal or Provincial statute or regulation.

Should the terms and conditions of the coverage referred to herein be varied, extended, or restricted in more than a nominal manner by Federal or Provincial statute or regulation, the Company or the Union may terminate this Agreement upon thirty (30) days written notice. Upon the giving of such notice, the parties hereto shall promptly enter into negotiations, in an effort to agree upon such benefits as are to be continued in effect.

An insurance certificate or certificates shall be issued to each employee, outlining benefits and privileges under the Plan.

Each employee shall enroll dependents on a form or forms to be provided by the Company, and shall thereafter give immediate notice of any change of dependent status. Failure to give such notice may be grounds for a denial of the benefits provided herein until such notice is given, and such dependent becomes eligible for benefits.

The Company may enter into a contract or contracts with an insurance company or companies, or any other organization authorized to provide the benefits described herein, and upon so doing, the Company shall be relieved of any individual liability to any employee other than to maintain such contract or contracts in force. In the event any dispute shall arise, based on the question whether the Company has provided the benefits hereinabove described, such dispute shall be subject to the Grievance Procedure of the Agreement effective May 1st, 1997, including arbitration, omitting, however, all steps preceding presentation of the Grievance to the Company.

Except as provided in the clauses herein relating to termination of this Agreement, during the term of this Agreement, or of any renewal thereof, neither the Union nor any of its representatives shall (i) make any demand that this Agreement be changed in any respect or terminated, or that a new Insurance Plan or additional benefits be established for the employees, or (ii) engage in, or continue to engage in, or in any manner encourage or sanction any strike or other action which will interfere with work or production of the Company for the purpose of securing any such change, termination, new Plan or additional benefits, and except during the last three (3) months of the term of this Agreement or any renewal thereof, the Company shall not have any obligation to negotiate or bargain with the Union, with respect to any of the matters referred to.

SUBJECT TO THE FOREGOING, the said Insurance Agreement, as amended, shall continue in full force and effect until April 30, 2000.

Either the Company or the Union may request renegotiation of the provisions hereof effective on or after April 30th, 2000, upon not less than ninety (90) days prior written notice to the other party. In such event, if negotiations are not completed by the time this Agreement expires, this Agreement shall continue in full force and effect thereafter, with respect to the benefit provisions hereof, subject to termination upon thirty (30) days' written notice by either party to the other. Notwithstanding the termination of the

Pension and Insurance Agreements, the benefits described therein shall be provided for ninety (90) days following termination.

IN WITNESS WHEREOF the parties hereto have executed this Agreement this 2nd day of April, 1997.

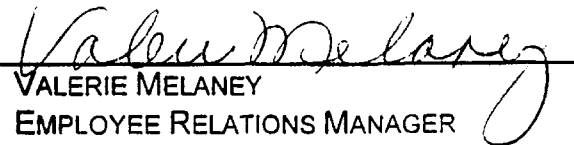
FOR THE COMPANY



GEORGE M. LANE
VICE PRESIDENT, HUMAN RESOURCES



MICHAEL GAUTHIER
PLANT MANAGER

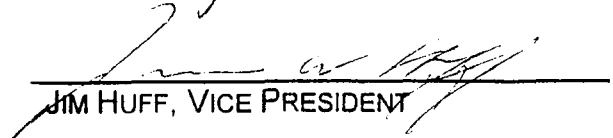


VALERIE MELANEY
EMPLOYEE RELATIONS MANAGER

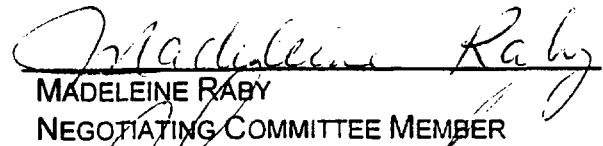
FOR THE UNION



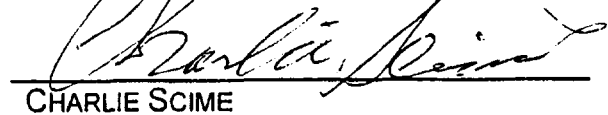
DOUG CONKLIN, PRESIDENT



JIM HUFF, VICE PRESIDENT



MADELEINE RABY
NEGOTIATING COMMITTEE MEMBER



CHARLIE SCIME
INTERNATIONAL REPRESENTATIVE

PENSION PLAN AGREEMENT

for Hourly-Rated Employees

between

GRAHAM PACKAGING CANADA LIMITED
Burlington, Ontario

and

UNITED STEELWORKERS OF AMERICA,
A.F.L. - C.I.O., C.L.C.
LOCAL 1043

May 1, 1997
to
April 30, 2000

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PENSION PLAN AGREEMENT

THIS AGREEMENT is made and entered into this first day of May, 1997.

BY AND BETWEEN:

GRAHAM PACKAGING CANADA LIMITED
Burlington, Ontario, Canada
hereinafter designated as "the Company" or "the Employer"

-- and --

THE UNITED STEELWORKERS OF AMERICA, LOCAL 1043
hereinafter designated as "the Union"

The Company and the Union agree that effective May 1st, 1994 the said Agreement and Plan shall read as hereinafter set forth and shall constitute the entire Agreement between the parties with respect to retirement income for employees covered hereby.

ARTICLE 1 DEFINITIONS

1.01 The following terms for the purpose of this Agreement only shall have the meaning set forth below:

1. **Accrued Current Service Pension** in respect of a Member at any date **shall** mean the sum of the individual amounts of Pension, payable from Normal Retirement Date, to which the Member is entitled in accordance with the provisions of Article 6 in respect of each year of Credited Service since the later of: December 31, 1970 and his date of hire.
2. **Accrued Pension** means the sum of Accrued Current Service Pension and Accrued Prior Service Pension.
3. **Accrued Prior Service Pension** in respect of any Member shall mean the accrued pension to which the Member became entitled from employment on or prior to December 31, 1970.
4. **Actuary** means a Fellow of the Canadian Institute of Actuaries appointed by the Employer to prepare such actuarial reports as may be required by the Employer or competent Government Authorities.
5. **Administrator** means the corporate employer, committee of individuals or trust company appointed by the Employer to be responsible for the overall operation and administration of the Plan.

6. **Credited Service** shall mean the period of years of an Employee's continuous employment by the Employer subsequent to December 31, 1970 as stated by the Employer, including an allowance for partial years to the nearest one-tenth of a year. Credited Service shall include any period during which the Employee is receiving benefits from the Sickness and Accident Insurance Plan or from Workers' Compensation; and exclude any period during which the Employee is on layoff in excess of two (2) months or any period during which the Employee is on an approved leave of absence in excess of two (2) months.
7. **Employee** means a person who is in the regular full time hourly-rated employment of the Employer.
8. **Employer or Company** as referred to in the PLAN shall mean Graham Packaging Canada Limited, or any prior Company who sponsored the plan.
9. **Insurer** means an insurance company licensed to transact business in Canada, which has entered into a contract with the Employer for the provision of benefits under the Plan.
10. **investor** means an insurance company, a trust company or individual trustees designated from time to time by the Company to receive, to hold, to disburse and as required, to invest the funds accumulated under the Plan.
11. **Member** shall mean an eligible Employee enrolled in the Plan.
12. **Normal Retirement Date** shall mean the first day of the month immediately following the month in which the Member attains the age of 65 years.
13. **Pension** shall mean a pension payable monthly to the recipient throughout the member's lifetime.
14. **Pension Fund** shall mean all monies, securities and assets of any kind which are on deposit with or held by an Investor appointed by the Employer, and from which the Pension benefits payable to retiring Employees under the provisions of the Plan will be paid or from which annuities for such benefits will be purchased.
15. **Plan** means the Pension Plan for Hourly-Rated Employees set forth herein and as amended from time to time, which shall be known as the "Graham Packaging Canada Limited Pension Plan for Hourly-Rated Employees."
16. **Plan Year** means the period from any January 1 to the following December 31
17. **Prior Plan** shall mean the Pension Plan of Graham Packaging Canada Limited Hourly Rated Employees in effect prior to December 31, 1970.

18. **Retired Member** means a person who is in receipt of a pension under the Plan.
19. Spouse means the person to whom the Employee is, and has been for at least one year, legally married; or on and after May 1st, 1978, if there is no such Spouse, means a person of the opposite sex who **is**, and who has been for an immediately preceding continuous period of at least one year, cohabitating and residing with the Employee and publicly represented by the Employee as his/her Spouse.
20. Where the context **so** admits, for words of masculine gender there may be read the corresponding words of feminine gender and words importing the singular number may be construed to include the plural number or vice versa.

**ARTICLE 2
ESTABLISHMENT OF THE PLAN**

2.01 The Plan **is** a revision of the Prior Plan and shall, as from January 1, 1971, supersede the Prior Plan. The revised Plan provides benefits for Employees who are eligible to participate in the Plan for Credited Service subsequent to December 31, 1970. Benefits accrued at December 31, 1970 are continued under the Plan in a separate provision within the Plan.

**ARTICLE 3
EFFECTIVE DATE**

3.01 The benefits herein set forth shall become effective May 1, 1997 and shall apply to all eligible Members who retire on or after May 1, 1997.

3.02 Those Retired Members who retired under the provisions of the Plan as it existed prior to May 1, 1994 and those Retired Members who retired under the provisions of the Prior Plan as it existed prior to January 1, 1971, shall continue to be eligible for benefits under such plans.

**ARTICLE 4
ELIGIBILITY**

4.01 Persons who are not Employees are not eligible for membership in the Plan. Employees are eligible for membership in the Plan on the basis set out in 1) and 2) below.

- 1) Employees who were Members of the Prior Plan on December 31, 1970 will automatically be Members of the Plan as from January 1, 1971.
- 2) An Employee who was not a Member of the Prior Plan on December 31, 1970 will be eligible for membership in the Plan as from the first day of the month following,

or coincident with completion of two (2) years of service provided such employee has not attained the age of 65 years.

ARTICLE 5 MEMBERSHIP

5.01 Each Employee who is eligible for membership in the Plan shall become a Member as from the date on which he becomes so eligible.

ARTICLE 6 MONTHLY PENSION BENEFIT

6.01 Effective May 1, 1997, the pension benefit shall be increased to \$17.00 per month per year of Credited Service subsequent to December 31, 1970.

6.02 Effective May 1, 1998, the pension shall be increased to \$18.00 per month, per year of Credited Service subsequent to December 31, 1970.

6.03 Effective May 1, 1999, the pension benefit shall be increased to \$19.00 per month per year of Credited Service subsequent to December 31, 1970.

ARTICLE 7 NORMAL AND EARLY RETIREMENT

7.01 **Normal Retirement** -- Except as provided in Article 7.03 and Article 9.01, a Member shall retire at his Normal Retirement Date.

7.02 **Normal Retirement Pension** -- As of his Normal Retirement Date each Member of the Plan shall be entitled to a pension for life equal to the sum of his Accrued Current Service Pension, calculated in accordance with Article 6, and his Accrued Prior Service Pension, if any.

7.03 **Early Retirement** -- Any Member who has attained the age of 55 and has at least **two (2)** years of Credited Service may retire at his/her own option.

Any member who has at least ten (10) years of Credited Service and has attained the age of 55 may be retired at the Company's option. In the case of a Member retired at the option of the Company after age 55 but before age 65 with ten (10) or more years of Credited Service, there shall be payable an immediate monthly pension benefit equal to his Accrued Pension.

7.04 **Early Retirement Pension** -- Any member who retires prior to his Normal Retirement Date in accordance with the provisions of Article 7.03 shall receive his Accrued Pension multiplied by the applicable factor as set forth in the following table: --

Age Attained When Pension Commences	Applicable Factor
55	44.9%
56	48.2%
57	51.9%
58	55.9%
59	60.4%
60	65.3%
61	70.8%
62	76.9%
63	83.8%
64	91.4%
65	100.0%

provided that the applicable factor is pro-rated for intermediate ages computed to the next whole month.

ARTICLE 8 BENEFIT ON TERMINATION OF EMPLOYMENT

2.01 A Member whose service with the Employer terminates other than by reason of death **or** retirement shall be entitled to a benefit as set out below:

- 1) A Member who has completed ten (10) years of continuous service with the Employer at his date of termination of employment shall be entitled to a deferred Pension payable from his Normal Retirement Date equal to **his** Accrued Pension **at** his date of termination.
- 2) A member whose employment ~~is~~ terminated on or **after** January 1, 1988 and after completion of **two (2)** years of Credited Service but prior to completion of ten (10) years of continuous service shall be entitled to a deferred Pension payable from his Normal Retirement Date equal to his Pension in respect of Credited Service and Plan amendments made on or after January 1, 1987.
- 3) A Member who receives a pension under I) or **2)** above may elect to receive his Pension between the ages of 55 and 65. Such Member will receive his Accrued Pension multiplied by the applicable factor set forth in Article 7.04.

**ARTICLE 9
DISABILITY BENEFITS**

9.01 An Employee who has at least ten (10) years of Credited Service and who has not retired under Article 7.01 or Article 7.03, and who becomes totally and permanently disabled as determined by the Company and as certified by a medical practitioner, will be entitled to an immediate Pension equal to his Accrued Pension at the date of disability. Disability benefits will be payable provided that the Employee has exhausted all benefits in the Sickness and Accident Insurance Plan.

9.02 No Member shall be deemed to be totally and permanently disabled for the purposes of this Plan if his disability:

- 1) is intentionally self-inflicted, or
- 2) resulted from his engaging in a criminal act for which he was duly convicted in a Court of Law.

9.03 Continuation of Disability Pension Eligibility -- A Retired Member in receipt of a pension under paragraph 9.01 may be required to submit to a medical examination at any time during retirement prior to age 65, but not more often than semi-annually, to determine whether he is eligible for continuance of the disability pension. If on the basis of such examination it is found that the Retired Member is no longer totally disabled or if the Retired Member engages in gainful employment, except for **purposes of** rehabilitation, all as determined by the Company, the Retired Member will be deemed recovered and his disability pension will cease. In the event the Retired Member refuses to submit to medical examination, the pension will be discontinued until the Retired Member is examined and it is established that the Retired Member is eligible to receive such pension.

9.04 Re-Employment-- If a Retired Member retired under Article 9.01 of this Plan is re-employed by the Company, all benefit payments shall be discontinued. Upon his subsequent retirement, benefits shall be re-determined under the applicable provision of the Plan, based upon his Credited Service prior to his original retirement and his Credited Service accumulated during the period of re-employment.

**ARTICLE 10
DEATH BENEFITS**

10.01

- 1) If the death of a Member occurs prior to his Normal Retirement Date, and if the Member has completed two (2) years of Credited Service, the Member's Spouse shall receive the lump sum equivalent of the pension that the member would have been eligible to receive in respect of Credited Service and Plan amendments made on or after January 1, 1987.

- 2) If a Member terminates employment on or after January 1, 1988 and such Member dies prior to receiving a Pension, the Member's Spouse shall receive the lump sum equivalent of the Pension that the Member would have been eligible to receive in respect of Credited Service and Plan amendments made on or after January 1, 1987.

10.02 In lieu of the pension otherwise payable, at least sixty (60) days before normal or early retirement a married Member retiring under Article 7.01 or Article 7.03, may elect to receive a reduced amount of pension commencing on the same date as the pension otherwise payable, so that if the member dies after retirement and is survived by his Spouse, a Spouse's pension shall be payable to the surviving Spouse during the surviving Spouse's further lifetime.

If the Member's age and the Spouse's age differ by not more than twelve (12) months, the Member shall receive a monthly pension equal to 90 percent of the monthly pension the Member would have received if the Member had not elected this option. Such percentage shall be increased by one-half of one percent up to a maximum of 100 percent for each full twelve (12) months by which the Spouse's age ~~is~~ greater than the Member's age or decreased by one-half of one percent for each full twelve (12) months by which the Spouse's age ~~is~~ less than the Member's age.

The Spouse of a Member who has elected the **above** option and who dies after retirement shall receive a monthly pension equal to 55 percent of the monthly pension which the Member was receiving prior to his date of death.

10.03 Under Ontario pension legislation, a married Member who is commencing receipt of his Pension must elect to receive a reduced amount of Pension **so** that if the Member dies after retirement and is survived by his Spouse, his Spouse shall receive a monthly pension equal to 60 percent (60%) of the monthly pension which the Member **was** receiving prior to his date of death. This election is required unless the Spouse has waived, on a prescribed form, her right to such Pension. The Pension payable under this Section 10.03 shall be the actuarial equivalent of the Pension set out in Section 10.02.

ARTICLE 11 GENERAL PROVISIONS

11.01 **Applicable Law** -- This Plan shall be construed and enforced according to the **Laws** of the Province of Ontario. If any provision of this Plan **is** illegal under an applicable Ontario Law or any applicable Federal Act, such provision shall be deemed not to be a part of this Plan, but without invalidating the remaining provisions of the Plan.

11.02 **Information from Applicants** -- The Company may require any applicant to furnish it with such information and certificates as may reasonably be required,

including, but not limited to, proof of age. If such applicant or Retired Member fails or refuses to furnish such information, certificates or other evidence, his benefit hereunder may be determined on the basis of information estimates which in the judgment of the Company are reasonable.

11.03 Protection Against Creditors -- Benefits under the Plan shall not be subject to assignment, pledge or encumbrance and any purported assignment, pledge or encumbrance of the same shall be wholly void and of no effect.

11.04 Written Explanation to Members -- Each Member will receive a written explanation of the terms and conditions of the Plan and amendments thereto applicable to him, together with an explanation of the rights and duties of the Member with reference to the benefits available to him under the terms of the Plan.

11.05 Payment to Others -- In the event any benefit payment hereunder becomes payable to any person who is under legal disability, or who, in the unanimous opinion of the Company, is unable properly to administer such payments, such payments may be made for the benefit of such person to the legally appointed guardian, trustee, or committee, or to any Spouse, parent, adult, child, brother or sister of such person for his welfare, support and maintenance, or may be applied directly for the welfare, support and maintenance of such person, as the Company shall determine.

11.06 The Pension Fund shall be established under a contract or contracts entered into between the Employer and the Investor. The Employer shall pay to the Investor such contributions as may be required in accordance with the provisions of Article 11.07.

All investments and re-investments of funds held in respect of benefits under this Plan shall be made in conformity with the requirements of the Pension Benefits Act of Ontario or any other applicable legislation then in effect.

11.07 The Company shall contribute monthly to the Pension Fund such amounts as may be determined by the Actuary as necessary to ensure that the Plan will meet its obligations and comply with the provisions of the Pension Benefits Act, 1965 of the Province of Ontario and with the provisions of other applicable Federal or Provincial legislation.

11.08 Discharge of Company Liability -- The payment of contributions as provided in paragraph 11.07 hereof shall be deemed to be a complete discharge of the Company's liability under this Plan. The payment of benefits is to be solely out of the Pension Fund and the Company is not obligated to make any benefit payments in any other way.

**ARTICLE 12
ADMINISTRATION**

12.01 The operation and administration of the Plan on a day to day basis is the responsibility of the Administrator. However, the Employer is empowered and shall be entitled to decide, consistent with these provisions as from time to time in force, all matters and questions in respect of the operation, administration and interpretation of the Plan.

At an interval of not more than three (3) calendar years after the date of the establishment of the Plan and subsequently at intervals of not more than three (3) years the Employer shall cause an inquiry to be made by an Actuary as to the liabilities existing under the Plan.

Upon commencement of the payment of Pension benefits under the Plan, the Member shall receive an individual certificate or an individual annuity contract issued by the Insurer specifying the Pension to which the Member is entitled under the Plan. If an individual annuity contract is issued, the Insurer shall be liable for and responsible to pay the amounts and benefits provided by such contract pursuant to and in accordance with the provisions of the Plan. If an individual annuity is not purchased at retirement, Pension benefits will be paid in monthly installments from the Pension Fund. Participation as a Member in the Plan does not and shall not give any Member the right to be retained in the employment or service of the Employer or any right or claim to retirement or other benefits except in accordance with the specific terms of the Plan.

At the time of enrollment every Member shall be required to furnish evidence of the date of birth satisfactory to the Employer.

**ARTICLE 13
DURATION OF THE AGREEMENT AND TERMINATION OF THE PLAN**

13.01 It is the intent of the Company and the Union that the Plan shall be and remain a registered plan so as to qualify under the appropriate provisions of the Income Tax Act. The Company shall promptly submit the Plan for registration and shall bear all expenses incident thereto. Until the Plan is accepted for registration, the benefits payable shall be only those determined under the Plan as previously so registered. Any excess amount comprised of the difference between the monthly pension calculated in accordance with the terms of the Plan as amended and the Plan prior to amendment shall be payable the first of the month following the month in which such acceptance is received. The Company and the Union agree to make any modifications, alterations or amendments to this Plan necessary to obtain and retain such approvals of the Minister of Revenue, or for the purpose of compliance with any applicable Provincial Legislation and Regulations thereunder as are required in order to establish the qualified status of the Plan and the deductibility for income tax purpose of Company contributions to the Fund.

13.02 This Agreement shall continue in effect until April 30, 2000 and shall continue automatically thereafter for annual periods of one year each, unless either party notifies the other in writing during **the** period of ninety (90) days prior to the expiration date that it desires to amend or terminate the Agreement.


13.03 Termination of the Collective Agreement **shall** not **have** the effect of automatically terminating the Plan. In the event of termination of the Collective Agreement, except as may be provided in any subsequent agreement between the parties, the Company may continue, amend, modify, or terminate the Plan **provided**, however, that **no** such action shall operate adversely to affect any benefits otherwise payable to retired Members, non-retired Members, former Members or eligible surviving Spouses, to the extent the assets of the Pension Fund are sufficient to provide such benefits at the time of such action if an allocation of the Pension Fund were made in accordance with Article 13.03 of this Agreement.

13.04 In the event of the discontinuance of the Plan, equitable provision will be made for the payment to Members, Retired Members and former Members of pension and other benefits, or the commuted values thereof, with respect to the service of such Members, Retired Members and former Members to the date of such discontinuance, in accordance with a description of priorities and methods of allocation to be established by the Actuary and approved by the Pension Commission of Ontario or other appropriate authority charged with the supervision of the Pension Plan under the appropriate legislation then in effect.

IN WITNESS WHEREOF the parties hereto have hereunto executed this Pension Plan Agreement this 2nd day of April, 1997.

**GRAHAM PACKAGING
CANADA LIMITED**

**THE UNITED STEELWORKERS OF
AMERICA, AFL-CIO, CLC
LOCAL 1043**



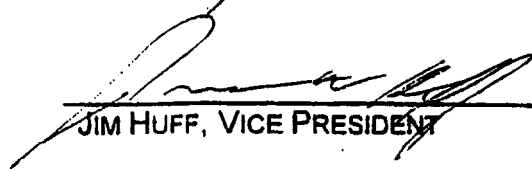
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VICE PRESIDENT, HUMAN RESOURCES



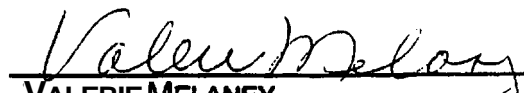
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MICHAEL GAUTHIER
PLANT MANAGER



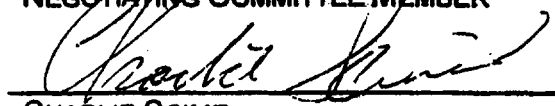
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