

ORIGINAL

**COLLECTIVE AGREEMENT**

**BETWEEN**

**FRITO-LAY CANADA**

**CAMBRIDGE, ONTARIO**

**AND**

**THE UNITED STEEL, PAPER AND FORESTRY,  
RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND  
SERVICE WORKERS INTERNATIONAL UNION (UNITED STEELWORKERS)  
ON BEHALF OF ITS LOCAL 4610**

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**PLANT AGREEMENT**

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## COLLECTIVE AGREEMENT

Between

FRITO-LAY CANADA,  
CAMBRIDGE, ONTARIO  
(Hereinafter called the "Company")

And

THE UNITED STEEL, PAPER AND FORESTRY,  
RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND  
SERVICE WORKERS INTERNATIONAL UNION (UNITED STEELWORKERS)  
ON BEHALF OF ITS LOCAL 4610  
(Hereinafter called "The Union")

### ARTICLE 1 - OBJECT OF AGREEMENT

- 1.01 The purpose and the intent of this Agreement is to provide co-operation and harmony, and to provide a channel through which information and adjustment of problems may be transmitted from one to another, as well as to cover hours, wages and working conditions.
- 1.02 It is further agreed that the development of a proper relationship can only be achieved and maintained by a reasonable and sensible approach, recognizing that the best possible working conditions are the objective of both parties.

### ARTICLE 2 - SCOPE AND RECOGNITION

- 2.01 The Company recognizes the Union as the sole and exclusive bargaining agent of all employees of Frito-Lay Canada at, Cambridge, Ontario save and except Supervisors, persons above the rank of supervisors, transport drivers, office, clerical and technical staff, sales staff, and students employed during the school vacation period. Temporary persons retained through an employment agency are not employees for the purposes of this agreement.
- 2.02 It is our intent that non bargaining unit personnel will not perform work performed by members of the bargaining unit except under the following conditions:
- a) to perform experimental or development work
  - b) for training
  - c) in cases of urgency
  - d) employee/employer relations
  - e) In any given week, full-time employees will be scheduled for and have an opportunity to complete their 40 hours, on their shift, before the Company employs non-Bargaining unit employees. Such opportunity will include completion of their normal job duties.
  - f) In any given week, full-time employees on 4A and 4B and Sanitation employees will be scheduled for and have an opportunity to complete their 40 hours, on their shift, before the company employs non-bargaining unit employees. Such opportunity will include completion of their normal job duties.

### **ARTICLE 3 - NO DISCRIMINATION**

- 3.01 There shall be no discrimination by the Company or the Union against an employee because of race, creed, age, colour, sex, marital status, nationality, ancestry, or place of origin, or religious, political or Union beliefs.

The company and union will comply with the Ontario Human Rights Code.

### **ARTICLE 4 - MANAGEMENT RIGHTS**

- 4.01 The Union acknowledges the right of the Company to manage its business in all respects, to direct the work force, and to introduce new or improved methods and facilities.
- 4.02 The Union further acknowledges that it is the function of the Company to hire, promote, demote, transfer and lay-off employees, and to suspend, discipline and discharge employees for just and sufficient cause. Any exercise of these rights in conflict or inconsistent with the provisions of this Agreement shall be subject to the provisions of the grievance procedure as set forth herein.
- 4.03 The listing of specific rights in this Agreement is not intended to be nor shall be restrictive of, or a waiver of, any of the rights of management not listed and specifically surrendered herein, whether or not such rights have been exercised by the Company in the past.

### **ARTICLE 5 - UNION SECURITY AND REPRESENTATION**

- 5.01 The Company shall deduct Union dues including, where applicable, initiation fees and assessments, on a weekly basis, from the total earnings of each employee covered by this agreement. The amount of dues shall be calculated in accordance with the Union's Constitution.

All dues, initiation fees and assessments shall be remitted to the Union forthwith and in any event no later than 15 days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers of America, AFL-CIO-CLC, P.O. Box 13083 Postal Station 'A', Toronto Ontario M5W 1V7 in such form as shall be directed by the Union (if the collective agreement does not have the International Union as the party then the word "Union" should be changed to the "International Union") to the Company along with a completed Dues Remittance Form R-115. A copy of the Dues Remittance Form R-115 will also be sent to the Union office designated by the Area Coordinator.

The remittance and the R-115 form shall be accompanied by a statement containing the following information:

- A list of the names of all employees from whom dues were deducted and the amount of dues deducted;
- A list of the names of all employees from whom no deductions have been made and reasons;
- This information shall be sent to both Union addresses identified in paragraph two (2) above, in such form as shall be directed by the Union to the Company.

The Company, when preparing T-4 slips for the employees, will enter the amount of Union dues paid to the employee during the previous year.

- 5.02 In event that Union dues are increased during the term of this Agreement, the Company shall be given fourteen (14) days' prior notice.
- 5.03 The Union shall indemnify and save harmless the Company, including its agents and employees, from any and all claims or actions, brought by an employee arising out of or in any way related to the deductions made in accordance with this article.
- 5.04 All employees as of the signing of this Collective Agreement who are members of the Union, and all employees who become members after such date, shall remain members of the Union.
- 5.05 The Company agrees to recognize employees of the Company (excluding probationary employees), elected or appointed as Stewards to deal with matters under the scope of this Agreement. There shall be a maximum of one (1) Steward for every twenty-five (25) employees in the bargaining unit, one (1) of which will be the Chief Steward. A list of these Stewards shall be supplied to the Company.
- 5.06 **Employees** will be accompanied by a Steward, **if available**, when being interviewed by a management representative relating to any form of disciplinary action by the company.
- 5.07 No Steward or member of a Union committee shall leave his post of duty during his normal working hours to discuss grievances with employees and/or Union Representatives without first receiving permission from his immediate Supervisor. This permission will not be unreasonably withheld. The Supervisor shall provide where necessary relief and such relief shall be within a reasonable period of time. If the Steward must enter another department he shall advise the supervisor of that department of his presence on union business. The Company agrees to pay the regular hourly rate for time so spent, or for time spent in meeting with the Company.
- 5.08 The Company shall provide a bulletin board for the use of the Union upon which the Union shall have the right to post notices relating to matters of interest to the Union and the employees. The contents of such notices shall not contain anything detrimental to Company interests.
- 5.09 The **Union Representative** or other known Executive of the Union may make arrangements with the Plant Manager or his appointee to enter the plant during business hours to interview employees for the purpose of hearing grievances. It is understood that such visits will be timed to cause as little disruption as possible to the normal conduct of business. It is further understood that Representatives of the Union will comply with Company regulations and restrictions.
- 5.10 The Company agrees to recognize a Negotiating Committee of up to six (6) employees, all members of the bargaining unit, for the purpose of negotiating amendments to this Collective Agreement. Providing sufficient notice is received, time off without pay will be granted to members of this Committee for preparation and negotiating purposes.
- 5.11 It is understood that the Company may need to sub-contract work, but the Company agrees to restrict the hiring of sub-contractors to perform such work on the plant premises to those instances where the work cannot be performed by Bargaining Unit employees due to unavailability of qualified personnel, inappropriate skills, cost effectiveness, safety considerations, or within required time limits.

## **ARTICLE 6 - CO-OPERATION**

- 6.01 During the term of this Agreement the Company agrees that there shall be no lock-out of employees and the Union agrees that there shall be no strike.
- Neither the Union, nor any of its stewards, officers or representatives, shall order, encourage or support a slow-down or a walk-out.
- 6.02 No employee shall conduct Union activities during working hours except as specifically permitted in this Agreement.

## **ARTICLE 7 - ADJUSTMENT OF GRIEVANCES**

- 7.01 Should any difference arise between the Company and any of the employees, or between the Company and the Union, as to the interpretation, application or alleged violation of any of the provisions of the Agreement, an earnest effort shall be made to settle such differences without undue delay in the following manner:

### **Step One:**

Prior to the submission of a written grievance, the employee will discuss the matter with his immediate supervisor and Steward if requested. Should the grievance not be satisfactorily settled, then:

### **Step Two:**

The employee concerned, accompanied by his Steward if he so desires, may within five (5) work days after the incident giving rise to the grievance occurs take the matter up with his immediate supervisor (either verbally or in writing) who shall give his answer within three (3) work days. Should the grievance not be satisfactorily settled then:

### **Step Three:**

The Unit Chairperson, ( in his absence the Unit Vice-Chairperson), the grievance committee, the grieved employee and his Steward, and a full-time Representative of the Union shall meet with the Human Resources Manager and Representatives of Management within fifteen (15) work days after the decision has been received at Step Two. The Company will render its decision within ten (10) work days following such meeting. Should the grievance not be satisfactorily settled, then it may be dealt with as hereinafter provided by Arbitration. The Company shall pay lost time for attending the grievance meeting for only the Unit Chairperson, Chief Steward and the representing Steward. Grievance meetings shall be scheduled to accommodate the Griever and the representing Steward. The Union may have no more than six (6) representatives at any grievance meeting.

Any grievance not appealed from the decision at Step Two of the Grievance Procedure within three (3) work days, shall be considered settled on the basis of the last decision.

- 7.02 The time limits mentioned in Article 7 may be extended by mutual agreement between the Human Resources Manager and the Unit Chairperson in writing.
- 7.03 (a) **In** the case of a wage grievance, the matter shall be taken up within seven (7) calendar days after the employee received his pay cheque for the period in which the grievance occurred.
- b) In the case where there is a mistake on an employee's pay stub exceeding fifty dollars (\$50.00), the Company will reimburse the employee within 2 working days after being informed of the problem.

- 7.04 Any difference arising directly between the Company and the Union as to the interpretation, application or alleged violation of any of the provisions of this Agreement may, if deemed necessary, be submitted by either party to the other at Step Three of the grievance procedure, within thirty (30) calendar days from the date on which the matter at issue arose.
- 7.05 In the event that an employee is suspended, discharged or involuntarily terminated from his employment, and believes that the action is without just and sufficient cause, or **is** in violation of any of the provisions of this Agreement, such action may, if deemed necessary, be taken up at Step Two of the grievance procedure, provided however, the grievance is filed within seven (7) calendar days from the date of said action. In such cases, the employee will be advised in writing, with a copy to the Union, of the reason for his suspension or dismissal within two (2) work days following the decision.
- 7.06 The Company shall not be required to recognize a grievance submitted by an employee after five (5) work days have elapsed from the date of the incident.
- 7.07 If the company does not reply to any grievances in the specified time limits set out in Article 7 the grievance(s) will be deemed to be in favour of the Union
- 7.08 Should the Company and the Union fail to reach agreement upon any grievance dealt with by them, then either party may refer it to Arbitration within twenty-one (21) calendar days after receiving the reply of the Company at Step Three as follows:
- 7.09 It is agreed that disputes which are carried to the Arbitration Stage shall be heard before a single Arbitrator. The Company and the Union, having expressed confidence in the ability of the undermentioned persons, agree that they shall be called to arbitrate on a rotation basis and in order of their listing.

Selection will be made from the List of Arbitrators in the manner indicated below:

- |                      |                       |                  |
|----------------------|-----------------------|------------------|
| 1. Morley R. Gorskey | 2. Mary Lou Tims      | 3. Margo Newman  |
| 4. Stan Beck         | <b>5. Paula Knopf</b> | 6. Gerry Charney |

If the Arbitrator, whose turn is indicated, cannot act within forty-five (45) days, the succeeding names will be approached in order until an Arbitrator is reached who can sit within forty-five (45) days. It is anticipated that the Arbitrator will submit the award within thirty (30) days from the date of hearing.

- 7.10 No matter shall be submitted to arbitration which has not been properly carried through all steps of the grievance procedure.
- 7.11 The Arbitrator shall not make any decision inconsistent with this Agreement, nor alter, modify or amend any part of this Agreement, but shall only consider the question in dispute.
- 7.12 In the case referred to in Article 7.05, the arbitrator has the discretion to uphold the Company's action or impose such other penalty as he deems appropriate in the circumstances.
- 7.13 The cost of the arbitrator shall be shared equally by the parties. Each party will pay its own costs, including those of its representatives.
- 7.14 **A copy of all written reprimands issued to any employee will be sent to the Unit Chairperson. Such letter will not remain on an employee's file for longer than one (1) year unless there has been a further written reprimand.**

Notes documenting consultations will be on file for three months. If consultations are followed by a written reprimand, these consultations will remain on file as described above.

## **ARTICLE 8 - SENIORITY**

- 8.01 Seniority is the principle of granting preference to employees in accordance with an individual's accumulated service, but only when an employee has the qualifications necessary to fill the normal requirements of the job in a competent manner. Seniority rights will apply only to the extent expressly provided in this agreement.
- 8.02 **An** employee will be considered on probation until he has completed 480 hours of actual work, including training, within a six **(6)** month period in the service of the Company. If found suitable, and on completion of the probationary period, the name of the employee will be placed on the seniority list dating back to the first day of the sixty (60) day probationary period.
- Probationary employees will not have recourse to the grievance and arbitration procedure.
- 8.03 In cases of lay-offs for lack of work and in recall, seniority shall govern and shall be subject to the matter of qualifications referred to in Article 8.01.
- 8.04 The Company shall prepare and post the seniority list and send a copy to the Union. The list shall be revised every six **(6)** months.
- 8.05 In the event an employee is laid off for lack of work, such employee shall retain his seniority for a period of twelve (12) months, and be entitled to recall. Within forty-eight (48) hours of being advised **of** a recall, such employee must notify the Company of his intent to return to work and make himself available for work within seven (7) calendar days after receiving such notice, providing the recall is for more than two (2) weeks.
- Subject to the provisions of the respective Benefit Plans, participation on such plans will terminate at the end of six months from date of lay-off.
- 8.06 Termination of employment and loss of seniority shall be deemed to have occurred if an employee:
- (a) resigns;
  - (b) retires;
  - (c) is discharged for just cause and is not reinstated;
  - (d) fails to return to work in accordance with the provision of Article 8.05;
  - (e) fails to return to work after the completion of a leave of absence on the date mentioned in the signed leave of absence form unless a reason satisfactory to the Company is given by the employee;
  - (f) **is** absent for three **(3)** consecutive work days without notifying of the Company, unless the employee was absent for reasons beyond his control;
  - (g) is on continuous lay-off for a period of twelve (12) months;
  - (h) has received termination allowance in accordance with Article 15.
- 8.07 When an employee is transferred out of the bargaining unit to a salaried position, he shall retain his seniority in the bargaining unit for two (2) calendar months. In the event that such employee does not return to his former position within two **(2)** calendar months, he shall lose his seniority standing in the bargaining unit.



- 8.08 In the event of transfer of operations to this plant from other Frito-Lay plants, employees possessing particular skills required by the operation shall be allowed to transfer into the bargaining unit with one (1) month's seniority. Company seniority will apply for the purposes of Vacation Entitlement, Pension and Benefits.
- 8.09 In the event of a transfer of an employee to the plant from the transport classification on a permanent basis, such employee will be assigned a General Labourer position with fully accumulated seniority. This article will not apply to a temporary transfer due to accident or illness where such transfers will be made under agreement between the Company and the Union.
- 8.10 Any break in seniority described in 8.06 above shall cancel seniority previously accrued. New seniority can be acquired after such breaks only after re-employment, in which case seniority shall date from such re-employment.
- 8.11 In time of war, seniority shall not be broken by reason of active service in the Canadian Armed Forces.
- 8.12 If more than one employee commences work with the Company on the same day, their names will be placed in a container and drawn out one at a time in succession **prior to the completion of their probationary period.** The names of these employees will be placed on the seniority list in the order their names were drawn, providing they complete their probationary period in accordance with Article 8.02. (Formerly Letter of Understanding - Seniority List)
- 8.13 It is understood the "Union Committee" referred to in this Collective Agreement includes the following:

Unit President  
 Unit Vice-president (plant)  
 Unit Vice-president (transport)  
 Unit Chief Steward  
 Unit Recording Secretary

A full-time International representative of the Union if requested by the Union.

## **ARTICLE 9 - VACATIONS WITH PAY**

- 9.01 The Company shall grant to all employees covered hereunder vacations with pay as follows:
- Employees who have completed one (1) or more years of service with the Company shall be entitled to two (2) weeks' vacation, with pay based on 4% of their gross earnings in the previous calendar year.
- Employees who have completed five (5) or more years of service with the Company shall be entitled to three (3) weeks' vacation, with pay based on 6% of their gross earnings in the previous calendar year.
- Employees who have completed ten (10) or more years of service with the Company shall be entitled to four (4) weeks' vacation, with pay based on 8% of their gross earnings in the previous calendar year.
- Employees who have completed twenty (20) or more years of service with the Company shall be entitled to five (5) weeks' vacation, with pay based on 10% of their gross earnings in the previous calendar year.

Employees who have completed twenty-five (25) or more years of service with the Company shall be entitled to six (6) weeks' vacation, with pay based on 12% of their gross earnings in the previous calendar year.

For each week of vacation, an employee will receive a minimum of forty (40) hours' pay at his hourly rate, providing the employee has worked during the calendar year in which the vacation is taken.

- 9.02 Employees shall receive their vacation pay on their last regular pay day prior to their vacation.
- 9.03 (a) If a paid holiday falls within an employee's vacation, the employee shall at their option receive a day's pay in lieu of the holiday, or a mutually agreed alternate day. This alternate day will not be unreasonably withheld provided that the employee gives 2 weeks written notice prior to the alternate day on a form supplied by the Company. Company will give written authorization within the next five (5) days after notification is given.
- (b) In the event the employee asks to use the accumulated holiday with less than the above mentioned notice, and the request does not interfere with production, the request shall be granted.
- 9.04 All employees by classification and seniority will be called in to the Shift Coordinator's office between December 1<sup>st</sup> and December 21<sup>st</sup> to select their vacation weeks for the period between the first full week of January of the subsequent year and the last full week in December of that same year. Any employee who for whatever reason does not supply his vacation request to his Shift Coordinator by December 21<sup>st</sup> shall forfeit his right to apply seniority to the vacation scheduling process, and shall receive vacations in times not already allocated, on a first come first serve, basis. Any employee not available between December 1<sup>st</sup> and December 21<sup>st</sup> can make their request prior to December 1<sup>st</sup> in writing to the Shift Coordinator.
- Selection of vacations shall be done in accordance with Article 9.06.
- Vacation requests submitted prior to the deadline will be scheduled on a seniority basis within departments and job classifications, by shift (including replacements), subject to the provisions of Article 9.05.
- Completed vacation schedules will be posted no later than January 15th of each year. Vacation grievances must be settled by February 1<sup>st</sup>.
- Any statutory holidays not taken by the end of November will be automatically paid.
- 9.05 Vacations will be assigned by classification, by plant seniority, within each department, by shift with the exception of those classifications with less than 3 employees/shift.
- 9.06 The initial selection of vacation weeks shall be a maximum of three (3) weeks. Each employee may receive three (3) weeks of their entitlement between the first full week in May and the last full week in August of the calendar year provided it is their initial selection. If an employee is entitled to more than three (3) weeks vacation, consideration for subsequent week(s) within this period will be given to such employee after the selection for the initial three (3) weeks of vacation is completed. For vacation outside of the May to August period, limits will be set based on the need to meet business demand.
- 9.07 Vacations may not be postponed from one year to another and made cumulative. However, an employee entitled to three (3) or more weeks' vacation, may postpone one (1) week to be taken in the succeeding year. Six (6) weeks' vacation in a calendar year is the maximum

entitlement, and therefore any postponed week must be taken before the calendar year in which the employee becomes entitled to six (6) weeks of vacation.

- 9.08 Subject to process of 9.04, once the vacation schedule is approved by the Company, the employee's vacation cannot be changed without the consent of the employee and the Company.
- 9.09 Any employee who has three or more weeks annual vacations entitlement may opt to not take one week of that vacation time, and instead redeem it for the vacation pay they would have otherwise received.

The request or the "cashout" of the vacation pay will be paid on their pay of their first vacation pay period after May 1.

Request for vacation must be made by completing a formal request for payout.

#### **ARTICLE 10 - PAID HOLIDAYS**

- 10.01 The following paid holidays shall be observed:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Day before Christmas Day
Canada Day	Christmas Day
Civic Holiday	Boxing Day
Day before New Year's Day	

There shall be one (1) additional paid holiday, the observance of which shall be scheduled on the Friday of the first week of March Break as determined in each year of the Agreement between the Company and the Unit Chairperson by the end of January in the year concerned.

- 10.02 To be compensated for a paid holiday, an employee must have worked the full required shift immediately prior to and following the day declared by the Company to be the paid holiday, unless such absence is excused by the Company. To determine whether the absence is excused, the Company will consider such factors as whether the circumstances were beyond the control of the employee. Absence due to illness will require a doctor's certificate.
- 10.03 If a paid holiday falls on a Saturday or a Sunday, then the holiday shall be observed on either the Friday prior to the holiday or the Monday after the holiday.
- 10.04 An employee who works on a paid plant holiday will receive his holiday pay and in addition, he will be paid at the rate of double (2) his regular rate for all hours worked.

#### **ARTICLE 11 - BEREAVEMENT ALLOWANCE AND JURY DUTY**

- 11.01 An employee absent due to a death in his family during periods when he is both scheduled and available for work shall receive the following entitlement for time lost during the period between death and three (3) calendar days following the funeral:

Up to three (3) days in the case of mother, father, sister, brother, children, spouse, parents-in-law, stepmother, stepfather, step children. In the event that an employee is on vacation during this time, the three (3) days off will be added to the end of this vacation.

Up to one (1) day in the case of grandparents, grandchildren, brother-in-law, sister-in-law.

Employees may be permitted up to two (2) extra weeks of leave in the event of long distance traveling but such extra days/weeks shall be granted without pay.

- 11.02 When an employee is called upon to serve on a jury or subpoenaed to appear as a witness, the Company shall pay the difference between the fee received from the Crown and the employee's regular weekly wage rate, provided:
- a) the employee furnishes proof of services by a statement of earnings supplied by the Court;
  - b) provides the Company with at least forty-eight (48) hours notice of when he is to report or immediately on notification;
  - c) returns to work if he is called and not kept; however, he shall not be required to report for work if less than two (2) hours of his normal day shift remains to be worked, nor shall he be required to report to work if he is scheduled on afternoon or evening shift;
  - d) such duty falls on a regularly scheduled work day the employee would have worked.

## **ARTICLE 12 - LEAVE OF ABSENCE**

- 12.01 The Company may, in its discretion, grant leave of absence without pay for legitimate personal reasons. Requests for such leave shall be made in writing to their Human Resources Manager, stating the reasons for such request and the proposed duration. The employee shall be advised of the Company's decision in writing at least fourteen (14) calendar days prior to such commencement date. Leaves of absence will not be unreasonably withheld.
- 12.02 An employee elected as a delegate to a Union Convention shall, upon request in writing received by the Company at least fifteen (15) calendar days prior to the commencement date of the leave, be granted a leave of absence without pay not to exceed three (3) weeks without a break in continuity of Company service. The three (3) weeks of leave may be extended at the discretion of the Company. It is agreed that no more than three (3) members of the Union be granted such leave concurrently by the Company.
- 12.03 A request for leave of absence because of pregnancy should be submitted to Human Resources at least four (4) months before the expected delivery date, and be accompanied by a written note from the attending physician indicating the expected date of birth and his recommendation that the employee is physically able to continue working.
- The Company will allow parental leave to eligible employees in a manner consistent with the Employment Standards Act of Ontario.
- 12.04 An employee who is adopting a child will be granted a leave of absence without pay, for such time as is necessary to fulfill the legal adoption requirements.
- 12.05 All leaves of absence will be granted without loss of seniority, however leaves of absence will not be granted for the purpose of allowing an employee to take another position, try out new work or venture into business for himself. His leave of absence shall be canceled, and his employment shall be terminated if he engages in activities other than those for which the leave was granted.
- 12.06 **An** employee selected to work on a full-time basis for the Union will, subject to the operating needs of the business, be granted a leave of absence without pay for a period not to exceed one (1) year. The request for such leave must be made one (1) month in advance of the date it is to commence, and not more than two (2) employees shall be granted such

leave concurrently under this Article. Such leave will not be unreasonably withheld. During such a leave the Union will pay the company portion of all benefits.

- 12.07 The company will grant upon request of the Union, four (4) union members in total to attend union educational leave at any one time without pay, not to exceed twenty (20) consecutive work days. Providing such request is made in writing at least ten (10) work days in advance to the Plant Manager or designate, such leave will not be withheld, with the exception of requests during prime time (as outlined in Article **9.06**). During prime time, these requests will be granted on the basis of 1 person per classification per week.

### **ARTICLE 13 - LAY-OFF AND RECALL**

- 13.01 If a reduction of staff or lay-off becomes necessary, employees will be laid off in the following order:
- (a) Those outside the scope of this contract performing bargaining unit work
  - (b) Employees on probation
  - (c) Employees in reverse order of their seniority, providing the employees retained are able to perform the work available in a competent manner without training.
- 13.02
1. In the event of a layoff of greater than three consecutive work days or 24 hours of scheduled work duration, affected employees will be assigned to other available jobs in the following order of priority:
    - a) Openings or positions occupied by less senior employees on other shifts within the same department, within their classification. In this instance, plant seniority within the department will be the governing factor.
    - b) In the event no positions exist within the department employees will be assigned to available jobs in other departments, wherever plant seniority permits, provided they are able to perform the available job competently, without the need for training.
  2. In the event of a layoff of three consecutive work days, or 24 hours of scheduled work or less the Company will reduce the work force on the shift affected by seniority.
  3. For layoffs **up to and including** one day, the Company will lay off by seniority on the shift affected within the affected departments.
  4. In the case of plant fogging the Company is responsible to advise those employees that are regularly scheduled to work during that period with a minimum notice of ten (10) calendar days before the fogging is to commence. Employees impacted may be allowed the opportunity to work overtime, if available, to cover lost time. If fogging is required in an emergency situation or at the directive of an outside entity no notice will be required and the opportunity to make up lost time will be at the company's discretion.
- 13.03 Except in an emergency, all employees (excluding employees on probation and students) laid-off in accordance with Article 13.01 shall receive notice when the weekly schedules are posted, when possible on Thursday.
- 13.04 The most senior employee will be recalled providing he has the qualifications to provide the work available without training, and in a competent manner.

## ARTICLE 14 - SAFETY, HEALTH AND SANITATION

- 14.01 The Company shall make reasonable provisions for the safety and health of its employees during the hours of their employment, including safety installations, personal protective equipment, and such other safety devices required to maintain safe working conditions.
- 14.02 It is the responsibility of the employee to observe such safety provisions and to immediately advise his supervisor of any unsafe working conditions. Each employee **is** expected to report promptly all injuries he suffers and all accidents involving the Company's property and equipment which occur while he is on duty.
- 14.03 Employees must be physically capable of meeting the performance requirements of their job in a safe manner. When that ability is in question, they must be certified medically capable of performing their job by a qualified doctor of their choice. If they are unable to meet these requirements, the Company will make every reasonable effort to provide alternate work or suitable modified work, prior to applying to any applicable benefit plans.
- 14.04 In consideration of the nature of the Company's business, the Union recognizes the need for maintaining high standards of sanitation and employee health in accordance with Federal and Provincial laws and regulations.
- 14.05 The Company and the Union agree to establish a Plant Safety Committee which will meet at least once each month or more as required. The Committee **is** to be comprised of not fewer than four (4) Union Representatives, one of whom shall represent the transport drivers group, appointed by the Union, and an equal number of Management representatives appointed by the Plant Manager.
- 14.06 All Company safety policies will be endorsed by the joint Safety Committee and posted on a bulletin board provided for such purposes.
- 14.07 The Company will pay up to a maximum of **one hundred and twenty dollars (\$120.00)** per calendar year toward the cost of safety shoes purchased by an employee.
- 14.08 "Day of Mourning"  
The employer recognizes April 28 as the annual day of remembrance for workers killed or injured on the job. The employer agrees to:  
Lower to half mast all flags flown at the workplace;  
Provide a minute of silence for all employees at 11:00 a.m. in memory of workers killed or injured on the job;  
Provide time off for the Unit Chairperson selected by the bargaining unit to attend Day of Mourning ceremonies in the community.

## ARTICLE 15 - TERMINATION ALLOWANCE

- 15.01 **An** employee, excluding an employee on probation, who is permanently laid off due to such causes as transfer or discontinuance of the manufacture of a product, introduction of new equipment or processes, closing of the Plant or part of the Plant, or other causes which, insofar as the Company can determine, permanently reduce the work force, shall be entitled to a Termination Allowance, in accordance with the following provisions:

NOTE:

For the purposes of this Article, a permanent lay-off is understood to be a lay-off which is expected to last continuously for a period of at least twelve (12) months.

1. The Company will advise the Union as soon as possible in advance if a permanent lay-off with Termination Allowance, as provided in this Article, is to take place.
2. An employee who is eligible for Termination Allowance shall be paid one weeks pay for each completed year of service, to a maximum of fifty-two (52) weeks' pay.
3. The amount of payment for each week will be calculated at forty (40) hours times the employee's regular hourly base wage rate at the date of termination.
4. An employee who is permanently laid off may elect to remain on the Plant seniority list for possible recall. In such cases, the Termination Allowance payment will be placed in trust with the Ministry of Labour for a maximum of twelve (12) months, during which time the employee may request payment with a complete break in service.
5. An employee who has received termination allowance will be given consideration for re-hire within the period of one year from date of receiving termination allowance.
6. The number of weeks Termination Allowance will not exceed the number of weeks remaining to an employee's normal retirement date.
7. Termination Allowance shall not be paid:
  - a) To an employee with less than five (5) years' seniority;
  - b) To an employee discharged for just cause;
  - c) To an employee who voluntarily resigns from the Company's employ
  - d) To an employee who retires from the Company's employ
  - e) In the event of closing the Plant or part of the Plant due to Acts of Nature, or in times of public peril, war, disaster or any other reason of similar nature.

## **ARTICLE 16 - HOURS OF WORK AND OVERTIME**

- 16.01 The normal work week shall consist of forty (40) hours per week and the normal work day shall consist of eight (8) hours per shift exclusive of an unpaid meal period. The work week shall normally consist of five (5) days. Maintenance<sup>4A/4B</sup>, Sanitation **and employees on 4C** are excepted from the 8 hour provision.
- 16.02 It is understood and agreed that the provisions of this Article are intended only to provide a basis for calculating time worked and shall not be considered a guarantee as to the hours of work per day or the days of work per week. However, the Company will endeavor to provide a normal work week to as many employees as possible, as business conditions permit.
- 16.03 Authorized hours worked in excess of the normal work week or the normal work day as outlined in 16.01 above shall be compensated at time and one-half the employee's regular straight time hourly rate.
- 16.04 There shall be no duplication or pyramiding of overtime payment nor shall the same hours worked be counted as part of the normal work week and also as hours for which an overtime premium is payable.
- 16.05 Consistent with efficiency of operations, there shall be a twenty (20) minute paid meal period in each full shift, and a ten (10) minute paid rest period in each completed half shift. for every two (2) hours of overtime worked immediately before or after his scheduled shifts, an employee is entitled to an additional ten (10) minute paid rest period.

- 16.06 All hours worked on the 6th day shall be paid at the rate of one and one-half (1 1/2) times the regular rate. All hours worked on the 7th day shall be paid at double (2) the regular rate. However, any hours worked on the 6th and 7th day which are a part of the basic work week will be paid at the regular rate. Employees scheduled on a four (~~4~~) day workweek shall be paid one and one-half (1 1/2) times the regular rate for all hours worked on the fifth (5th) scheduled day and double (2) time the regular rate for all hours worked on the sixth (6th) scheduled day. Hours worked on the seventh (7th) scheduled day, in excess of forty (40) hours worked for that workweek, will be paid at one and one-half (1 1/2) times the regular rate. **Employees scheduled on a three (3) day workweek shall be paid one and one-half (1 1/2) times the regular rate for all hours worked on the fourth (4th) scheduled day and double (2) times the regular rate for all hours worked on the fifth (5th) scheduled day. Hours worked on the sixth (6<sup>th</sup>) and seventh (7th) scheduled day, in excess of thirty-six (36) hours worked for that work week, will be paid at one and one-half (1 1/2) times the regular rate.**
- 16.07 All overtime is voluntary. If an employee is missed under Article 16.08 and/or 16.09, he will be offered an equivalent number of hours within seven (7) calendar days, over and above the normal overtime.
- 16.08 Overtime before or after a normal shift will be assigned to employees scheduled on that shift who have signed the required sheet and able to perform the work required, in the following priority:
- a) among full-time employees currently performing the job(s)
  - b) among full-time employees by seniority in the job classification in the department
  - c) among full-time employees by seniority in the job classification in other departments
  - d) any full-time qualified employee in the plant
  - e) any qualified employee in the plant.
- 16.09 With regard to the assignment of overtime, each department will have a seniority list from which overtime is allocated on a rotating basis by shift and job classification. Rotation for daily overtime will begin at the top of the list each week. Overtime on the 6<sup>th</sup> and 7<sup>th</sup> day and on Paid Holidays (outlined in Article 10.01) will also begin at the top of the list.
- 16.10 For 6<sup>th</sup> and 7<sup>th</sup> day and Paid Holiday (as per Article 10.01) overtime, it will be assigned to employees working the required shift during the week who have signed the required sheet, in the following priority:
- a) among full-time employees in the job classification by seniority order on the same rotation basis as 16.08 (a), (b), (c).
  - b) among full-time employees on the following shifts (in succession) in the job classification by seniority order on the same rotation basis as 16.08 (a), (b), (c).
  - c) any full-time qualified employee in the plant, first on the required shift, and then on the following shifts in succession
  - d) any qualified employee in the plant.



- 16.11 A shift premium of fifty (50) cents per hour will be paid to employees scheduled and working on a shift which commences between 12:00 noon and 6:00 a.m. An employee on a day shift who begins his shift prior to 6:00 a.m. as a result of overtime will not receive the shift premium for any of the hours worked.
- 16.12 An employee will not be requested to change his shift after the work week has commenced.

#### **ARTICLE 17 - WAGES AND JOB RATE RULES**

- 17.01 Basic rates of pay during the term of this Agreement shall be in accordance with Appendix A.
- 17.02 **An** employee with a minimum of one (1) year's seniority and six (6) months' continuous experience on the job, who is not scheduled on his bid job as a result of a business fluctuation or job restructuring, shall receive not less than the hourly rate of his bid job for one (1) year following the cutback, subject to the following:
- a) an employee, whose rate is protected, may be assigned by the Company to any available job opening, subject to Article 18.
  - b) in the event an employee, on a protected rate, is assigned to a higher rated job, he shall receive the higher rate while performing such job.
  - c) if an employee, whose rate is protected, fails to accept an assignment in accordance with Section (a) above, he shall forfeit his rate protection and shall be paid the rate of the job he is assigned.
  - d) an employee will be scheduled back on his bid job when it is again available providing the job is not down for more than twelve (12) consecutive months. An employee whose bid job is down for more than twelve (12) consecutive months will lose his rights to such job.
  - e) In the event an employee, whose rate is protected, bids for and is the successful applicant to a replacement position which has been posted in accordance with Article 18, he does not forfeit his claim to his former bid job and its rate protection.
  - f) in the event that an employee, whose rate is protected, bids for and is the successful applicant to a job opening which has been posted in accordance with Article 18 he forfeits his claim to his former bid job and its rate protection.
  - g) in the special case where an existing job(s) is changed creating a new job, displaced incumbent(s) will be given the opportunity to fill the new job in accordance with Article 18.02 prior to posting the new job.
- 17.03 An employee, called in to work from off the premises for a special work assignment, shall be paid the applicable rate for all hours worked, with a minimum of four (4) hours pay at his straight time rate.
- 17.04 **An** employee, if qualified and available, may be assigned by the Company to a job other than his regular job for a temporary period up to sixty (60) days of work and shall, during the period of such assignment, receive his regular rate or the rate of the job to which he is assigned, whichever is higher.
- 17.05 If an employee reports to work and there is no work available, he may be eligible for four (4) hours' pay at the regular rate. This provision does not apply where the lack of work is the result of conditions beyond the control of the Company.

- 17.06 If a job is eliminated in a classification, and providing the employees remaining in the classification have the necessary qualifications to fill the remaining jobs, the junior incumbent will be reclassified as a General Laborer. If the displaced employee has the minimum seniority and service requirements of Article 17.02, he will retain his classification and Article 17.02 will apply. The Union will be notified before any changes are put into effect as a result of this clause.

## ARTICLE 18 - POSTING AND FILLING OF POSITIONS

- 18.01 All job vacancies or replacement positions which need to be filled for more than sixty (60) work days within a six (6) month period, shall be posted for three (3) work days and awarded within twenty (20) work days, or sooner if possible. Employees on different shifts of a vacant job will be offered and granted the shift preference for the vacant job by seniority before the job is posted. The name of the successful applicant will be posted **immediately after selection.**
- 18.02 Seniority, aptitude and ability to perform the job in a competent manner shall be the determining factors in selecting applicants. Seniority shall be the governing factor when aptitude and ability are considered by the Company to be equal. Full time jobs will be offered first to those in replacement classifications in seniority order. If no replacement employee bids upon an available vacancy, the most junior replacement employee shall be assigned to the position, if the available vacancy is on the same workweek (applicable to those employees grandfathered on Monday to Friday shifts).
- 18.03 The successful applicant on a bid job shall be considered to be on trial/training for a period not exceeding thirty (30) work days during which time he will receive the hourly rate of the bid job. An employee, who fails to qualify for the job, shall be returned to his former classification, rate and shift.
- 18.04
- a) An employee may bid on any full time job opening.
  - b) **An** employee may bid on any replacement job opening provided it is on the same work week schedule as the employee's full time position.
  - c) Employees holding a replacement position for a specific classification will be eligible for a vacancy in that classification whether such vacancy occurs in an Alternate Work Week Schedule or on a Monday to Friday schedule.
- In a), b) and c), an employee can be the successful applicant only once within a twelve month period when the new job does not carry a higher wage rate.
- 18.05 An employee must decide during the first fifteen (15) work days of his trial/training period if he wishes to continue on the job or return to his former classification.
- 18.06 Nothing within this article limits the Company's right to assign or transfer employees within the same classification to different job assignments within that classification.
- 18.07 This article will not apply where the vacancy is caused by illness, accident, vacations, WCB or leaves of absence including maternity leave. Such vacancies may be filled at the sole discretion of the Company, due consideration being given to senior employees available under Article 17.02. For an extended absence, the Company will consult with the Unit Chairperson.

## ARTICLE 19 - SHIFT PREFERENCE

### 19.01 Timing

**Shift bidding will occur as follows:**

- a) Starting from a date one month after the ratification of this contract.**
- b) On an annual basis if required, prior to vacation scheduling.**

### Process

The process of shift bidding will take place during a three week period. At this time, employees shall submit their preferences for shift allocation in writing to the HR department. A form will be provided for this purpose.

- 19.02 Plant seniority within the posted job classification shall be the determining factor in assigning individuals to shifts.
- 19.03 All shift transfers shall be made on the third Monday following the close of the bid period described in 19.01 above.
- 19.04 Only employees holding a posted job (excluding training and replacement positions) can exercise shift preference. All other employees shall be assigned as needed.
- 19.05 Employees will submit a first and second shift preference during the bid period. After their preference is granted, the remaining choice shall be dropped. In event neither preference can be granted the employee will go where assigned.
- 19.06 All employees off work at the time that shift preference bidding takes place shall have the right to submit a shift preference request. Such requests must be submitted to Human Resources during the open period described in 19.01 above. A special form will be provided for this purpose. In all cases, it will be the sole responsibility of the affected employee to obtain and submit the form on a timely basis. Shift vacancies created by illness, WCB, or LOA will be filled by offering temporary shift assignment to the most senior employee in that classification on other shifts.
- 19.07 Postings for vacant jobs will include details regarding the shift on which the opening exists.
- 9.08 All employees holding posted jobs (except training or replacement positions) who do not submit a bid for shift preference during the open period shall be assigned as needed. Employees will be provided a dated and signed copy of their completed bid shift as proof of submission.
- 9.09 Request for shift trading must in all cases be approved by the department supervisor or his representative. Management will not unreasonably withhold permission; employees may be allowed to trade a maximum of ten shifts in a calendar month. Exceptions will be considered on a case by case basis. **Any** further requests for an extension to the trading will be offered by seniority to the senior employee in that classification on the required shift.  
  
Shift trading shall not be permitted when such trade creates the need for overtime payment. Employees who are laid off or who lose overtime opportunities as a result of shift trading shall not have recourse to the grievance procedure. The Company reserves the right to revoke the shift trading program at any time, should it become problematic or interfere with the smooth and efficient operation of the plant.
- 19.10 It is understood that employees absent for any reason will be solely responsible for ascertaining their proper shift and work assignment prior to their return.

19.11 For the purposes of this collective agreement, "department" or "areas" are defined as follows:

- Extruded Processing
- Potato Chip Processing
- Tortilla Processing
- Packaging
- Shipping/ Receiving / Carton Sort
- Sanitation
- Maintenance
- Quality Assurance

These departments will apply for purposes of overtime, layoff and vacation.

19.12 Because employees in the G/L classification currently work plant wide rather than in a specific department as outlined above:

- Employees in G/L classification may bid on shift preference during the open period
- Such employees will be assigned to specific areas/departments by shift preference

#### **ARTICLE 20 - BENEFITS**

20.01 All eligible employees (excluding employees on probation) shall, subject to the conditions therein, have the benefits outlined in Appendix B. Throughout the life of this Agreement, the Company will not change any of the participating benefits provisions without prior consent of the Union.

20.02 Five-twelfths of the UIC premium reduction received by the Company as a result of the registration of its sick leave plan has been applied to offset the cost of benefits provided under this agreement, pursuant to the employee's entitlement under the applicable legislation.

#### **ARTICLE 21 - GENERAL PROVISIONS**

21.01 Use of the masculine gender in this agreement shall be considered also to include the feminine, and the plural to include the singular.

21.02 The Company shall furnish three (3) uniforms of its choice per calendar year to be ordered 1 month after ratification and by February of each year thereafter and to be worn by employees while working in the plant. Each employee will be responsible for cleaning and maintaining the uniforms in suitable condition.

21.03 The Company agrees to inform the Unit Chairperson in writing, of all permanent changes in supervision.

21.04 Maintenance Mechanics, Machinists, Specialists, Carpenters, the ~~4th~~ Class Stationary Engineers and Electricians with at least one years' seniority and completing the trial period, shall receive during the first week in January each year a cheque in the amount of two hundred (\$200.00) to be used for the replacement of worn or lost tools or the purchase of new tools. It is understood such employees must maintain an adequate complement of tools for the performance of their duties.

21.05 The rate for new hires shall be \$2.00 per hour less than the employee's classification rate for the duration of the probationary period, and \$1.00 per hour less than the employee's classification rate for the next six (6) month period.

**ARTICLE 22 - TERM OF AGREEMENT**

22.01 This agreement shall be in effect until midnight of this **2nd day of January, 2009**, and from year to year thereafter unless either party gives the other, not less than thirty (30) nor more than ninety (90) days prior to such expiry date, a written notice of its intention to terminate this Agreement or seek amendments to same, in which cases this present Agreement shall remain in force during negotiations for its renewal or amendment.

IN WITNESS WHEREOF the parties have signed this Agreement on the 3 1st day of January 2006.

THE COMPANY

THE UNION

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## APPENDIX "A"

It is understood:

The Company will negotiate any proposed wage rate changes with the Union. The Union will not unreasonably withhold consent to any proposed increase.

This Letter of Understanding is in effect during the life of this agreement and must be renewed upon its expiry.

<b>CLASSIFICATIONS AND HOURLY WAGE RATES</b>				
<b>(Plant)</b>				
		3%	3.25%	3.25%
<i>Classification</i>	<i>Current Rate</i>	<i>January 3, 2006</i>	<i>January 3, 2007</i>	<i>January 3, 2008</i>
	<i>As of Jan.2/05</i>	<i>Rate</i>	<i>Rate</i>	<i>Rate</i>
Maintenance Tech 1	\$25.24	\$26.00	\$26.85	\$27.72
Maintenance Tech 1 (4A/4B)	\$30.27	\$31.18	\$32.19	\$33.24
Maintenance Tech 2	\$24.04	\$24.76	\$25.57	\$26.40
Maintenance Tech 2 (4A/4B)	\$28.94	\$29.81	\$30.78	\$31.78
Maintenance Tech 3	\$20.24	\$20.85	\$21.52	\$22.22
Maintenance Tech 3 (4A/4B)	\$24.72	\$25.46	\$26.29	\$27.14
Receiver	\$18.67	\$19.23	\$19.86	\$20.51
Pkg. Operator	\$18.55	\$19.11	\$19.73	\$20.37
Process Operator	\$18.55	\$19.11	\$19.73	\$20.37
Sanitation Tech 1	\$18.55	\$19.11	\$19.73	\$20.37
Sanitation Tech 2	\$17.14	\$17.65	\$18.22	\$18.81
Seasoning Operator	\$17.14	\$17.65	\$18.22	\$18.81
Lab Tech 1	\$17.46	\$17.98	\$18.56	\$19.16
Lab Tech 2	\$17.14	\$17.65	\$18.22	\$18.81
Storekeeper	\$18.67	\$19.23	\$19.86	\$20.51
General Labourer	\$15.93	\$16.41	\$16.94	\$17.49
Packer	\$17.14	\$17.65	\$18.22	\$18.81
Potato Inspector	\$17.14	\$17.65	\$18.22	\$18.81
Warehouse Tech 1	\$17.14	\$17.65	\$18.22	\$18.81

## **APPENDIX "B"**

### **BENEFIT PLANS**

#### **PREAMBLE**

The Company provides a comprehensive benefits program, as described below.

The benefits program is mandatory for all eligible employees, and consists of: Extended Health, Dental, Life and Accidental Death and Dismemberment insurance; a Non-Occupational Accident and Sickness Disability Plan, and Long Term Disability Plan.

The Company also provides a Pension Plan as described separately in this Appendix.

#### **ELIGIBILITY FOR BENEFITS**

Employees become eligible for coverage, and begin to pay premiums as set out below, on the first day following completion of the probationary period. For Medical and Dental benefits, coverage includes all eligible family members, including your spouse and your unmarried dependent children under the age of 21, with an age 25 education extension..

#### **EMPLOYEE CONTRIBUTION TO PREMIUMS**

Employees will contribute \$24 per month towards the cost of the benefits program as set out below.

### **MEDICAL**

#### **DEDUCTIBLE**

You pay an annual deductible of \$25 (single) or \$50 (family) for Extended Health Care.

#### **REIMBURSEMENT**

Frito-Lay Canada reimburses you for 80% of your first \$1,500 of annual Extended Health Care expenses, and 100% for any of these expenses above \$1,500. The deductible does not apply to hospital accommodation, vision care or hearing aids. You also receive reimbursement of these expenses, up to the maximum amounts.

#### **CLAIMS**

You may obtain claim form and pre-addressed envelopes from your local Human Resources Representative. Complete the form and return it with all your receipts directly to our insurance company Maritime Life Canada. Please make sure each receipt shows the name of the patient, the doctor, and the nature and date of each expense. All extended Health claims must be submitted within 18 months of the date incurred. Please make sure you keep copy of receipts for your records.

## **CO-ORDINATION OF BENEFITS**

If you have medical or dental coverage through another plan (for example, through your spouse's employer), you can submit claims under both plans. In this way, you may receive reimbursements for up to 100% of your eligible expenses. Co-ordination of benefits works like this:

If your other plan does not include a coordination of benefits provision, send all claims to that plan first.

If both plans include a coordination of benefits provisions, send claims first to the plan under which you are enrolled as an 'employee'. Once you receive your reimbursement from the first plan, send all information regarding your claim to the second plan; you may be entitled to receive the amount not covered by your first plan.

Send claims for dependent children first to the plan of the parent whose birthday is earlier in the year.

## **COVERAGE**

- Semi-private or preferred hospital accommodation (\$75 per day above OHIP coverage); no deductible
- Drugs requiring a prescription and certain other life-sustaining drugs;
- Private duty registered nurse (up to \$10,000 in 36 consecutive months);
- Physiotherapy prescribed by a physician up to the provincial fee schedule maximum after provincial coverage is exhausted
- Convalescent hospital (\$10 per day up to 120 days);
- Treatment for sound natural teeth injured in an accident;
- Hearing aids (up to \$450 per person in every 36 consecutive months); no deductible
- Orthopedic foot devices, when prescribed by a Orthopedic Surgeon for arch supports, molds, or orthotic devices, but not for sports up to \$200 per 24 month period or 12 month period if under age 18;
- Orthopedic shoes, up to \$100 per person per year.
- Vision care (up to \$175 per person every 24 consecutive months for glasses or contact lenses, and repairs; a special one time contact lenses benefit of \$250 (maximum) is payable only once during a lifetime);
- Reasonable and customary expenses for emergency treatment required while traveling outside the province for up to 14 days (or more if you cannot be moved to a hospital near your home) less any amount paid by OHIP.
- Services of a Psychologists or Speech Therapist (prescribed by a Physician), Chiropractic, Christian Science Practitioner, Naturopath, Osteopath, or Podiatrist, up to a maximum of \$200 per person per year for each service.
- Professional emergency ambulance services
- Medical equipment, special supplies, diagnostic lab and x-rays, but excluding personal comfort, convenience, exercise, safety, self-help or environmental control items, or items which may be used for non-medical reasons.
- Smoking cessation products (Nicorettes and nicoderm patches) to a life time maximum of \$200

**PLUS ANY OTHER CHANGES THAT MAY FROM TIME TO TIME BE MADE IN THE SALARIED MEDICAL PLAN.**



## **DENTAL**

The Dental Plan provides coverage for a full range of services based on the Ontario Dental Association (ODA) Fee Guide, with a one year lag.

### **DEDUCTIBLE**

There is no deductible under the Dental Plan.

### **PREDETERMINATION TREATMENT PLAN**

If you or a member of your family needs dental work exceeding \$300, ask your dentist to prepare a treatment plan. Submit the treatment plan to our insurance company, Maritime Life Canada. They will let you know what procedures the plan covers, and how much it will pay.

### **PREVENTATIVE SERVICES**

You are reimbursed for 100% of the cost of the following preventative services once every six months:

- Oral examinations;
- X-rays;
- Cleaning;
- Fluoride treatments

### **MINOR RESTORATIVE SERVICES**

You are reimbursed for 100% of the cost of the following minor restorative services;

- Fillings;
- Root canals;
- Gum disease treatment;
- Extractions;
- Oral surgery;
- Denture repairs; relining and rebasing
- Anesthesia;
- Crown/bridgework repair, resurfacing or recementing
- Antibiotic drug injections

### **MAJOR RESTORATIVE SERVICES**

You are reimbursed for 50% of the cost of the following major restorative services for teeth extracted while insured, to a maximum of \$1,500 per person per year.

- Onlays and inlays;
- Crowns and bridges;
- Dentures (including replacement of dentures at least five years old)
- Retentive pins

### **ORTHODONTIC SERVICES**

You are reimbursed for 50% of the cost of braces and other treatments required to straighten teeth for dependent children only. The lifetime maximum for orthodontic services is \$2,000 per child.

### **LIMITATIONS**

Some limitations to your coverage include cosmetic dental procedures and temporomandibular joints appliances. If you have any questions about whether a procedure will be covered please call Maritime Life Canada at 416-480-6331 prior to treatment.

## **LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT**

Coverage consists of \$50,000 in term life insurance. Optional term life insurance is available at employee cost as follows:

		<u>Cost</u>
Spouse	\$10,000	\$1.50/month
Dependent Child	\$5,000	\$0.88/month

## **RETIREE LIFE INSURANCE**

If upon retirement, an employee has ten or more continuous years of service, he is eligible to receive a \$2,000 Paid-Up Insurance Certificate.

## L ACCIDENT AND SICKNESS DISABILITY PLAN

### (a) Eligibility for Benefits

On the first day following completion of the probationary period.

To establish eligibility for benefits, an employee must show disability due to non-occupational accident or sickness by reasonably satisfactory evidence which in the company's judgment prevents him from performing normal work assignments. No supplemental benefits are payable until an Attending Physician's Statement has been submitted attesting to the nature and severity of the disability, and certifying that the disability precludes the employee from performing regular work assignments.

Further, the company, at its discretion and expense, may have a physician of **its** own choice examine any employee who seeks benefit payments

### (b) Basic Benefits (75% basic pay)

Twelve (12) days of Basic Benefits are credited at employment, and on each subsequent anniversary thereafter; unused benefits may accumulate to a maximum of 130 days. Benefits are payable after a three (3) calendar day waiting period for as many days as the employee has credit. However, the waiting period is removed in cases where the disability is a result of a non-occupational accident, surgery or hospitalization (overnight).

### (c) Supplemental Benefits (60% basic pay)

When Basic Benefits are exhausted, the plan will pay Supplemental Benefits for the balance, if any, of the 130 day benefits.

### (d) Discontinuance of Benefits

An employee who is discharged or who would not have worked due to a layoff, strike or suspension of employment during the course of the disability.

- (i) Where the disability occurs two months or less before the separation, layoff, strike or suspension of work, and notice of the separation, layoff, strike or suspension of work is given prior to the occurrence of the disability, benefits may be terminated at the earliest at the time of Separation, layoff, strike or suspension of work, and
- (ii) Where (i) does not apply, benefits are continued after the separation, layoff, strike or suspension of work for the duration of the disability or for a total period not to exceed 15 weeks.

### (e) Employees Not Actively Employed

An employee who becomes disabled while on lay-off, leave of absence or vacation, or while on strike, suspension from work or otherwise not actively employed, **is** not eligible for benefits during any such period.

The employee will be eligible for benefits under this Plan on the first regularly scheduled working day on which he would have returned to work but for the disability, and absence on such day will be deemed the first day of the waiting period for purposes of determining when benefits start.

(f) Exclusions

No payment will be made under the Plan with respect to absence from work due to the following reasons:

- i) disability arising from or in the course of employment by another employer, and where the employee had an employee/employer relationship with the other employer, received remuneration for his services, and where the other employer is liable to provide worker's compensation or other insurance coverage.

Furthermore, if an employee receives remuneration from other sources, other than unemployment insurance, while disabled benefit payments under the Plan will be reduced accordingly.

- ii) disability caused by or resulting from use of alcoholic beverages, stimulants, drugs or narcotics, unless the employee is participating in a Frito-Lay Canada sponsored program toward rehabilitation.

(g) Definitions

A. Disability

"Disability" means the inability or incapacity to perform regular work assignments resulting from sickness or accident not arising from, or in any way related to, the course of employment. Any disability arising out of or in the course of employment, which is compensable under the Workers' Compensation Law of the province is not a disability under this Plan.

B. Hospitalization

"Hospitalization" occurs when the employee is admitted to and confined in a duly constituted hospital as a bed patient for care and treatment of sickness, or hurt, injury or damage to the body as a result of an accident.

## **LONG TERM DISABILITY BENEFITS**

LTD benefits provide continuing income if you are disabled and prevented from working for more than twenty-six weeks because of a disease or an injury (as defined in the previous section (g) Definition A. Disability).

### **i) Waiting Period**

Your disability must prevent you from working for more than twenty-six weeks before you are eligible for LTD benefits. Your LTD benefit, paid directly to you by Maritime Life Canada, is 60% of your earnings less any disability benefits paid to you under the Canada Pension Plan, Worker's Compensation, and any other applicable disability insurance plan.

Periods of disability that arise from the same or related cause separated by less than three months of full-time employment, will be counted toward the waiting period.

If you return to work after receiving LTD benefits, and then reïncur the same disability within three months of your return, you do not have to begin another waiting period, but LTD benefits will resume subject to the normal provisions of the Plan.

### **ii) Disability Requirements**

For the first two years after the twenty-six week waiting period, your disability must keep you from performing the essential duties of your occupation (the type of work, not limited to the employee's own job) or any Frito-Lay Canada job or position for which you are eligible and qualified to perform, and which is offered to you.

Thereafter, to collect LTD benefits, your disability must prevent you from engaging in any gainful activity for which you are or may reasonably become suited by training, education and experience.

You must be under the care of a legally qualified physician to be considered disabled, and from time to time you will need to prove to the insurance company's satisfaction, by medical evidence, that your disability still qualifies you for benefits.

### **iii) Amount of Benefits**

60% of the monthly rate of your basic earnings reduced by:

Workmen's Compensation

Primary Canada Pension Plan payments at the time of initial LTD benefit calculation

Federal, provincial or local disability benefit payments

Other disability benefits under any employer's plan

Income you earn through any employment

### **iv) Duration of Benefits**

Your LTD benefits will continue as long as you meet the disability requirements but no longer than:

coverage extended to age 65 regardless of service

## GENERAL PROVISIONS

- i) if you are on layoff or leave of absence for up to one year, you may keep this plan in force by continuing to pay your monthly premium. Otherwise, your coverage will terminate at the end of the month in which your contributions stop. For reinstatement in the plan, the insurance company would require satisfactory evidence of insurability from the employee and his eligible dependents.
- ii) LTD payments will not reduce the amount of life insurance in force just prior to the start of LTD benefits. Such insurance will remain in force for so long as eligibility to LTD benefits continues, but not beyond age 65.
- iii) All life insurance coverage will stop at the end of the month in which you leave Frito-Lay Canada, but if you die within the following 31 days, the full amount will be paid. Also during this 31 day period, you may convert all or part of your life insurance without medical examination, to an individual life insurance policy. This individual policy will be issued at the insurance company's regular rates.
- iv) When you die from any cause, the full amount of your Frito-Lay Canada life insurance then in force will be payable to the beneficiary you name. You may specify that payment be made in a lump sum or in monthly installments, or you may allow your beneficiary to make the choice. **You** may change the beneficiary designation at any time in the manner provided by the Plan, subject to applicable provincial law. Spouse means the person designated by the employee in such form and manner required by the company from time to time provided that if such person be not the lawful spouse of the employee at the time of such designation, the employee must establish to the satisfaction of the company that such person of the opposite sex has been residing with him for a continuous period of at least three (3) years immediately preceding the time of such election. The beneficiary for the dependent insurance coverage will be the employee in all cases.
- v) Status of benefit plans while employee is receiving LTD payments:

Accidental Death and Dismemberment, Medical and Dental plans remain in force as long as premiums are remitted by the employee at \$24 per month.

Employee life insurance coverage will remain in force.

Dependent's life insurance coverage may continue providing the employee remits the monthly premium, otherwise coverage will terminate at the end of the month in which such employee contribution stops.

Non-occupational Accident and Sickness Disability Plan will not be in effect during the LTD period. However, if the employee returns to work (and LTD payments thus cease) he may become eligible for benefits again under such plan.

Retirement plan contributions may be made if the employee wishes, if not, employee contributions are suspended and retirement benefits will not accrue during the LTD period.

Seniority will continue to accumulate for as long as LTD benefits are paid, or until the employee retires from the company. Active employment with Frito-Lay Canada will terminate on the date seniority ceases to accumulate.

## **PENSION PLAN**

### **Introduction:**

The Frito-Lay Canada Company Pension Plan for Hourly Plant Employees effective January 1, 1990 was most recently amended and restated as of June 25, 1992.

Benefits provided prior to the effective date to former members of the Kraft General Foods Canada Inc. Retirement Plan for Canadian Hourly Employees are provided under this Plan.

Benefits provided prior to the effective date to former members of the Pension Plan for Union Hourly Employees of Pepsi-Cola Canada Ltd. will continue to be provided separately under that Plan.

The pension plan is designed primarily to provide income after retirement. However, benefits are also payable on death and termination of employment.

### **Eligibility:**

Employees who were previously member of the prior plans (**Kraft** or **Pepsi**) will be considered to have become a member on the date he or she became a member of the prior plan.

Employees who were employed by Kraft or Pepsi on January 1, 1990 but who were not members of any prior plan, will automatically become members on January 1, 1990.

Employees hired after January 1, 1990 will become members as follows:

A full-time employee shall become a member on the first day of the month next following or coincident with his or her completion of twelve months of continuous service.

### **Contributions:**

Effective January 1, 1993, members shall contribute \$21 per month. Effective January 1, 1996, members shall contribute \$22 per month.

### **Credited Service:**

A member will be credited with a full year of credited service for each calendar year in which he makes full contributions for all months. If a member contributes less than the full amount in a year, credited service will be determined on a pro-rata basis.

"Credited GF Plan Service" means the period of Credited Service as defined by the General Foods Plan.

"Pensionable Service" is the sum of Credited Service and Credited GF Plan Service.

### **Retirement Dates:**

The normal retirement date of a member is the first day of the month next following or coincident with age 65.

A member may retire on the first day of any month on or after his or her 55th birthday.

A member must retire (from the pension plan) no later than December 1st in the year in which the Member attains age 71.

**Amount of Pension:**

**Normal Retirement**

The amount of monthly pension payable on a member's normal retirement date is equal to the member's pensionable service multiplied by the appropriate amount in the following table:

<b><u>Date of Determination</u></b>	<b><u>Monthly Pension"</u></b>
<b>January 1, 2006</b>	<b>\$34.00</b>
<b>January 1, 2007</b>	<b>\$35.00</b>
<b>January 1, 2008</b>	<b>\$36.25</b>

(\*on all credited service at date of retirement)

**Early Retirement:**

For members retiring prior to age 62, the pension determined above will be reduced by 4% for each year the member's early retirement date precedes age 60 and 2% for each year between the ages of 60 and 62.

Pensions are not reduced for early retirement on or after age 62.

In addition to the lifetime benefits described above, a member is entitled to a supplemental benefit equal to \$10 per month per year of pensionable service (maximum 30 years). This supplemental benefit is payable from the member's early retirement date to age 65.

**Normal Form of Benefit:**

If a member does not have a spouse at his or her retirement date, the member's monthly benefit will be payable for life, with the guarantee that if the member dies before 60 monthly payments are made, the remaining payments will be made to the member's beneficiary.

If a member has a spouse at his or her retirement date, the Plan provides that upon the member's death, 60% of the monthly pension will continue to be paid to the spouse as long as the spouse is alive. The initial monthly pension will automatically be reduced 10% to provide this benefit unless prior to retirement the member and the member's spouse choose to opt out by submitting a Spouse Pension Waiver which requires the witnessed signature of the member's spouse. Should the member's spouse pre-decease the member, the monthly payments, beginning with the first one due after the spouse's death; will not be reduced by the 10% set out above.

**Termination of Employment:**

**For Benefits Earned Prior to January 1, 1987**

A member who has at least 10 years of Continuous Service or has attained age 55 will be entitled to his or her monthly pension benefit payable at the member's Normal Retirement Date.

For a member who is not yet age 55 and has less than 10 years of Continuous Service, the benefit payable is a refund of the member's Required Contributions with interest made prior to January 1, 1987.

**For Benefits Earned After December 31, 1986**

A member who has completed at least two years of Continuous Service since becoming a member of the Plan will be entitled to his or her monthly benefit payable at the member's Normal Retirement Date.

A member who has not completed at least two years of Continuous Service since becoming a member of the Plan will be entitled to a refund of contributions with interest made since January 1, 1987.



**Benefits on Death Prior to Retirement:**

*For Benefits Earned Prior to January 1, 1987*

The member is entitled to a refund of contributions with interest made prior to January 1, 1987.

*For Benefits Earned After December 31, 1986*

A member who has completed at least two years of Continuous Service since becoming a member of the Plan will be entitled to his or her monthly benefit payable at the member's Normal Retirement Date.

A member who has not completed at least two years of Continuous Service since becoming a member of the Plan will be entitled to a refund of contributions with interest made since January 1, 1987.

**Disability Benefits:**

During the disability of a member who is receiving benefits under the Company's Long Term Disability Plan, Credited Service shall continue to accrue at the rate in effect immediately prior to the member becoming disabled, provided that the member continues to make any required contributions during such period.

**Excess Contributions**

A member who is entitled to receive benefits, other than a refund of contributions, on death, termination or retirement is also entitled to the following amounts:

*For Service Prior to January 1, 1987*

The amount by which the required contributions with interest made prior to January 1, 1987 exceed the lump sum value of benefits attributable to the same period.

*For Service After December 31, 1986*

The amount by which the required contributions with interest made after December 31, 1986 exceed 50% of the lump sum value of benefits attributable to the same period.

**Additional Information**

1. Benefits earned after December 31, 1986 include improvements to the Plan after that date in respect of service both prior to and after that date.
2. As a result of death or termination, if the member is entitled to a lump sum equivalent of benefits he or she would otherwise be entitled, the member (or member's beneficiary) may direct this lump sum to one of the following:
  - a) another registered pension plan, if the other plan permits;
  - b) a locked-in registered retirement savings plan, or other prescribed vehicle; or
  - c) an insurance company for the purchase of a life annuity.

This booklet summarizes the main provisions of the Pension Plan. Complete details are contained in the official Plan Text which is available to you upon request.

**LETTERS OF UNDERSTANDING**

**BETWEEN**

**FRITO-LAY CANADA**

**CAMBRIDGE, ONTARIO**

**AND**

**THE UNITED STEEL, PAPER AND FORESTRY,  
RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND  
SERVICE WORKERS INTERNATIONAL UNION (UNITED STEELWORKERS)  
ON BEHALF OF ITS LOCAL 4610**

**2006 - 2009**

**LETTER OF UNDERSTANDING**

**RE: GROUP RRSP CONTRIBUTION**

The Cambridge Plant employees, after the date of ratification, will be eligible to participate in the Group RRSP Program offered by the Company. Participation will be voluntary, and employees will be able to contribute set amounts directly into the RSP by payroll deduction. Information on the Program and its requirements will be made available to all employees by the Human Resources Department.

This Letter of Understanding **is** in effect during the life of this agreement and must be renewed upon its expiry.

**Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.**

FOR THE *COMPANY*

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**LETTER OF UNDERSTANDING**

**RE: SCHEDULING MAINTENANCE OVERTIME**

- Overtime for the Maintenance group will be scheduled as follows:

Overtime for Monday through Friday Shift

- Employees working on the Monday through Friday schedule will have the first opportunity for overtime on Thursday, Friday, Saturday and Sunday in accordance with Article 16.08.
- In the event the full eight (8) hour shift cannot be covered, the entire eight (8) hours will be offered to a 4A/4B maintenance employee.

Overtime for 4A/4B Shift

- Employees working on the 4A/4B shift will have the first opportunity for overtime on Monday, Tuesday, and Wednesday of any given week in accordance with Article 16.08.
- In the event the full eight (8) hour shift cannot be covered, the hours still available will be offered to Monday through Friday maintenance employees.

If the eight (8) hour shift cannot be covered it will be management's discretion whether any overtime is needed and how the overtime hours will be filled.

**Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.**

FOR THE COMPANY

FOR THE UNION

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**LETTER OF UNDERSTANDING**

**RE:**

**APPENDIX "A"**

It is understood:

The Company will negotiate any proposed wage rate changes with the Union. The Union will not unreasonably withhold consent to any proposed increase.

This Letter of Understanding is in effect during the life of this agreement and must be renewed upon its expiry.

**Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.**

FOR THE COMPANY

FOR THE UNION

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# LETTER OF UNDERSTANDING

## **RE: Staff & Part Time & Temporary Agency E**

### **Temporary Agency Employees (with the exclusion of Students and Part -Time employees)**

The Company will compensate up to a maximum of forty (40) hours on a one for one basis those full time employees that are not able to complete forty (40) hours in any given week in which temporary agency employees employed through an agency are employed doing bargaining unit work. Those full time employees that volunteer for a lay-off are exempted from this provision.

### **Part-Time and Temporary Agency Employees**

The Plant workforce will not consist of more than 20% of Part-Time or Temporary Agency Employees excluding students.

### **The following criteria will apply to Part Time employees:**

Part time employees will become part of the bargaining unit. These employees will be subject to the same probationary requirements as full-time employees as per Article 8.02 of the Collective Agreement. This probationary period will commence for all current part-time employees upon ratification of this Collective Agreement,

These employees will not be regularly employed for more than twenty-four (24) hours per week.

The following provisions will apply to all **Part** Time employees:

- a) For vacation purposes, these employees will be eligible for vacation with pay in Accordance with the Ontario Employment Standards Act and not in accordance with the provisions in Article 9 of the Collective Agreement.
- b) These employees will be eligible for Statutory Holidays in accordance with the Ontario Employment Standards Act and are not eligible for those Paid Holiday provisions in Article 10 of the Collective Agreement.
- c) Seniority Provisions as per Article 8 of the Collective Agreement will not apply to Part-Time employees.
- d) These employees are not eligible for any Company Benefits listed in Appendix "B" or any other Company sponsored benefit program or plan.
- e) The rate of pay for part-time employees will be that of the General Labourer and will be paid as per the applicable probationary provisions in Article 21.05.
- f) These employees will be eligible for uniform and safety shoe allowances **as** per Article 21.02 and 14.07 of the Collective Agreement.
- g) The provisions of Article 7 and Article 14 of the Collective Agreement will apply.

All other Articles in the Collective Agreement that are not referenced above are not applicable to Part-time employees.

This Letter of Understanding *is* in effect during the life of this agreement and must be renewed upon its expiry.

**Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.**

**FOR THE COMPANY**

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**FOR THE UNION**

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## LETTER OF UNDERSTANDING

### Re: Continuous Operations

In order to meet its business needs, the Company has the ability to implement the following schedules:

#### AWWS

The Company has the right to schedule up to **25%** of the total number of employees in the bargaining unit on five (**5**) day work weeks other than Monday through Friday.

#### 4C

In addition, the Company has the right to schedule an unlimited number of employees on work weeks other than Monday through Friday that include Saturday and Sunday, consisting of three (3) consecutive days of twelve (**12**) hours each. Employees on this shift shall receive a differential of ~~\$2.00~~ per hour for all hours worked. Employees on these schedules are not considered to be part of the **25%** AWWS cap detailed in Paragraph **2** above, and are in addition to that **25%** number.

#### Flex Demand Schedule

In addition to the above, the Company has the ability to schedule an unlimited number of employees on Flex Demand Schedules to be used during peak seasons. These employees will normally be scheduled on Monday to Friday work weeks. During peak seasons, these employees may be transferred to any other work week outlined in this letter of understanding or in the collective bargaining agreement. Employees on these schedules are not considered to be part of the **25%** AWWS cap detailed in Paragraph **2** above, and are in addition to that **25%** number.

Any employee on this schedule will receive a differential of **\$1.00** per hour for all hours worked added to his/her current rate of pay *only when they flex to a schedule other than Monday to Friday.*

When employees transition during peak seasons in and out of Flex Demand Schedules, the Company will provide these employees with a minimum of two (**2**) weeks notice of change to their work schedule.

Peak seasons are defined as mid-April through Labour Day (**1<sup>st</sup>** Monday in September) and November **1<sup>st</sup>** through mid-January.

#### Filling of Positions

All of the positions will be filled using the shift bidding process as outlined in Article **19** of the Collective Agreement.

For Flex Demand Schedules only, should the Company need to fill positions outside of the shift bidding process, the job posting procedure as outlined in Article **18** shall be used first. If there are still positions to be filled, the following procedure will be utilized

Employees with a seniority date after April **15**, 2000 shall be assigned in the following order:

- a) Probationary employees
- b) External hires (if required)\*
- c) Replacement employees
- d) Lowest seniority

\*External hires will be utilized if we do not have sufficient internal headcount to fill the open positions.

**Grandfathering**

All current full-time employees who were on a Monday to Friday shift schedule as of April 15<sup>th</sup>, 2000, will not be forced to move to any Alternate Work Week Schedule (AWWS), Flex Demand Schedule, or 4C Schedule but will have the opportunity to bid to any of these new shift schedules if they so choose.

Should a layoff occur and the layoff originates in an alternate work week department\*, any employee in that department\*, on a Monday to Friday schedule, will be guaranteed forty (40) hours of scheduled or available work on the same day and same shift.

This forty (40) hour guarantee of scheduled or available work will be provided to that number of employees equal to the number of AWWS employees who are scheduled to work in that department\*, on the following Saturday or Sunday. This will apply provided the Monday to Friday employee who is laid off has higher seniority than the AWWS employee who works the following Saturday or Sunday. This guaranteed, forty (40) hour minimum will not apply under the following circumstances.

- Mechanical breakdowns
- Raw materials supply
- Plant shutdown
- In departments where no AWWS exists
- Voluntary Layoff (1 volunteer will reduce the number of employees scheduled to a minimum of forty (40) hours by 1)
- Where alternate work week employees are laid off on a Saturday and Sunday

\* For purposes of this Letter of Understanding, "department" is defined as any one of the following:

- Corn
- Extruded
- PC
- Warehouse

This Letter of Understanding is in effect during the life of this agreement and must be renewed upon its expiry. Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.

FOR THE COMPANY

FOR THE UNION

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LETTER OF UNDERSTANDING

Re: Vacation with Pay

For 2006, all employees by classification and seniority will be called in to the Crewing Coordinator's office immediately following the completion of shift bid to select their vacation weeks for the period between \_\_\_\_\_, 2006 and the last full week of December 2006. Any employee who for whatever reason does not supply his vacation request to his Crewing Coordinator within 21 days of the commencement of vacation selection process, shall forfeit his right to apply seniority to the vacation appealing process and shall receive vacations in times not already allocated, on a first come first serve basis. Any employee not available during the 21 days of vacation scheduling can make their request prior to the commencement of the vacation selection process in writing to the Crewing Coordinator.

Selection of vacations shall be done in accordance with Article 9.06.

Vacation requests for time prior to the vacation selection deadline will be scheduled on a seniority basis within departments and job classifications, by shift (including replacements), subject to the provisions of Article 9.05.

Completed vacation schedules will be posted no later than 31 days after the commencement of the Vacation selection process.. Vacation grievances must be settled within 15 days of this posting.

Any statutory holidays not taken by the end of November 2006 will be automatically paid.

All provisions of Article 9 are applicable to this Letter of Understanding except for Article 9.04.

In the final year of this agreement, vacation scheduling will be postponed until the ratification of a new agreement and following the shift bidding process.

Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.

FOR THE COMPANY

FOR THE UNION

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LETTER OF UNDERSTANDING

Re: Meetings

The Company will have the ability to schedule employees to a weekly meeting, three (3) out of four (4) weeks each period. Such meetings will be scheduled before or after the shift and will be one hour in length. These meetings will be an extension of the shift, and will be considered part of the regular work day. Employees who are not scheduled to work on the day of the meeting are not required to attend the weekly meeting.

Such meetings will not be used for production purposes.

Each team will vote on whether their meeting will occur before or after the shift. Special consideration will be given to individuals who have conflicts until July 1, 2006. Until July 1, 2006, the Company will make every reasonable effort to accommodate individuals by scheduling them to attend other team meetings, After July 1, 2006, employees will be expected to attend the scheduled team meeting for their shift.

The Company will provide 48 hours notice of cancellation to employees. Should the Company fail to provide the proper notice, employees will be compensated at the applicable rate of pay.

Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.

FOR **THE** COMPANY

FOR **THE** UNION

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**LETTER OF UNDERSTANDING**

**Re: Training of Employees**

It is acknowledged that the company has the ability to train its employees to meet business needs. The Company will not lay off senior employees that have not been trained prior to bringing in junior employees for training.

However, if senior employees who have completed the training are laid off, the Company may bring in junior employees, outside of seniority, to complete their required training.

**Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.**

FOR THE COMPANY

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**LETTER OF UNDERSTANDING**

**Re: Leaves of Absence for Arbitration**

It is understood:

The Union will provide the Company with reasonable notice with respect to those employees being subpoenaed or requested to appear as witnesses for the Union at any arbitration hearing.

It is understood that the following Union representatives and the grievor(s) will be in attendance at all arbitration hearings:

Unit President  
Unit Chief Steward  
Steward Representing the Grievor

In the event that one of the above Union Representatives will not be attending or will be sending a designate in their place, the Union will provide the Company with reasonable notice of such.

This Letter of Understanding is in effect during the life of this agreement and must be renewed upon its expiry.

**Signed this 31<sup>st</sup> day of January 2006 at Cambridge, Ontario.**

FOR THE COMPANY

FOR THE UNION

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